Biosolids Digester Facilities Project

California Environmental Quality Act Findings: Findings of Fact, Evaluation of Mitigation Measures and Alternatives

San Francisco Public Utilities Commission

In determining to approve the Biosolids Digester Facilities Project ("BDFP" or "Project") described in Section I, Project Description, below, the San Francisco Public Utilities Commission ("SFPUC" or "Commission") makes and adopts the following findings of fact and decisions regarding mitigation measures and alternatives, based on substantial evidence in the whole record of this proceeding and under the California Environmental Quality Act ("CEQA"), California Public Resources Code Sections 21000 et seq., particularly Sections 21081 and 21081.5, the Guidelines for Implementation of CEQA ("CEQA Guidelines"), 14 California Code of Regulations Sections 15000 et seq., particularly Sections 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code.

This document is organized as follows:

Section I provides a description of the Project proposed for adoption, the environmental review process for the Project Environmental Impact Report (the "Final EIR" or "EIR"), Planning Department Case No., 2015-000644ENV, State Clearinghouse No. 2015062073, the approval actions to be taken and the location of records;

Section II identifies the impacts found not to be significant that do not require mitigation;

Section III identifies potentially significant impacts that can be avoided or reduced to less-than-significant levels through mitigation and describes the disposition of the mitigation measures;

Section IV identifies significant impacts that cannot be avoided or reduced to less-than-significant levels and describes any applicable mitigation measures as well as the disposition of the mitigation measures; and

Section V evaluates the different Project alternatives and the economic, legal, social, technological and other considerations that support approval of the Project and the rejection of alternatives, or elements thereof, analyzed.

Section VI presents a statement of overriding considerations setting forth specific reasons in support of the Commission's actions and rejection of alternatives not incorporated into the Project.

The Mitigation Monitoring and Reporting Program ("MMRP") for the mitigation measures that have been proposed for adoption is attached with these findings as Attachment B to Resolution

No. _____ . The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. Attachment B provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report for the Project ("Final EIR") that is required to reduce or avoid a significant adverse impact. Attachment B also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in Attachment B.

These findings are based upon substantial evidence in the entire record before the Commission. The references set forth in these findings to certain pages or sections of the Draft Environmental Impact Report ("Draft EIR" or "DEIR") or the Responses to Comments document in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

I. Approval of the Project

A. Project Description

By this action, the SFPUC adopts and implements the BDFP identified in the Final EIR. The Project as adopted by the Commission is described in detail in the Draft EIR at pages 2-1 through 2-69. A summary of the key components of the Project follows.

The proposed project would replace the outdated existing solids treatment facilities with more reliable, efficient, and modern technologies and facilities. Biosolids are the recyclable solid materials removed from wastewater during the treatment process, and digesters are the major facility used in the solid treatment process. Many of the existing Southeast Water Pollution Control Plant (“Southeast Plant” or “SEP”) solids treatment facilities are over 60 years old, require significant maintenance, and are operating well beyond their useful life.

The project facilities would be situated on portions of the SEP located at 750 Phelps Street and 1700 Jerrold Avenue, and two adjacent properties at 1800 Jerrold Avenue (Central Shops site) and 1801 Jerrold Avenue (Asphalt Plant site). The project site encompasses approximately 562,000 square feet (12.9 acres).

Specifically, the Project adopted by the SFPUC includes the following components:

- Replace and relocate the solids processing treatment processes with new processes and new facilities;
- Replace the 10 existing digesters (1.8-million gallons each) with five (5) digesters (1.66 million gallons each), and place the new digesters further away from residential uses;
- Upgrade the solids treatment process such that quality of the biosolids produced by the SEP would achieve Class A biosolids, which contains no detectable levels of pathogens and do not attract vectors such as flies, mosquitoes and other potential disease-carrying organisms;

- Install odor control facility to collect and treat odors from solids handling and energy recovery facilities, thereby limit odors from biosolids facilities to within revised SEP site boundaries;

- Reuse 100 percent of the digester gas generated by the proposed solids processing facilities to produce energy for heating and power uses at the SEP; increase digester gas production from 1.3 million cubic feet/day (cfd) to 2 million cfd;

- Increase the annual average electricity generation from up to 2 megawatt (MW) to up to 5.2 MW;

- Install support facilities such as buildings for operations and maintenance staff, and ancillary piping and electrical facilities; and

- Make changes to vehicular circulation and access, landscaping, and architectural improvements.

The BDFP would require construction of new structures on approximately 206,000 square feet of the project site and excavation in certain areas to a maximum depth of about 41 feet below grade. The height of new structures would be up to 65 feet above grade.[1] To accommodate the proposed facilities, a number of existing structures within the project site would be demolished. This includes the Central Shops buildings and existing SEP facilities within the SEP boundaries of the project site totaling about 136,000 square feet.

Project construction would require five years to complete, from 2018 through 2023. During the construction period, the SFPUC would operate and maintain the existing solids treatment facilities to ensure no interruption of service and ongoing compliance with applicable regulatory permits. To maintain a safe construction work area, the Project includes a temporary closure of approximately two blocks of Jerrold Avenue to public through traffic (starting at the Caltrain right-of-way and up to the SEP entrance on Jerrold Avenue west of Phelps Street) during the five-year project construction period.

Construction would require temporary use of other off-site locations for staging including construction employee parking during the five-year construction period. The BDFP would require up to 12 acres for off-site construction staging at one or more sites, in addition to areas within the project site itself. Potential staging areas include the segments of Quint Street and Jerrold Avenue that would be closed during construction, the Southeast Greenhouses site and the 1550 Evans Avenue site if they are available for use (both owned by SFPUC), and portions of Piers 94 and 96 and the Pier 94 Backlands (administered by the Port of San Francisco and available for lease).For most of the project construction period, construction activities at the project site would occur Monday through Friday from 7:00 a.m. to 3:30 p.m., with some activities extending to 8:00 p.m. as needed. Construction could also occur on Saturdays and Sundays when needed. Work would

[1] Heights listed exclude mechanical penthouses, catwalks, and similar accessory structures that qualify for exemption from the 65-foot height limit for the project site pursuant to Section 260(b) of the San Francisco Planning Code.

occur on holidays and 24 hours per day only if needed for critical facility connections. Pile driving would generally occur between 7:00 a.m. and 3:30 p.m., Monday to Friday, and at times until 8:00 p.m. consistent with the City's Noise Ordinance. During the peak of construction, a period of approximately one year, and other times during critical functions, construction would occur in two shifts per day if needed: Monday through Saturday from 7:00 a.m. to 3:30 p.m. and from 2:30 p.m. to 11:00 p.m. Nighttime work (after 8:00 p.m.) would be limited to interior facility work and outside work with minimal noise. The size of the construction work force would vary over the five-year construction period, averaging about 333 workers per day and ranging from about 133 to 550 workers per day.

Proposed long-term improvements to Jerrold Avenue would occur in accordance with San Francisco Better Streets Plan guidelines and could include traffic calming measures, curb extensions (road narrowing), sidewalk improvements, lighting, street trees, and safer pedestrian and worker crossings.

The project would also include a new entrance at Rankin Street to facilitate the movement of truck traffic to and from the proposed facilities. Two entrances (as well as emergency access gates) on either side of Jerrold Avenue and one entrance on Quint Street are also proposed. The project would include redesign of on-site vehicular circulation within the SEP boundaries to accommodate the new entrances, exits, and facility layout.

B. Project Objectives

The overall goal of the BDFP is to replace the existing aged and unreliable solids processing facilities at the SEP with new, modern, and efficient facilities to ensure the long-term sustainability of the SEP wastewater treatment system. The specific BDFP objectives are as follows:

- Replace the existing solids treatment facilities at the SEP with new infrastructure with modern and more efficient treatment technologies to protect public health and safety and provide continued regulatory compliance;
- Maximize the efficiency of the current treatment process operations and maintenance, staffing resources, and the use of existing SFPUC infrastructure;
- Reliably meet treatment capacity for projected 2045 flows and loads associated with projected population growth;
- Beneficially use 100 percent of biosolids generated;
- Beneficially use 100 percent of digester gas generated;
- Build critical processes with redundant infrastructure to provide reliability and operational flexibility;
- Improve seismic reliability;
- Limit noticeable odors from BDFP facilities to the SEP property boundary;

- Provide visual improvements that promote a cohesive architectural design and identity at the BDFP site, enhance the overall aesthetics, and improve the public edges in a manner consistent with the surrounding neighborhood and the rest of the SEP;
- Design and site new facilities to accommodate or adapt to expected sea level rise over their expected life;
- Allow for timely construction of the proposed BDFP; and
- Maintain rate payer affordability.

C. Environmental Review

Biosolids Digester Facilities Project Environmental Impact Report

In accordance with Sections 15063 and 15082 of the CEQA Guidelines, the Environmental Planning ("EP") staff of the San Francisco Planning Department, as lead agency, prepared a Notice of Preparation ("NOP") and conducted a scoping meeting for the Project EIR. The San Francisco Planning Department released the NOP on June 24, 2015, held a scoping meeting on July 16, 2015 at the Southeast Community Facility, 1800 Oakdale Avenue in San Francisco, and accepted written comments on the NOP through July 27, 2015.

EP distributed the NOP to the State Clearinghouse, and mailed notices of the availability of the NOP to over 1,540 interested parties, including property owners and tenants within 300 feet of the proposed Project. The scoping meeting was noticed in local newspapers through the San Francisco Neighborhood Newspaper Association, including El Tecolote, a Spanish/ English publication and in Sing Tao (published in Chinese). Approximately 22 people attended the meeting.

The San Francisco Planning Department received 17 verbal comments at the scoping meeting and three written comment letters/email. The comments are included in the Scoping Report in Appendix NOP of the EIR.

The San Francisco Planning Department then prepared the Draft EIR, which described the Project and the environmental setting, identified potential impacts, presented mitigation measures for impacts found to be significant or potentially significant, and evaluated Project alternatives. The Draft EIR analyzed the impacts associated with each of the key components of the Project, and identified mitigation measures applicable to reduce impacts found to be significant or potentially significant for each key component. It also included an analysis of three alternatives to the Project. In assessing construction and operational impacts of the Project, the EIR considered the impacts of the Project as well as the cumulative impacts associated with the proposed Project in combination with other past, present, and reasonably foreseeable future actions that could affect the same resources.

Each environmental issue presented in the Draft EIR was analyzed with respect to significance criteria that are based on EP guidance regarding the environmental effects to be considered

significant. EP guidance is, in turn, based on CEQA Guidelines Appendix G, with some modifications.

The Draft EIR was circulated for public comment on May 3, 2017 for a 47-day comment period, which closed at 5:00pm on June 19, 2017. The San Francisco Planning Commission held a public hearing on the Draft EIR to accept written or oral comments at San Francisco City Hall on June 1, 2017. During the public review period, the Planning Department received written comments sent through the mail, fax, or email. A court reporter was present at the public hearing, transcribed the public hearing verbatim, and prepared a written transcript.

The Planning Department then prepared the Responses to Comments document, which provided written responses to each comment received on the Draft EIR. The Responses to Comments document was published on February 23, 2018 and included copies of all of the comments received on the Draft EIR and responses to those comments. The Responses to Comments provided additional, updated information and clarification on issues raised by commenters, as well as SFPUC and Planning Department staff-initiated text changes to address Project updates. The Final EIR provided augmented and updated information presented in the Draft EIR, on the following topics: project description, aesthetics, cultural resources, transportation, air quality, cultural resources, sea level rise, hazardous materials, cumulative projects, and alternatives. Other topics covered which are not part of the CEQA process include project merits, socioeconomics, community benefits, and environmental justice. This augmentation and update of information in the Draft EIR did not constitute new information or significance that altered any of the conclusions of the EIR. The Planning Commission reviewed and considered the Final EIR, which includes the Draft EIR and the Responses to Comments document, and all of the supporting information.

In certifying the Final EIR, the Planning Commission determined that none of the factors that would necessitate recirculation of the Final EIR under CEQA Guidelines Section 15088.5 are present. Specifically, the Final EIR contains no information revealing (1) any new significant environmental impact that would result from the Project or from a new mitigation measure proposed to be implemented, (2) any substantial increase in the severity of a previously identified environmental impact, (3) any feasible Project alternative or mitigation measure considerably different from others previously analyzed that would clearly lessen the environmental impacts of the Project, but that was rejected by the Project's proponents, or (4) that the Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded. This Commission concurs in that determination.

The Commission finds that the Project is within the scope of the Project analyzed in the Final EIR and the Final EIR fully analyzed the Project proposed for approval. No new impacts have been identified that were not analyzed in the Final EIR.

D. Approval Actions

Under San Francisco's Administrative Code Chapter 31 procedures, the San Francisco Planning Commission certifies the Final EIR as complete and all approving bodies subject to CEQA adopt CEQA findings at the time of the approval actions. Anticipated approval actions are listed below.

1. San Francisco Public Utilities Commission

The SFPUC is taking the following actions and approvals to implement the Project:

- Adopts these CEQA findings and the attached Mitigation Monitoring and Reporting Program.
- Approves the Project, as described in these findings, and authorizes the General Manager or his designee to obtain necessary permits, consents, agreements and approvals
- Authorizes the General Manager to proceed to implement the Project and proceed with the Construction Phase

2. San Francisco Board of Supervisors Actions

- Considers any appeal of the Planning Commission's certification of the Final EIR.
- Releases appropriated funds for implementation of the Project.

3. Other – Federal, State, and Local Agencies

Implementation of the Project may involve consultation with or required approvals by other local, state, and federal regulatory agencies, including (but not limited to) the following:

- United States Environmental Protection Agency:
  - Consideration for Water Infrastructure Finance and Innovation Act loan and review of environmental review requirements that must be completed to apply for a loan
- State Water Resources Control Board:
  - Construction General Permit and Stormwater Pollution Prevention Plan, if more than one acre of land were disturbed[2]
  - Consideration for Clean Water State Revolving Fund loan and review of environmental review requirements that must be completed to apply for a loan
- State Historic Preservation Officer: Review under Section 106 of the National Historic Preservation Act (as part of the Water Infrastructure Finance and Innovation Act and State Revolving Fund loan application process)
- San Francisco Planning Commission: Certification of the BDFP Final EIR

[2] Applicable to areas that do not drain to the City's combined sewer system; therefore, not applicable to the project site but potentially applicable to the Piers 94 and 96 staging areas.

- San Francisco Public Works (SFPW): Approval of Sidewalk Changes (SFDPW Order) and Street Improvement Permit
- San Francisco Department of Public Health: Approval of Site Mitigation Plan
- San Francisco Board of Supervisors: Approval of Sidewalk Legislation (if needed)
- San Francisco Municipal Transportation Agency: Approval of On-Street Parking Legislation (if needed)
- Bay Area Air Quality Management District: Authority to Construct and Permit to Operate
- San Francisco Port Commission: Approval of use of Pier 94 and Pier 96 for construction staging

To the extent that the identified mitigation measures require consultation or approval by these other agencies, this Commission urges these agencies to assist in implementing, coordinating, or approving the mitigation measures, as appropriate to the particular measure.

E. Contents and Location of Records

The record upon which all findings and determinations related to the Project are based ("Record of Proceedings") includes the following:

- The Draft EIR and all documents referenced in or relied upon by the EIR, including technical memoranda and reports prepared by the Planning Department, the SFPUC, and the EIR consultants and subconsultants. (The references in these findings to the EIR or Final EIR include both the Draft EIR and the Comments and Responses document.)

- All information (including written evidence and testimony) provided by City staff to the SFPUC and Planning Commission relating to the EIR, the Project, and the alternatives set forth in the EIR.

- All information (including written evidence and testimony) presented to the SFPUC and the Planning Commission by the environmental consultant and sub-consultants who prepared the EIR or that was incorporated into reports presented to the SFPUC.

- All information presented at any public hearing or workshop related to the Project and the EIR.

- The Mitigation Monitoring and Reporting Program.

- All other documents available to the SFPUC and the public, comprising the administrative record pursuant to Public Resources Code Section 21167.6(e).

The Commission has relied on all of the information listed above in reaching its decision on the Project, even if not every document was formally presented to the SFPUC. Without exception, these documents fall into one of two categories. Many documents reflect prior planning or legislative decisions that the SFPUC was aware of in approving the Project. Other documents

influenced the expert advice provided to Planning Department staff or consultants, who then provided advice to the SFPUC. For these reasons, such documents form part of the underlying factual basis for the SFPUC's decisions relating to the adoption of the Project.

The public hearing transcript, a copy of all letters regarding the Draft EIR received during the public review period, the administrative record, and background documentation for the Final EIR are available at the San Francisco Planning Department, 1650 Mission Street, San Francisco. **Jonas P. Ionin**, Commission Secretary, is the Custodian of Records for the Planning Department. Materials concerning approval of the Project and adoption of these findings are contained in SFPUC files, **SFPUC Project No. CWWSIPDP01** in the Bureau of Environmental Management, San Francisco Public Utilities Commission, 525 Golden Gate Avenue, San Francisco, California 94102. The Custodian of Records is **Karen Frye.** All files have been made available to the SFPUC and the public for review in considering these findings and whether to approve the Project.

F. Findings about Significant Environmental Impacts and Mitigation Measures

The following Sections II, III, and IV set forth the SFPUC's findings about the Final EIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the SFPUC regarding the environmental impacts of the Project and the mitigation measures included as part of the Final EIR and adopted by the SFPUC as part of the Project. To avoid duplication and redundancy, and because the SFPUC agrees with, and hereby adopts, the conclusions in the Final EIR, these findings will not repeat the analysis and conclusions in the Final EIR but instead incorporate them by reference and rely upon them as substantial evidence supporting these findings.

In making these findings, the SFPUC has considered the opinions of SFPUC staff and experts, other agencies, and members of the public. The SFPUC finds that (i) the determination of significance thresholds is a judgment decision within the discretion of the City and County of San Francisco; (ii) the significance thresholds used in the EIR are supported by substantial evidence in the record, including the expert opinion of the EIR preparers and City staff; and (iii) the significance thresholds used in the EIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project. Thus, although, as a legal matter, the SFPUC is not bound by the significance determinations in the EIR (see Public Resources Code, Section 21082.2, subdivision (e)), the SFPUC finds them persuasive and hereby adopts them as its own.

These findings do not attempt to describe the full analysis of each environmental impact contained in the Final EIR. Instead, a full explanation of these environmental findings and conclusions can be found in the Final EIR, and these findings hereby incorporate by reference the discussion and analysis in the Final EIR supporting the determination regarding the project impact and mitigation measures designed to address those impacts. In making these findings, the SFPUC ratifies, adopts and incorporates in these findings the determinations and conclusions of

the Final EIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

As set forth below, the SFPUC adopts and incorporates all of the mitigation measures set forth in the Final EIR and the attached MMRP to substantially lessen or avoid the potentially significant and significant impacts of the Project. Accordingly, in the event a mitigation measure recommended in the Final EIR has inadvertently been omitted in these findings or the MMRP, such mitigation measure is hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measures in the Final EIR due to a clerical error, the language of the policies and implementation measures as set forth in the Final EIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the Final EIR.

In Sections II, III and IV below, the same findings are made for a category of environmental impacts and mitigation measures. Rather than repeat the identical finding dozens of times to address each and every significant effect and mitigation measure, the initial finding obviates the need for such repetition because in no instance is the SFPUC rejecting the conclusions of the Final EIR or the mitigation measures recommended in the Final EIR for the Project.

II. Impacts Found Not To Be Significant and Thus Do Not Require Mitigation

Under CEQA, no mitigation measures are required for impacts that are less than significant (Public Resources Code, Section 21002; CEQA Guidelines, Sections 15126.4, subdivision (a)(3), 15091). Based on the evidence in the whole record of this proceeding, the SFPUC finds that the implementation of the Project will result in no impacts in the following areas: project-level impacts to recreation and agriculture and forest resources. These subjects are not further discussed in these findings.

The SFPUC further finds that implementation of the Project will not result in any significant impacts in the following areas and that these impact areas therefore do not require mitigation:

Land Use

- **Impact LU-1:** The project would not physically divide an established community. (DEIR Section 4.2.3.3, Page 4.2-7 to 4.2-8)

- **Impact LU-2:** The project would not conflict with land use plans and policies adopted for the purpose of avoiding or mitigating an environmental effect. (DEIR Section 4.2.3.3, Page 4.2-8)

- **Impact C-LU-1:** The project, in combination with past, present, and probable future projects, would not physically divide an established community, nor would it conflict with applicable land use plans and policies adopted for the purpose of avoiding or mitigating an environmental effect. (DEIR Section 4.2.3.3, Pages 4.2-9 to 4.2-10)

Aesthetics

- **Impact AE-1:** Project construction would not substantially degrade the existing visual character of the site or its surroundings or damage scenic resources. (DEIR Section 4.3.3.3, Pages 4.3-20 to 4.3-22)

- **Impact AE-2:** Project construction would not create a substantial new source of light or glare that could adversely affect nighttime views in the area, or could substantially impact other people or properties. (DEIR Section 4.3.3.3, Page 4.3-22)

- **Impact AE-3:** Project operation would not substantially degrade the existing visual character of the site or its surroundings or damage scenic resources. (DEIR Section 4.3.3.3, Pages 4.3-23 to 4.3-28)

- **Impact AE-4:** Project operation would not create a substantial new source of light or glare that could adversely affect day or nighttime views in the area, or substantially impact other people or properties. (DEIR Section 4.3.3.3, Pages 4.3-29 to 4.3-30)

- **Impact C-AE-1:** Implementation of the BDFP, in combination with past, present, and probable future projects in the vicinity, would not substantially degrade the existing visual character of the site or its surroundings or damage scenic resources. (DEIR Section 4.3.3.3, Pages 4.3-30 to 4.3-31)

- **Impact C-AE-2:** Implementation of the BDFP, in combination with past, present, and probable future projects in the vicinity, would not contribute considerably to substantial new sources of light or glare that could adversely affect nighttime views in the area, or could substantially impact other people or properties. (DEIR Section 4.3.3.3, Pages 4.3-31 to 4.3-32)

Population and Housing

- **Impact PH-1:** Construction of the BDFP would not directly or indirectly induce substantial population growth in the area or create demand for additional housing. (DEIR Section 4.4.3.3, Pages 4.4-6 to 4.4-7)

- **Impact PH-2:** Operation of the BDFP would not directly or indirectly induce substantial population growth in the area or create demand for additional housing. (DEIR Section 4.4.3.3, Pages 4.4-7 to 4.4-8)

- **Impact C-PH-1:** The project, in combination with past, present, and probable future projects, would not directly or indirectly induce substantial population growth or create demand for additional housing. (DEIR Section 4.4.3.3, Pages 4.4-8 to 4.4-9)

Transportation and Circulation

- **Impact TR-1:** Project construction would not result in substantial interference with pedestrian, bicycle, or vehicle circulation and accessibility to adjoining areas, and would not result in potentially hazardous conditions. (DEIR Section 4.6.3.3, Pages 4.6-35 to 4.6-46)

- **Impact TR-2:** Project construction would not result in inadequate emergency vehicle access. (DEIR Section 4.6.3.3, Pages 4.6-46 to 4.6-47)

- **Impact TR-3:** Project operations and maintenance activities would not cause substantial additional vehicle miles traveled (VMT), substantially induce automobile travel, or cause or worsen traffic safety hazards. (DEIR Section 4.6.3.3, Pages 4.6-47 to 4.6-50)

- **Impact C-TR-1:** Construction of the project, in combination with past, present, and probable future projects, would not result in significant transportation impacts. (DEIR Section 4.6.3.3, Pages 4.6-52 to 4.6-58)

- **Impact C-TR-2:** Project operations and maintenance activities, in combination with past, present, and probable future projects, would not result in significant transportation impacts. (DEIR Section 4.6.3.3, Pages 4.6-58 to 4.6-61)

Noise and Vibration

- **Impact NO-2:** Construction of the project would not expose structures or persons to excessive groundborne vibration levels. (DEIR Section 4.7.3.3, Pages 4.7-33 to 4.7-35)

- **Impact NO-3:** Operation of the project would not result in a substantial permanent increase in ambient noise levels in the project vicinity and permanently expose persons to noise levels in excess of standards in the Noise Ordinance (Article 29 of the Police Code). (DEIR Section 4.7.3.3, Pages 4.7-35 to 4.7-39)

- **Impact NO-4:** The project would not result in substantial permanent increases in traffic-related ambient noise levels in the project vicinity. (DEIR Section 4.7.3.3, Page 4.7-39)

- **Impact NO-5:** Operation of the project would not expose any people or off-site structures to excessive groundborne vibration levels. (DEIR Section 4.7.3.3, Page 4.7-40)

- **Impact C-NO-2:** Operation of the project when considered with other cumulative development would not cause a substantial permanent increase in ambient noise levels or result in excessive groundborne vibration levels in the project vicinity. (DEIR Section 4.7.3.3, Pages 4.7-44 to 4.7-46)

Air Quality

- **Impact AQ-2:** During project operations, net changes in criteria air pollutant emissions would not result in any new violations of air quality standards, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (DEIR Section 4.8.3.3, Pages 4.8-51 to 4.8-54 and Response to Comments (RTC) Section 10.6, page 10.6-20)

- **Impact AQ-3:** : Construction and operation of the project would generate toxic air contaminants, including diesel particulate matter, but would not expose sensitive receptors to substantial air pollutant concentrations or result in a cumulatively considerable net increase in health risks or hazards. (DEIR Section 4.8.3.3, Pages 4.8-55 to 4.8-62)

- **Impact AQ-5:** Construction and operation of the BDFP facilities would not create objectionable odors that would affect a substantial number of people. (DEIR Section 4.8.3.3, Pages 4.8-66 to 4.8-70)

- **Impact C-AQ-1b:** Operation of the project, in combination with other past, present, and probable future projects, would not result in a cumulatively considerable net increase in criteria air pollutants nor contribute to cumulative regional air quality impacts. (DEIR Section 4.8.3.3, Page 4.8-71)

- **Impact C-AQ-2:** Construction and operation of the project, in combination with other past, present, and probable future projects, would generate toxic air contaminants, including diesel particulate matter, but would not expose sensitive receptors to substantial air pollutant concentrations or result in a cumulatively considerable net increase in health risks and hazards. (DEIR Section 4.8.3.3, Pages 4.8-71 to 4.8-75)

- **Impact C-AQ-3:** The project, in combination with past, present, and probable future projects, would not create objectionable odors that would affect a substantial number of people. (DEIR Section 4.8.3.3, Pages 4.8-76 to 4.8-80)

Greenhouse Gas Emissions

- **Impact C-GG-1:** The project would generate greenhouse gas emissions, but not at levels that would result in a significant impact on the environment or conflict with any policy, plan, or regulation adopted for the purpose of reducing greenhouse gas emissions. (DEIR Section 4.9.3.3, Pages 4.9-15 to 4.9-21)

Wind and Shadow

- **Impact WS-1:** The project structures would not alter wind in a manner that would substantially affect public areas. (DEIR Section 4.10.3.3, Pages 4.10-7 to 4.10-8)

- **Impact WS-2:** Project structures would not create new shadow in a manner that would substantially affect outdoor recreation facilities or other public areas. (DEIR Section 4.10.3.3, Pages 4.10-8 to 4.10-9)

- **Impact C-WS-1:** The project, in combination with past, present, and probable future projects, would not substantially contribute to cumulative impacts on wind. (DEIR Section 4.10.3.3, Pages 4.10-9 to 4.10-11)

- **Impact C-WS-2:** The project, in combination with past, present, and probable future projects, would not substantially contribute to cumulative impacts on shadow. (DEIR Section 4.10.3.3, Page 4.10-11)

Utilities and Service Systems

- **Impact UT-1:** Project construction would not result in a determination by the wastewater treatment provider that would serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments. (DEIR Section 4.12.3.3, Pages 4.12-14 to 4.12-15)

- **Impact UT-2:** Project construction would not result in a substantial adverse effect related to landfill capacity. (DEIR Section 4.12.3.3, Pages 4.12-15 to 4.12-16)

- **Impact UT-3:** Project construction would not result in a substantial adverse effect related to compliance with federal, state, or local statutes and regulations related to solid waste. (DEIR Section 4.12.3.3, Pages 4.12-16 to 4.12-17)

- **Impact UT-4:** The City's water supply provider would have sufficient water supply available to serve project operations from existing entitlements and resources, and the project would not require new or expanded water distribution or treatment facilities. (DEIR Section 4.12.3.3, Pages 4.12-17 to 4.12-18)

- **Impact UT-5:** Project operations would be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs. (DEIR Section 4.12.3.3, Pages 4.12-18 to 4.12-19)

- **Impact UT-6:** Project operations would not result in a substantial adverse effect related to compliance with federal, state, or local statutes and regulations related to solid waste. (DEIR Section 4.12.3.3, Page 4.12-20)

- **Impact C-UT-1:** The project, in combination with past, present, and probable future projects, would not result in significant cumulative impacts on utilities and service systems. (DEIR Section 4.12.3.3, Pages 4.12-21 to 4.12-22)

Public Services

- **Impact PS-1:** Construction and operation of the BDFP would not increase demand for public services to an extent that would require new or physically altered governmental facilities in order to maintain acceptable service ratios, response times, or other performance objectives for public services. (DEIR Section 4.13.3.3, Pages 4.13-7 to 4.13-8)

- **Impact C-PS-1:** The project, in combination with past, present, and probable future projects, would not substantially contribute to cumulative impacts related to public services. (DEIR Section 4.13.3.3, Pages 4.13-8 to 4.13-9)

Biological Resources

- **Impact BI-2:** Project construction would not have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act through direct removal, filling, hydrological interruption, or other means. (DEIR Section 4.14.3.3, Page 4.14-20)

- **Impact BI-3:** Construction activities would not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance. (DEIR Section 4.14.3.3, Page 4.14-21)

Geology and Soils

- **Impact GE-1:** The project would not expose people or structures to the risk of loss, injury, or death involving seismic ground shaking or seismically induced ground failure. (DEIR Section 4.15.3.3, Pages 4.15-20 to 4.15-21)

- **Impact GE-2:** The project would not result in substantial erosion. (DEIR Section 4.15.3.3, Page 4.15-22)

- **Impact GE-3:** The project site is not located on a geologic unit or soil that is unstable, and the site would not become unstable as a result of the project. (DEIR Section 4.15.3.3, Pages 4.15-22 to 4.15-24)

- **Impact C-GE-1:** The project, in combination with past, present, and probable future projects, would not substantially contribute to cumulative impacts on geology or soils. (DEIR Section 4.15.3.3, Pages 4.15-26 to 4.15-27)

Hydrology and Water Quality

- **Impact HY-1:** Construction of the project would not violate water quality standards or waste discharge requirements or otherwise substantially degrade water quality. (DEIR Section 4.16.3.3, Pages 4.16-37 to 4.16-41)

- **Impact HY-2:** Construction of the project would not substantially deplete groundwater supplies or interfere with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table. (DEIR Section 4.16.3.3, Pages 4.16-41 to 4.16-42)

- **Impact HY-3:** Construction of the project would not place structures within a 100-year flood zone or expose people or structures to a significant risk of loss, injury, or death involving flooding under current conditions or future conditions resulting from sea level rise. (DEIR Section 4.16.3.3, Pages 4.16-42 to 4.16-43)

- **Impact HY-4:** Construction of the project would not expose people or structures to a significant risk of loss, injury, or death involving inundation by seiche or tsunami. (DEIR Section 4.16.3.3, Pages 4.16-43 to 4.16-44)

- **Impact HY-5:** Operation of the project would not violate water quality standards or waste discharge requirements or otherwise substantially degrade water quality. (DEIR Section 4.16.3.3, Pages 4.16-44 to 4.16-49)

- **Impact HY-6:** Operation of the project would not substantially deplete groundwater supplies or interfere with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table. (DEIR Section 4.16.3.3, Pages 4.16-49 to 4.16-50)

- **Impact HY-7:** Operation of the project would not exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. (DEIR Section 4.16.3.3, Page 4.16-50)

- **Impact HY-8:** Operation of the project would not include the construction of structures that would impede flood flows within an existing 100-year flood zone or 100-year flood zones resulting from sea level rise. (DEIR Section 4.16.3.3, Pages 4.16-51 to 4.16-52)

- **Impact C-HY-1:** The project, in combination with past, present, and probable future projects in the site vicinity, would not result in significant adverse cumulative hydrology impacts. (DEIR Section 4.16.3.3, Pages 4.16-52 to 4.16-53)

- **Impact C-HY-2:** The project, in combination with past, present, and probable future projects in the site vicinity, would not result in significant adverse cumulative water quality impacts. (DEIR Section 4.16.3.3, Page 4.16-54)

Hazards and Hazardous Materials

- **Impact HZ-1:** Project construction and operation would not result in a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. (DEIR Section 4.17.3.3, Pages 4.17-25 to 4.17-26)

- **Impact HZ-2:** Project construction and operation would not result in reasonably foreseeable conditions involving the release of hazardous building materials to the environment. (DEIR Section 4.17.3.3, Pages 4.17-27 to 4.17-28)

- **Impact HZ-3:** Project construction and operation would not release hazardous emissions or handle acutely hazardous materials, substances, or waste within one- quarter mile of an existing or proposed school. (DEIR Section 4.17.3.3, Page 4.17-29)

- **Impact HZ-4:** The project would be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5; however, project construction and operation would not result in a significant hazard to the public or the environment under reasonably foreseeable conditions. (DEIR Section 4.17.3.3, Pages 4.17-29 to 4.17-34)

- **Impact HZ-5:** Project construction and operation would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. (DEIR Section 4.17.3.3, Pages 4.17-34 to 4.17-35)

- **Impact HZ-6:** Project construction and operation would not result in a significant risk of loss, injury, or death involving fire. (DEIR Section 4.17.3.3, Pages 4.17-35 to 4.17-36)

- **Impact C-HZ-1:** The project, in combination with past, present, and probable future projects, would not substantially contribute to cumulative hazards or hazardous materials impacts. (DEIR Section 4.17.3.3, Pages 4.17-36 to 4.17-38)

Mineral and Energy Resources

- **Impact ME-1:** Construction of the project would not result in the use of large amounts of fuel, water, or energy, or use these resources in a wasteful manner. (DEIR Section 4.18.3.3, Pages 4.18-13 to 4.18-15)

- **Impact ME-2:** Operation of the project would not result in the use of large amounts of fuel, water, or energy, or use these resources in a wasteful manner. (DEIR Section 4.18.3.3, Pages 4.18-15 to 4.18-20)

- **Impact C-ME-1:** The project, in combination with past, present, and probable future projects, would not encourage activities that result in the use of large amounts of fuel, water, or energy, or use such resources in a wasteful manner. (DEIR Section 4.18.3.3, Pages 4.18-20 to 4.18-21)

III. Findings of Potentially Significant or Significant Impacts That Can Be Avoided or Reduced to a Less-Than-Significant Level through Mitigation and the Disposition of the Mitigation Measures

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potentially significant impacts if such measures are feasible (unless mitigation to such levels is achieved through adoption of a project alternative). The findings in this Section III and in Section IV concern mitigation measures set forth in the EIR. These findings discuss mitigation measures as proposed in the EIR and recommended for adoption by the SFPUC, which can be implemented by the SFPUC. The mitigation measures proposed for adoption in this section and referenced following each Project impact discussed in this Section III, are the same as the mitigation measures identified in the Final EIR for the Project. The full text of each mitigation measure listed in this section is contained in the Final EIR and in Attachment B, the MMRP. Attachment B identifies the SFPUC as the agency responsible for the implementation of all mitigation measures and establishes monitoring actions and a monitoring schedule.

This Commission recognizes that some of the mitigation measures are partially within the jurisdiction of other agencies. The agencies and measures are:

- San Francisco Planning Department (Mitigation Measure M-CR-1: Documentation of Historic Resources and Interpretive Display; Mitigation Measure M-CR-2a: Archaeological Testing, Monitoring, and/or Data Recovery; Mitigation Measure M-CR-2b: Accidental Discovery of Archaeological Resources; Mitigation Measure M-AQ-1b: Emissions Offsets; Mitigation and Mitigation Measure M-GE-4: Paleontological Resources Monitoring and Mitigation Program).

- San Francisco Planning Department and Bay Area Air Quality Management District (BAAQMD) (Mitigation Measure M-AQ-1b: Emissions Offsets).

- CDFW (Mitigation Measure M-BI-1e: Protective Measures for Special Status Bats and Maternity Roosts); and

The Commission urges these remaining agencies to assist in implementing these mitigation measures and finds that these agencies can and should participate in implementing these mitigation measures.

The Commission adopts all of the mitigation measures proposed for the Project. The Commission finds that all of the mitigation measures are appropriate and feasible and that changes or alterations will be required in, or incorporated into, the Project that mitigate or avoid the significant environmental effects as identified in the Final EIR. The Commission finds that for the reasons set forth in the Final EIR and elsewhere in the record, the impacts identified in this section would be reduced to a less-than-significant level through implementation of the mitigation measures identified in this section.

Project Impacts

Cultural Resources

Impact CR-2: The project could cause a substantial adverse change in the significance of an archeological resource. (DEIR Section 4.5.3.3, Pages 4.5-45 to 4.5-54)

Implementation of Mitigation Measure M-CR-2a and Mitigation Measure M-CR-2b would reduce any impacts on known (CA-SFR-171, a National Register-eligible prehistoric archaeological site) or previously unrecorded and buried (or otherwise obscured) archaeological deposits to *less-than-significant* levels by requiring the SFPUC and its contractors to implement the Archaeological Research Design and Treatment Plan and adhere to the appropriate procedures and protocols to identify and appropriately treat possible archaeological resources discovered during construction activities.

- *Mitigation Measure M-CR-2a: Archeological Testing, Monitoring, and/or Data Recovery*

- *Mitigation Measure M-CR-2b: Accidental Discovery of Archeological Resources*

Impact CR-3: The project could disturb human remains, including those interred outside of formal cemeteries. (DEIR Section 4.5.3.3, Pages 4.5-54 to 4.5-55)

Implementation of Mitigation Measure M-CR-2a would reduce any impacts on buried human remains and associated burial items that are accidentally discovered during project construction activities to *less-than-significant* levels by requiring the SFPUC to solicit the Most Likely Descendant's recommendations and adhere to appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition protocols.

- *Mitigation Measure M-CR-2a: Archeological Testing, Monitoring, and/or Data Recovery*

Impact C-CR-2: The project, in combination with past, present, and probable future projects, could result in cumulative adverse impacts on archeological resources and human remains. (DEIR Section 4.5.3.3, Pages 4.5-57 to 4.5-58)

See Impacts CR-2 and CR-3. Implementation of the listed mitigation measures would reduce the Project's contribution to cumulative impacts on archaeological resources and human remains encountered during construction to a *less-than-significant* level.

- *Mitigation Measure M-CR-2a: Archeological Testing, Monitoring, and/or Data Recovery*

- *Mitigation Measure M-CR-2b: Accidental Discovery of Archeological Resources*

Noise

Impact NO-1: Construction of the project could cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project and could expose people to or generate noise levels in excess of standards in the Noise Ordinance. (DEIR Section 4.7.3.3, Pages 4.7-22 to 4.7-33)

Implementation of Mitigation Measure M-NO-1a and M-NO-1b would reduce any noise impacts during construction to *less-than-significant* levels by requiring temporary noise control measures in proximity of sensitive receptors.

- *Mitigation Measure M-NO-1a: Shielding of Concrete Saw Operations*

- *Mitigation Measure M-NO-1b: Construction Noise Control Measures at Southeast Greenhouses Staging Area*

Impact C-NO-1: : Construction activities of the project combined with cumulative construction noise in the project vicinity could cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity or result in excessive groundborne vibration levels during construction. (DEIR Section 4.7.3.3, Pages 4.7-41 to 4.7-44)

- Implementation of Mitigation Measure M-NO-1b would reduce the project's contribution to potential cumulative noise impacts to less than significant.

- *Mitigation Measure M-NO-1b: Construction Noise Control Measures at Southeast Greenhouses Staging Area*

Air Quality

Impact AQ-4: The project's construction-related air pollutant emissions could conflict with, or obstruct implementation of, the 2010 Clean Air Plan. (DEIR Section 4.8.3.3, Pages 4.8-62 to 4.8-66, RTC Section 10.6, pages 10.6-15 and 10.6-16, and RTC Section 11.2, pages 11-1 to 11-2)

Implementation of Mitigation Measure M-AQ-1a and M-AQ-1b would ensure that the project with be consistent with the 2010 Clean Air Plan's control measures, such that the project would not conflict with or obstruct the implementation of the 2010 Clean Air Plan, and the impact would be *less-than-significant*.

- *Mitigation Measure M-AQ 1a: Construction Emissions Minimization*

- *Mitigation Measure M-AQ-1b: Emission Offsets*

Biological Resources

Impact BI-1: Project construction could have a substantial adverse effect, either directly or through habitat modifications, on species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or United States Fish and Wildlife Service. (DEIR Section 4.14.3.3, Pages 4.14-16 to 4.14-20)

Implementation of Mitigation Measures M-BI-1 would reduce any potential impacts on special-status bats and maternity roosts to *less-than-significant* levels by requiring preconstruction surveys and specific avoidance or minimization measures.

- *Mitigation Measure M-BI-1: Protective Measures for Special Status Bats and Maternity Roosts*

Impact C-BI-1: The project, in combination with past, present, and probable future projects, could substantially contribute to cumulative impacts on biological resources. (DEIR Section 4.14.3.3, Pages 4.14-22 to 4.14-23)

Implementation of Mitigation Measure M-BI-1 would reduce the project's contribution to potential cumulative impacts to less than significant.

- *Mitigation Measure M-BI-1: Protective Measures for Special Status Bats and Maternity Roosts*

Geology and Soils

Impact GE-4: Project construction could result in a substantial adverse effect by directly or indirectly destroying a unique paleontological resource or site or unique geologic feature. (DEIR Section 4.15.3.3, Pages 4.15-24 to 5.15-25)

Implementation of Mitigation Measure M-GE-4, Paleontological Resources Monitoring and Mitigation Program, would reduce the Project's potential construction-related impacts on paleontological resources to *less-than-significant* levels by requiring the preparation and implementation of a Paleontological Resources Monitoring and Mitigation Program, which shall specify emergency discovery procedures to be followed in the event of a discovery.

- *Mitigation Measure M-GE-4: Paleontological Resources Monitoring and Mitigation Program*

Impact C-GE-2: The project, in combination with past, present, and probable future projects, could substantially contribute to cumulative impacts on paleontological resources. (DEIR Section 4.15.3.3, Page 4.15-27)

See Impacts GE-3. Implementation of the listed mitigation measure would reduce the Project's contribution to cumulative impacts on paleontological resources encountered during construction to a *less-than-significant* level.

- *Mitigation Measure M-GE-4: Paleontological Resources Monitoring and Mitigation Program*

IV. Significant Impacts That Cannot Be Avoided or Reduced to a Less-Than-Significant Level

Based on substantial evidence in the whole record of these proceedings, the SFPUC finds that, where feasible, changes or alterations have been required or incorporated into the Biosolids Digester Facilities Project to reduce the significant environmental impacts as identified in the Final EIR for the Project. Most Project-specific impacts will be reduced to a **less-than-significant level** with the implementation of the mitigation measures proposed in the Final EIR and set forth in the MMRP, attached hereto as Attachment B.

The SFPUC further finds, however, that the Project will contribute to the significant and unavoidable impacts, even with implementation of mitigation measures. For the impacts listed below, the effect remains **significant and unavoidable**. The SFPUC determines that the following significant impacts on the environment, as reflected in the Final EIR, are unavoidable, but under Public Resources Code Section 21081(a) (3) and (b), and CEQA Guidelines Sections 15091(a) (3), 15092(b) (2) (B), and 15093, the SFPUC determines that the impacts are acceptable due to the overriding considerations described in Section VI below. This finding is supported by substantial evidence in the record of this proceeding.

<u>Cultural Resources Impacts</u>

- **Impact CR-1: The project would cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines Section 15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco Planning Code.** (DEIR Section 4.5.3.3, Pages 4.5-42 to 4.5-45)

- **Impact C-CR-1: The project, in combination with past, present, and probable future projects, would substantially contribute to cumulative adverse historic architectural resources impacts.** (DEIR Section 4.5.3.3, Pages 4.5-55 to 4.5-57)

The project would result in the removal of the Central Shops (including Buildings A and B), which comprise a complex that is eligible for listing in the California and National Registers. The removal of Buildings A and B at the Central Shops would cause a substantial adverse change in the significance of the historical resource because the project would demolish the physical characteristics that convey the resource's historical significance and that justify its individual eligibility for inclusion in the California and National Registers, resulting in a significant impact under CEQA Guidelines Section 15064.5. Implementing Mitigation Measure M-CR-1

(Documentation of Historic Resources and Interpretive Display) would reduce the severity of the impact. However, implementation of Mitigation Measure M-CR-1 would not reduce the severity of the impact to a less-than-significant level, and the impact would be significant and unavoidable with mitigation.

In addition, a portion of the SEP, including 26 buildings and structures that comprise most of the southernmost block of the SEP and a portion of the block adjacent to the north, qualifies as a California Register- and National Register-eligible historic district, named the *Southeast Treatment Plant Streamline Moderne Industrial Historic District* (district). The SHPO concurred with this recommendation in a letter dated October 6, 2016. Of the 26 buildings within the historic district, 22 buildings and structures were assessed as contributors to the district's significance. The impacts associated with the loss of SEP Building 870 (as part of the Project) in combination with the impact associated with the proposed future demolition of all existing digesters (Buildings 630-730) and their control buildings (Buildings 620 and 680), as part of the Demolition of the Existing SEP Digesters and Southside Renovation Project (a reasonably foreseeable future project included in the cumulative analysis), would result in a significant, adverse cumulative impact on historic architectural resources. With these two projects combined, the district would lose approximately 13 of its 22 contributors, or 59 percent of the district's contributory buildings as part of a future cumulative scenario. The material impairment of over 50 percent of the district's contributory buildings would mean that the district as a whole would no longer retain sufficient integrity to convey its associations under National Register/California Register criteria A/1 or C/3. This would be considered a significant impact. Implementation of Mitigation Measure M-CR-1 (Documentation of Historic Resources and Interpretive Display) would reduce the severity of the cumulative impact but would not reduce the impacts to the district to a less-than-significant level. As such, the cumulative impact of the project in combination with the future demolition of the existing digesters and control buildings would be a significant and unavoidable cumulative impact on historic resources, even with mitigation. The proposed future demolition of the existing digesters will be subject to CEQA environmental review.

Although the Project would result in the loss of Building 870, only one of the district's 22 contributory buildings, the overall implementation of the Project would replace the function of the existing digesters and associated control buildings, thereby allowing for demolition of the existing digesters and control buildings. Therefore, the project's contribution to this cumulative impact would be cumulatively considerable (i.e., significant), and the cumulative impact on historic districts would be ***significant and unavoidable with mitigation.***

<u>Air Quality Impacts</u>

- **Impact AQ-1: The project's construction activities would not generate fugitive dust that could violate an air quality standard or contribute substantially to an existing or projected air quality violation, but project construction would generate criteria air pollutants that would violate an air quality standard and contribute substantially to an**

existing or projected air quality violation, and result in a cumulatively considerable net increase in criteria air pollutants. (DEIR Section 4.8.3.3, Pages 4.8-43 to 4.8-51)

- **Impact C-AQ-1a: Construction of the project, in combination with other past, present, and probable future projects, would result in a cumulatively considerable net increase in criteria air pollutants and contribute to cumulative regional air quality impacts.** (DEIR Section 4.8.3.3, Pages 4.8-70 to 4.8-71)

Construction of the project would occur over approximately five years. The SFPUC, through its contractors, would be required to implement air emissions control measures in compliance with the requirements of the Clean Construction Ordinance. With these control measures, estimated average daily construction emissions of NO_x, would exceed the applicable significance thresholds. Implementation of Mitigation Measure M-AQ-1a (Construction Emissions Minimization) would help to reduce NO_x emissions, but not to below the applicable significance threshold during the first and third construction years. Implementation of Mitigation Measure M-AQ-1b (Emission Offsets) could offset the residual NO_x emissions to below significance thresholds. While use of waivers allowed under Mitigation Measure M-AQ-1a could alter the residual NOx emissions requiring offsets under Mitigation Measure M-AQ-1b, use of these waivers is not expected to occur frequently enough to alter the amount of offsets that would be required under Mitigation Measure M-AQ-1b.

While direct SFPUC offset opportunities have not been fully verified, to further mitigate these significant and unavoidable impacts, the SFPUC has evaluated and recommends potential offset projects as listed in the Response to Comments document (pg. 4.6-17) to satisfy Mitigation Measure M-AQ-1b. These offset projects include use of renewable diesel for the SFPUC Headworks Replacement Project and replacing old diesel equipment at SFPUC facilities (at the Southeast Community Facility and the City Distribution Division). These emission reductions would occur in the vicinity of the BDFP and mitigate the construction impacts on air quality in the vicinity of the Bayview-Hunters' Point neighborhood. If verified and approved, these opportunities could sufficiently offset the estimated NOx exceedances.

Although implementation of these two mitigation measures combined would mitigate NO_x emissions to below threshold levels, construction-related NO_x emissions are considered ***significant and unavoidable with mitigation*** because the offsets identified by SFPUC, described above and in the RTC, are not verified at this time, and therefore some uncertainty remains as to their ability to fully mitigate this impact..

Likewise, the Project would also be considered to result in a cumulatively considerable contribution to regional air quality impacts even with implementation of mitigation measures identified for Impact AQ-1, and the cumulative impact is also considered significant and unavoidable with mitigation for the first and third years of construction, and less than significant with mitigation for all other construction years. Because the project's criteria pollutant emissions could result in a cumulatively considerable contribution to regional air quality impacts during the first and third years of construction, the cumulative impact of construction-related criteria pollutant emissions is considered significant and unavoidable with mitigation. Therefore, the

residual impact of construction emissions was conservatively considered ***significant and unavoidable with mitigation***, even with implementation of identified mitigation measures.

V. Evaluation of Project Alternatives

This section describes the Project as well as alternatives and the reasons for approving the Project and for rejecting the alternatives as infeasible. CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project or the Project location that generally reduce or avoid potentially significant impacts of the Project. CEQA requires that every EIR also evaluate a "No Project" alternative. Alternatives provide a basis of comparison to the Project in terms of their significant impacts and their ability to meet Project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the Project.

A. Alternatives Rejected and Reasons for Rejection

The Commission rejects the alternatives set forth in the Final EIR and listed below because the Commission finds that there is substantial evidence, including evidence of economic, legal, social, technological, and other considerations described in this section in addition to those described in Section VI below under CEQA Guidelines 15091(a)(3), that make such Alternatives infeasible. In making these infeasibility determinations, the Commission is aware that CEQA defines "feasibility" to mean "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, legal, and technological factors." The Commission is also aware that under CEQA case law the concept of "feasibility" encompasses (i) the question of whether a particular alternative promotes the underlying goals and objectives of a project, and (ii) the question of whether an alternative is "desirable" from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

The following four alternatives are analyzed in the EIR:

- Alternative A: No Project
- Alternative B: Pier 94 Backlands
- Alternative C: Historical Resources Relocation
- Alternative D: SEP South/Quint Street

Alternative A: No Project

The No Project Alternative represents what would reasonably be expected to occur in the foreseeable future if the project were not to be approved. Under the No Project Alternative, the BDFP would not be constructed and the SFPUC would continue to operate and maintain the existing SEP solids treatment and energy recovery facilities indefinitely. The SFPUC would not demolish Central Shops Buildings A and B, an identified individual historical resource. However, because of the age and condition of the existing facilities, the SFPUC would need a more rigorous

program to repair and replace facilities, requiring up to five additional permanent staff over the existing conditions. In addition, in order to maintain reliable operations, increased levels of repair and replacement of equipment and facilities would ultimately be required.

The No Project Alternative would have the same risk of upset compared to existing conditions, but the risk of upset in the future would increase the longer the existing solids treatment facilities are in use. The risk of upset would be substantially higher than what would occur under the proposed project. The existing facilities are not built to current seismic standards, nor are they designed for future sea level rise considerations. Thus, long-term continued use of the existing solids treatment facilities under the No Project Alternative would result in an increasing risk of failure and shutdown the longer this equipment is used. A seismic event in the SEP vicinity could have severe consequences. In addition to the increased likelihood of physical damage and release during an earthquake, failure of portions of the SEP could reduce the efficacy of wastewater and solids treatment and limit the facilities available for wastewater processing. The SFPUC's ability to treat wastewater could be compromised, with implications for public health and safety as well as regulatory permit violations.

The No Project Alternative would avoid the significant and unavoidable impacts related to historical resources and construction-phase nitrogen oxide emissions identified for the proposed project. Under "normal" conditions (without breakdowns and equipment failure), the No Project Alternative would also avoid all construction and operational impacts that were identified for the project, but under possible future scenarios with breakdowns and equipment failures, there would be potential for a wide range of impacts, depending on the nature and extent of those breakdowns.

However, unlike the proposed project, the No Project Alternative would have a potentially significant impact related to greenhouse gas emissions because it would not recapture energy from increased digester gas production (and would not improve biosolids reuse opportunities). Thus, the No Project Alternative would not be consistent with adopted policies intended to reduce statewide greenhouse gas emissions. This would also be considered a wasteful use of a local energy resource, and would be a significant impact that would not occur under the proposed project. However, there are feasible mitigation measures that could reduce these impacts to less than significant.

The No Project Alternative is hereby rejected as infeasible because, although it would eliminate the Project’s significant and unavoidable impacts, it would fail to meet most of the Project’s objectives, and would still result in the potential for a wide range of impacts that may or may not be more severe than those identified for the project, depending on the nature and extent of breakdowns of existing equipment. Therefore, the No Project Alternative is not a feasible alternative.

Alternative B: Pier 94 Backlands

The Pier 94 Backlands Alternative would construct the BDFP facilities on approximately 15-acres within the 27-acre Pier 94 Backlands, one of the same sites as the potential staging areas under the proposed project. Under this alternative, no construction or demolition activities would

occur at the project site, and Central Shops Buildings A and B would not be demolished. This alternative was selected for evaluation because it would avoid a significant impact on a historical resource, and thus is a full preservation alternative. This alternative was also one of two sites recommended by an advisory group representing the local Bayview-Hunters Point community (the advisory group, the Southeast Digester Task Force, recommended the Central Shops site and the Pier 94 Backlands site).[3]

This alternative would also require construction and operation of multiple pipelines to convey sludge and other materials about 4,000 feet between the SEP and the Pier 94 Backlands. Under this alternative, the SFPUC would have to secure permission to use the Pier 94 Backlands site from the Port of San Francisco, and the State Lands Commission would have to make a public trust determination. To secure access to the site, the SFPUC would enter a trust exchange agreement with the State Lands Commission either through negotiation or if authorized by special legislation. In the trust exchange agreement, the SFPUC would need to place into the trust land of similar size and value as the area needed for this alternative.

The proposed facilities under this alternative would occupy a larger area than the proposed project (15 acres compared to 10 acres), and the maximum height of structures would be lower (40 feet compared to 65 feet). The distance of the digesters to the nearest residences would be greater than under the proposed project (more than 1,800 feet compared to 1,000 feet). Construction requirements at the Pier 94 Backlands site would generally be the same as those of the proposed project, but there would be additional construction required for new utilities at the site and for the pipelines construction between the Pier 94 Backlands and the SEP. Construction duration would be the same as the proposed project, but the start date for construction would be delayed by at least several years due to site acquisition and use requirements.

The Pier 94 Backlands Alternative would avoid one significant and unavoidable impact on historical resources by retaining Central Shops Buildings A and B in place, but the other significant and unavoidable impacts of this alternative on historical resources and construction-phase nitrogen oxide emissions would be the same or more severe than those of the proposed project. This alternative would have additional construction noise impacts associated with pipeline construction that would not occur under the proposed project as well as increased potential for vibration impacts along the pipeline route, although these impacts could be mitigated to less than significant with similar mitigation measures to those identified for the proposed project. The Pier 94 Backlands Alternative would result in minor differences in construction-related toxic air contaminant emissions, but like the proposed project, impacts would be less than significant. Unlike the proposed project that would have significant but mitigable impacts, impacts of this alternative on biological resources (roosting bats) and on paleontological resources would be less than significant. All other impacts would be less than significant, assuming compliance with and implementation of all federal, state, and local regulations designed to protect the environment and implementation of SFPUC standard construction measures.

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[3] Southeast Digester Task Force for the San Francisco Public Utilities Commission, *Review of the Biosolids Digester Facility Project*, June 2, 2010.

The Pier 94 Backlands Alternative is hereby rejected as infeasible because, although it would eliminate the significant, unavoidable impact to Central Shops Buildings A and B, it would 1) not eliminate the other significant, unavoidable impacts to the historic district and air quality; 2) fail to meet four of the Project's objectives (related to visual improvements at the SEP, construction schedule, efficiency of existing infrastructure and resources, and rate payer affordability); 3) result in a greater area of disturbance (about 10 additional acres) compared to the project; and 4) require approval from the Stand Lands Commission (and possibly approval from state legislature) for the trust exchange agreement and approval of long-term use of Pier 94 Backlands from the Port which could increase complexity and uncertainty on the viability of this alternative). Therefore, the Pier 94 Backlands Alternative is not a feasible alternative.

Alternative C: Historical Resources Relocation

The Historical Resources Relocation Alternative is a full preservation alternative that would consist of full construction and operation of the BDFP as proposed, plus the relocation and rehabilitation of Central Shops Buildings A and B to a similar industrial setting in San Francisco. The relocation, rehabilitation, and reuse of Buildings A and B would be consistent with the Secretary of the Interior's Standards and would reduce the significant and unavoidable impact on historical resources under the proposed project to a less-than-significant level. The SFPUC has identified an approximately three-acre site at Pier 90 on Amador Street east of Illinois Street and Cargo Way as a potential new location for Buildings A and B. The Pier 90 site is within a port-priority use area, and it is assumed that future uses of Buildings A and B at this site would be consistent with the existing use of the Central Shops, as well as with allowable uses within a port-priority area. Construction requirements for this alternative would be the same as those of the proposed project, with the addition of about one year at the beginning of the construction period to dismantle and transport Buildings A and B to Pier 90 plus the site preparation and construction activities required to reconstruct and rehabilitate these buildings at the new site.

Because the Historical Resources Relocation Alternative would involve full implementation of the BDFP as proposed, this alternative would have all of the same environmental impacts as those identified for the proposed project, with the exception of avoiding the significant and unavoidable impact associated with demolition of Central Shops Buildings A and B. However, the significant and unavoidable impact of this alternative on the historic district would be the same as those of the project, and the significant and unavoidable impact associated with construction-phase nitrogen oxide emissions would be more severe than those of the proposed project because of the additional emissions resulting from relocation and rehabilitation of the Central Shops buildings. In addition, there would be impacts associated with relocation and rehabilitation of the Central Shops Buildings A and B at an off-site location, although any significant impacts could generally be mitigated to less than significant with similar mitigation measures identified for the proposed project.

The Historical Resources Relocation Alternative is hereby rejected as infeasible because, although it would eliminate the significant, unavoidable impact to Central Shops Buildings A and B, it would 1) not eliminate the other significant, unavoidable impacts to the historic district and air quality; 2) fail to meet two of the Project's objectives (related to construction schedule and

rate payer affordability), 3) result in a slightly greater area of disturbance (about 3 additional acres) compared to the project and 4) the feasibility of meeting Secretary of the Interior standards for the relocated historic resource is uncertain. Therefore, the Historical Resources Relocation Alternative is not a feasible alternative.

Alternative D: SEP South/Quint Street Alternative

The SEP South/Quint Street Alternative is a full preservation alternative that would consist of construction and operation of the same processes and facilities as the proposed project, except that the project facilities would be reconfigured and located within different portions of the SEP boundaries, the Asphalt Plant site, portions of the Central Shops site, and within the right-of-way of Quint Street between Jerrold Avenue and the Caltrain right-of way. Central Shops Buildings A and B and the immediate surrounding area would be preserved, thereby avoiding the significant impact on this historical resource that would occur with its demolition under the proposed project. Under this alternative, the digesters would be located at the Asphalt Plant site, placing the digesters closer to the nearest residences (600 feet to Phelps Street and 700 feet to Oakdale Avenue) compared to the proposed project (1,000 feet). The location of the waste gas burners would also be closer to residences.

Construction of facilities within SEP South would require demolition of existing solids treatment facilities that need to operate during construction of the new facilities. Therefore, this alternative would require construction of interim facilities (e.g., gravity belt thickeners, centrifuge systems, sludge pipelines, biosolids dewatering, cake storage and loadout, etc.) at another location prior to construction, and these interim facilities would be required to operate for at least seven years, until construction is completed and the new facilities are fully commissioned. One possible site for the interim facilities is the Southeast Greenhouses site. In addition, this alternative would require permanently vacating the segment of Quint Street between Jerrold Avenue and the Caltrain right-of way for construction of both aboveground and below ground structures. This is unlike the proposed project, under which this same portion of Quint Street would be closed to the public and incorporated into the project site, but no permanent facilities would be constructed here, and relocation of underground utilities would not be required. The SEP South/Quint Street Alternative would require relocation of existing utilities under Quint Street, including a 24-inch diameter high pressure gas line. The location and extent of relocating the existing utilities has not been identified, but could require construction in locations outside of the SEP boundaries. The construction schedule for this alternative would be at least seven years, substantially longer than the five years estimated for the proposed project, and the start date of construction would be delayed by several years.

The SEP South/Quint Street Alternative would result in most of the same impacts as the proposed project, plus several significant impacts that would not occur under the proposed project. Even though the Central Shops Buildings A and B would be retained in place, at least seven structures that are contributors to the eligible historic district would be demolished, a significant and unavoidable impact that would not occur under the proposed project. In addition, due to the closer proximity of sensitive receptors, health risk impacts associated with exposure to toxic air contaminants would be greater than those under the proposed project, a potentially significant

impact. Increased exposure to toxic air contaminants due to closer proximity to sensitive receptors would occur during construction (due to construction equipment and trucks) as well as during operations (due to waste gas burners). The extended construction period for this alternative would extend the duration of all construction-related impacts, and specifically air pollutant emissions and noise impacts, which as stated above would occur in closer proximity to sensitive receptors, further exacerbating these impacts.

The SEP South/Quint Street Alternative is hereby rejected as infeasible because, although it would eliminate the significant, unavoidable impact to Central Shops Buildings A and B, it would 1) not eliminate the other significant, unavoidable impacts to the historic district and air quality; 2) have an additional project specific significant and unavoidable impact on the historic district, 3) fail to meet two of the Project's objectives (related to construction schedule and rate payer affordability), and 4) require a longer construction duration in proximity to sensitive receptors which could generate greater health risks. Therefore, the SEP South/Quint Street Alternative is not a feasible alternative.

Environmentally Superior Alternative. Either Alternative B, Pier 94 Backlands Alternative or Alternative C, the Historical Resources Relocation Alternative would be considered environmentally superior to the proposed project because either would avoid the proposed project's significant and unavoidable impact on historical resources associated with the demolition of Central Shops Buildings A and B. However, on balance, the Historical Resources Relocation Alternative would have a slight environmental advantage over the Pier 94 Backlands Alternative as the environmentally superior alternative. This is mainly because, although operational impacts would be substantially the same for these two alternatives, the construction impacts under the Pier 94 Backlands Alternative would have a substantially greater area of disturbance and affect more sensitive resources along the 4,000-foot pipeline corridor between the SEP and Pier 94 compared to the construction impacts of the Historical Resources Relocation Alternative.

C. Alternatives Considered but not Analyzed in Detail

The Draft EIR, Section 6.5 explains the process for selecting the BDFP and the alternatives considered and evaluated in the Draft EIR. Nineteen options/alternatives considered but eliminated from detailed consideration in the EIR, together with the reasons why they were eliminated, include:

- Seven alternative site locations or combinations of locations
- Three alternative site layouts
- Seven alternative approaches to preserve historical resources
- Two alternative strategies (divert wastewater flows to Oceanside Plant and use of railways for hauling biosolids)

The Draft EIR explains that all of these alternative options or strategies were eliminated from further evaluation. Reasons for elimination include but are not limited to infeasibility, greater project-level impacts on historical resources, increased risk to existing operations, complicated site acquisition and construction, reduction in operational redundancy, and inability to meet the project objectives. Some alternatives were determined to be feasible, but they did not have any environmental advantages compared to the other alternatives carried forward for analysis. The process the SFPUC undertook to consider all of these alternatives and a detailed analysis of these alternatives considered and the reasons they have been rejected from further analysis is described in the Draft EIR, Section 6.5. The SFPUC finds each of the reasons identified provide sufficient independent grounds for rejecting these alternatives.

The SFPUC finds that the Draft EIR evaluated a reasonable range of alternatives, as required by CEQA that allows Project decision-makers and the public to evaluate and compare the potential impacts of the proposed project with alternatives designed to avoid or lessen the project's environmental effects.

VI. Statement of Overriding Considerations

Pursuant to CEQA Section 21081 and CEQA Guidelines Section 15093, the Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below, independently and collectively outweighs the significant and unavoidable impacts and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this section, and in the documents found in the Record of Proceedings, as defined in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Commission specifically finds that there are significant benefits of the Project that outweigh the unavoidable significant impacts to air quality and historic resources described in Section IV, above, and therefore makes this Statement of Overriding Considerations. The Commission further finds that, as part of the process of obtaining Project approval, all significant effects on the environment from implementation of the Project have been eliminated or substantially lessened where feasible. All mitigation measures proposed in the Final EIR for the Project are adopted as part of this approval action. Furthermore, the Commission has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technical, legal, social, and other considerations.

Many of the existing SEP solids treatment facilities are over 60 years old, require significant maintenance, and are operating well beyond their useful life. As specified in Section 6.3.1.1 of the EIR, the Needs Assessment Report found that, in addition to failing to meet the Sewer System Improvements Program (SSIP) levels of service goals, many individual structures and facilities lack redundancy, are structurally inadequate (e.g., concrete structures exhibited cracking, leakage, and

spalling), are seismically unreliable, do not provide adequate treatment capacity to treat the solids from the projected 2045 flows and loads, and use equipment that (due, for example, to corrosion) require major maintenance, repair, or replacement. Thus, there are important public health and welfare reasons for the Project to be implemented.

The project would meet all of the objectives of the project and provide multiple benefits, as identified below:

1. The Project would replace the existing solids treatment facilities at the SEP with new infrastructure with modern and more efficient treatment technologies to protect public health and safety and provide continued regulatory compliance.

2. The Project would be co-located with the existing SEP, to maximize the efficiency of the current treatment process operations and maintenance, staffing resources, and the use of existing SFPUC infrastructure.

3. The Project would treat the solids from projected 2045 flows and loads associated with projected population growth. The project would not change the existing overall capacity of the SEP for wastewater treatment (250 million gallons per day [mgd] wet weather flow and 85 mgd dry weather flow).

4. The Project would increase the quality of the biosolids from Class B to Class A biosolids, such that 100 percent of the biosolids could be reused. Class A biosolids contain no detectable levels of pathogens and do not attract vectors such as flies, mosquitoes, and other potential disease-carrying organisms. According to the United States Environmental Protection Agency (USEPA) Guide to Part 503 Rule, Class A biosolids that meet the USEPA's metals pollutant limits are labeled "Exceptional Quality (EQ)" biosolids and have the fewest restrictions for land applications such as soil conditioning and fertilizer. Class B biosolids are treated but still contain detectible levels of pathogens.

5. With the Project, 100 percent of the digester gas generated would be used. The energy recovery facilities would maximize digester gas utilization and energy recovery for the production of heat, steam, and electrical power. The project would generate up to 5.2 megawatt of electricity in 2045which would meet the BDFP operational power needs as well as provide power to other SEP facilities. Because digester gas would be used beneficially, less flaring by the waste gas burners would occur (limited to only testing, planned maintenance and emergencies)..

6. The Project would build critical processes with redundant infrastructure to provide reliability and operational flexibility.

7. The Project would improve seismic reliability by rebuilding the digesters and solid treatment facilities to meet the latest seismic criteria, thereby reducing the possibility of structure failure.

8. The Project would limit odors from the biosolids facilities to within revised SEP site boundaries, thus minimizing impacts to neighbors. In addition, the Project would locate the digesters farther away from residents. Currently the digesters are located south of Jerrold Avenue, adjacent to residents along Phelps Street. The proposed digesters would be located at the farthest end of the project site away from these receptors, along the Caltrain right-of-way within the Central Shops site.

9. The Project would provide visual improvements that promote a cohesive architectural design and identity at the Project site, enhance the overall aesthetics, and improve the public edges in a manner consistent with the surrounding neighborhood and the rest of the SEP. Jerrold Avenue would be redesigned as part of the Project. Proposed long-term improvements to Jerrold Avenue would occur in accordance with San Francisco Better Streets Plan guidelines and may include traffic calming measures, curb extensions (road narrowing), sidewalk improvements, lighting, street trees, and safer pedestrian and worker crossings, a benefit to the neighborhood.

10. The Project would provide new facilities that are capable of accommodating or adapting to expected sea level rise over their expected life.

11. The Project would allow for timely construction of the proposed BDFP. Project construction has the shortest construction duration (5 years) compared to the other alternatives. Thus, this project would minimize construction impacts to the public.

12. The Project has the lowest cost and least amount of uncertainties with respect to timely initiation of project construction compared to the other alternatives. Hence, this Project will best serve rate payer affordability.

While the EIR concluded that the Project would result in significant unavoidable impacts to air quality from construction NOx emissions, as described above, SFPUC has committed to implement a NOx offsets program as part of its implementation of mitigation measure M-AQ-1b as described in RTC Section 10.6, pages 10.6-16 to 10.6-17), that would in practice reduce the impact to a level comparable to less than significant. The significant and unavoidable with mitigation conclusion is due to the fact that the emissions reductions that will result from the offset program are not verified yet, and therefore some uncertainty remains. The program would require the use of renewable diesel by the SFPUC Headworks Replacement Project and replacement of old, diesel equipment with newer equipment that reduce NOx emissions. Thus, with implementation of the NOx offsets, the project would likely not increase emissions above CEQA thresholds.

Having considered these benefits, including the benefits discussed in Section I above, the Commission finds that the benefits of the Project outweigh its unavoidable adverse environmental effects, and that the adverse environmental effects are therefore acceptable.