

Via E-mail and Express Mail

February 24, 2009

Mr. Sam Joublat
Executive Director
ICTF Joint Powers Authority
P.O. Box 570
Long Beach, CA 90801-0570

**Re: Notice of Preparation and Initial Study ("NOP") for the
Intermodal Container Transfer Facility, Modernization and
Expansion Project ("Project")**

Dear Mr. Joublat:

Watson Land Company ("Watson") owns an approximately 74 acre property ("Watson Property") discussed in the NOP. Watson provides these comments to be considered by the ICTF Joint Powers Authority ("JPA") in the preparation of the draft environmental impact report ("DEIR") for the Project pursuant to the California Environmental Quality Act, Public Resources Code section 21000, *et seq.* ("CEQA"). Watson requests that these comments be made a part of the administrative record for the Project.

Watson's specific concerns are as follows:

1. Scope Of The Project And The Environmental Setting.

The environmental setting is the existing baseline condition of the Project site at the time of issuance of the NOP, which is used to assess the environmental impacts of the Project. (CEQA Guidelines, §15125.) It is therefore crucial that the environmental setting be accurately described, otherwise the DEIR analysis will not be adequate to inform the JPA and the public of the Project's impacts. Watson is concerned that the NOP does not accurately describe the Project's environmental setting.

The NOP provides that the Project will include the Watson Property. Watson leases the Watson Property to the Union Pacific Railroad Company ("UPRR"). The Watson Property

is located in the City of Carson, and therefore, the City of Carson has land use approval authority over the Watson Property.

The NOP states that UPRR proposes to keep the lease of the Watson Property "for possible other related ICTF uses" but that "no new development activity is included" on the Watson Property as part of the proposed Project. (NOP, p. 10.) However, Figure 4 of the NOP, the Proposed Site Plan for the Project, indicates that the Watson Property may be used for a "Potential Concrete Crushing Area." The environmental analysis of the NOP also apparently assumes construction on the Watson Property. (NOP, p. 11; see, e.g., NOP, pages 55 and 63.) Thus, the NOP is inconsistent with respect to whether the Project to be evaluated in the DEIR includes any actual proposed construction on or change or intensification of uses of the Watson Property.

However, the lease between Watson and UPRR provides that UPRR must obtain Watson's approval before submitting any discretionary land use applications, any other entitlement or other application which would constitute a "project" under CEQA. Watson has not authorized the filing of any such applications by UPRR. Therefore, because it is contemplated that no new construction or modification or intensification of uses is to occur on the Watson Property in connection with the Project, the NOP should be corrected to clarify the status of the Watson Property. The Watson Property only should be referenced and analyzed as a part of the Project baseline condition for purposes of the DEIR. In other words, the JPA should assume in the DEIR that the Project will not include any change or intensification of uses or construction on the Watson Property.

2. Possible Inaccuracies In The Project Description.

Table 1 of the NOP provides that the existing ICTF area includes 233 acres, and the proposed Project consists of approximately 177 acres, with "preservation of access" to the 74-acre Watson Property. Table 1, therefore, may imply that the existing ICTF project site is 251 acres, not 233. Watson requests that there be an explanation as to why the acreages do not appear to reconcile. Further, as discussed above, the NOP should be corrected to reference that the Project will not include any changes to the Watson Property.

3. Inaccuracies In The Hazards And Hazardous Materials Impacts Analysis.

The NOP states that construction activities on the Watson Property could disturb landfill material and suggests that hazardous materials may be present on the Watson Property. (NOP, p. 55.) There is no cited support or documentation attached to the NOP supporting

Mr. Sam Joumbat
February 24, 2009
Page 3

such a claim. Further, this statement is inconsistent with the statements elsewhere in the NOP that no new development activity will take place on the Watson Property as a part of the Project (see discussion above). Watson requests that this impacts analysis discussion eliminate any analysis of the Watson Property, because the Project will not include any change in use or operation on the Watson Property.

Thank you for your consideration of Watson's comments to the NOP.

Very truly yours,



Bradley D. Frazier
General Counsel