

CITY OF SPOKANE VALLEY

Request for Council Action

Meeting Date: January 12, 2016

Department Director Approval:

Check all that apply: consent old business new business public hearing
 information admin. report pending legislation executive session

AGENDA ITEM TITLE: PUBLIC HEARING: Tesoro Crude Oil Terminal Draft Environmental Impact Statement

GOVERNING LEGISLATION:

PREVIOUS COUNCIL ACTION TAKEN:

BACKGROUND: Tesoro Savage Petroleum Terminal, also known as Vancouver Energy, has applied for a Site Certification Agreement to construct and operate a new crude oil terminal capable of receiving an average of 360,000 barrels of crude oil per day. At the proposed Facility, the crude oil would be unloaded from trains, stored on-site, and loaded onto marine vessels at a marine terminal located at the Port of Vancouver in Clark County, Washington. Marine vessels would then deliver the crude oil to refineries primarily located on the US West Coast.

According to the Draft Environmental Impact statement (DEIS), an average of four unit trains would arrive and depart for the proposed Facility each day for a total of 2,290 one way train trips per year by unit trains comprised of 120 crude oil tank cars. Occasionally a fifth train may arrive within a 24 hour period. The Washington Energy Facility Site Evaluation Council (EFSEC) makes the assumption that the Bakken would be the likely source of oil and that BNSF would be the carrier. The trains would pass through Spokane Valley.

The Energy Facility Site Evaluation Council is conducting its review process for the proposed Facility. The public comment period begins when the DEIS (draft environmental impact statement) is issued. A minimum thirty-day comment period is required by SEPA (State Environmental Policy Act). The comment period began November 24, 2015, was originally scheduled to end January 8, 2016, but the applicant agreed to extend the comment period to end January 22, 2016. A public meeting had been originally scheduled for January 7, 2016, at CenterPlace Regional Event Center, but is now set for January 14, 2016.

In order to give our citizens an opportunity for comment, we have scheduled tonight's public hearing.

OPTIONS: Conduct Public Hearing

RECOMMENDED ACTION OR MOTION: Conduct Public Hearing

BUDGET/FINANCIAL IMPACTS:

STAFF CONTACT: City Manager Mike Jackson

ATTACHMENTS: Energy Facility Site Evaluation Council Executive Summary



Draft Environmental Impact Statement

Vancouver Energy Distribution Terminal Facility at the Port of
Vancouver, WA

Overview:

- Tesoro Savage Petroleum Terminal has applied for a Site Certification Agreement to construct and operate a new crude oil terminal capable of receiving an average of 360,000 barrels of crude oil per day.
- This will increase the amount of crude oil transported through Spokane Valley.
 - Average of 4-5 unit trains/day westbound loaded/eastbound empty totaling 8 – 10 trips per day through Spokane Valley
 - Total of 2,920+ one -way train trips per year passing through Spokane Valley
 - 120 sole purpose crude oil tank cars/train, 7,800 feet long
 - Study assumes Bakken Crude transported via Burlington Northern Santa Fe Railroad



Environmental Resources/ Issues Analyzed in Draft EIS:



- Earth Resources
- **Air Quality**
- Water Resources
- Terrestrial Vegetation
- Terrestrial Wildlife
- Aquatic Species
- Energy and Natural Resources
- Environmental Health
- Historic and Cultural Resources
- **Transportation**
- Public Services and Utilities
- **Noise**
- Land and Shoreline Use
- Visual Resources
- Recreation

Existing Conditions:



- BNSF Train Traffic
 - Currently, up to 56 trains per day (392 per week) cross the Barker Road/ SR290 intersection.
 - 19 trains per week are unit oil trains
- If all potential crude-by-rail facilities are built out, oil train numbers are estimated to exceed:
 - 57 weekly loaded CBR unit trains by 2020
 - 113 weekly loaded CBR unit trains by 2035
 - Estimates predicted to be “much higher” with crude export.
- There are multiple potential projects in addition to Vancouver Oil Terminal that would add additional train traffic to Spokane Valley.



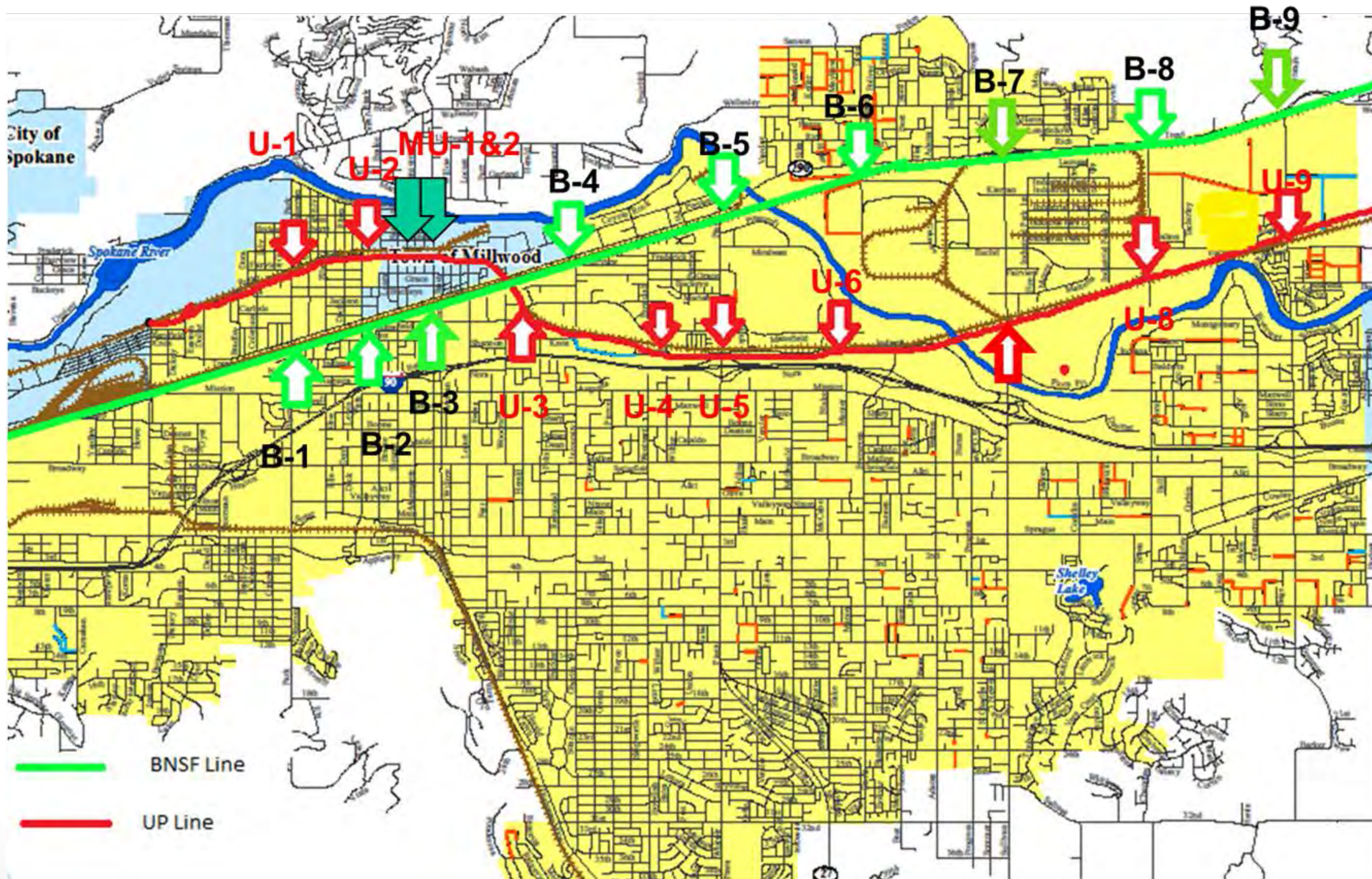
Existing Conditions (cont.):

BNSF Crossings in City of Spokane Valley

- Park Road Crossing – At Grade
- Vista Crossing – At Grade
- Argonne/Trent - Underpass
- University Crossing – At Grade, Existing Quiet Zone
- Pines Road – At Grade
- Evergreen – At Grade
- Sullivan/Trent - Overpass
- Flora Road – At Grade
- Barker Road – At Grade



Primary RR Grade Crossings



Impacts: Air Quality

- Vehicle idling while delayed at at-grade crossings could increase emissions to a level that would represent an additional impact to local air quality
- *Congestion from this project alone would create the following estimated emissions output at the 7 at grade crossings.
 - 78.54 metric tons of nitrogen oxide (No_x)
 - 2.94 metric tons of volatile organic compound (VOC)
 - 2.24 metric tons of particulate matter (PM)
 - 9,377.20 metric tons of carbon dioxide (CO₂)



* Estimate based on 2015 Tiger Grant for Barker Overpass.

Impact: Transportation

- At Grade Daily Train Traffic Increase:
 - 7 at Grade Crossings X 8 trains daily = 56 unit train crossings daily
 - Annual Train Traffic Increase:
 - 56 unit train crossings/day x 365 = 20,440 unit train at grade crossings annually
- *Grade Separated Daily Train Traffic Increase:
 - 2 Grade Separated Crossings X 8 trains daily = 16 unit train crossings daily
 - Annual Train Traffic Increase:
 - 16 unit train crossings/day x 365 = 5,840 unit train grade separated crossings annually
- Total Train Traffic Increase = 26,280 crossings annually



*DEIS describes heightened risk for elevated train crossings

Impact : Transportation

- Rail Transportation (3.14.3.2; pg. 3.14-26)
 - Figure 3.14-7 shows locations of at grade crossings having Annual Average Daily Traffic (AADT)* of 2,500 or more
 - Barker – 5,100 vehicles
 - Pines - 16,000 vehicles (DEIS says 11,000)
 - University – 2,662
 - Park Road – 6,682
- At Grade Crossing Delays (pg. 3.14-24)
 - Train 7,800' long @20 MPH = 5 minutes/train X 8 trains = 41 minutes/day
 - 41 minutes/day/crossing X 7 at grade crossings = 287 minutes/day
 - 287 minutes/day X 365 days/year = 1,746 hours of gate down time/year
- DEIS identifies moderate to major impacts to motorists from delays.



*Barker Rd. is included here but for some reason was omitted from Figure 3.14-7 of the EDIS.

Cumulative Impacts:



Rail Transportation (executive summary 6.2.2/ES-9)

- The total number of trains that would be added to the system if all the identified existing and future projects were permitted and operated is 155 unit trains or 310 round trips/week
 - Unknown if these would all come through Spokane Valley
- The additional rail traffic..... “could increase the rate of accidents and fatalities to pedestrian trespass or motorists at at-grade crossings.....”





Cost for Grade Separations:

	Barker Rd. Overpass	Pines Rd. Underpass	Park Rd. Overpass	Sullivan Rd. Improvements	Total:
Bond Issue Amt.	\$29,784,000	\$17,527,752	\$19,372,778	\$16,473,451	\$83,157,981
Annual Bond Pmt. Amt.*	\$1,828,486	\$1,076,056	\$1,189,325	\$1,011,331	\$5,105,198

*Estimated interest rate of 4.5%
 Bond issue costs of 2.0%
 Bond repayment of 30 years



Impact: Noise



- Subtracting 1 existing quiet zone = Additional 17,520 train horns/year
- Two Long – One Short – One Long – Repeated as necessary until locomotive clears the crossing. (17,520 X 4 = 70,080)
- Locomotive Horns must be sounded 15-20 seconds before entering all public grade crossings, but not more than ¼ mile in advance
- Engineer may do more based upon their judgment
- Train horns must be between 96-110 Decibels



Impact: Safety

- Potential for increased risk for oil train fire/ explosion
- Reduction of emergency access to residents & businesses with amount of train traffic at crossings
- City in Quebec was low population density yet suffered the highest number of deaths resulting from an oil train fire. Potential fires are devastating no matter where they occur. It is a false premise to categorize by population density.
- The volatility of Bakken Crude is similar to diesel or gasoline. “It has been described as looking like” “two-stroke oil mixed with gasoline.” (pg. 407, Washington Marine and Rail Oil Transportation Study)

Emergency Response:

- Greater Spokane Emergency Management
 - Local planning efforts
 - Alert and Warning
 - Evacuations
 - Sheltering of victims
 - Mass Care
- Police
- Fire
 - Fire Department/Medical Facility Response Preparedness (4.6.4.3)
 - June 2014 survey by Washington State Military Department “even the most metropolitan, best-equipped departments consider themselves ill prepared to respond to a crude-by-rail (incident) with related explosion and/or fire incident.”
- Public Works



Impact: Economic Development

- Potential negative impact to development of vacant parcels due to increased proposed train traffic.
- Property values could be impacted near train crossings.
- Increased wait for commerce traffic at crossings.
- Oil train demand may impact transport of other goods that have direct economic impact on COSV.
 -BNSF mainline capacity and operating protocols are continually being challenged.” (Pg. 175 Washington Marine and Rail Oil Transportation Study.
- Lower quality of life resulting from noise and potential safety concerns.



Spokane Valley Priority:

- Grade Separations:
 - Council Adopted Goals:
 - Continue to work with state and federal legislators for possible financial assistance for the Barker Road Bridge Grade Separation.
 - Develop a strategic plan for funding and completion of all grade separation projects
 - COSV State & Federal Legislative Agenda:
 - Transportation Funding Request – Bridging the Valley & Barker Road/ BNSF Grade Separation (overpass/ underpass). Pines Underpass
 - Barker Grade Separation was part of our last 2 Tiger Grant Applications.
 - NLC Federal Legislative Agenda:
 - Invest in Local Transportation Priorities
 - AWC State Legislative Agenda:
 - Transportation: Adopt a multi-modal transportation package that addresses city needs



Comments:

- Draft EIS Statement presents issues and problems without tangible solutions
- Governor's report doesn't list Spokane Valley as a priority.
 - What confidence does the COSV have to see enhancements?
 - COSV has been unsuccessful at funding requests from the state and federal government.
- No known direct benefits to City of Spokane Valley if this project is approved
- Scope of DEIS is overly broad i.e. from Washington/ Idaho border to Vancouver, WA, down the Columbia River and along the Pacific Coast
- Some elements do not seem to be adequately addressed i.e. very limited discussion on alternatives. Barely addresses shipping by truck.



Comments Cont.:

- DEIS leaves out Spokane Valley in list of “Municipalities”
- DEIS references and relies on Washington State 2014 Marine and Rail Oil Transportation Study.
 - COSV had numerous comments on the State study
 - The State study prioritized by population and the City of Spokane Valley was not listed as a priority or even “potentially at risk”



Comments Cont.:

- Excerpt from Washington State Marine and Rail Oil Transportation Study (pg. 341-343)
 - “Because there is no mandate for railroads to develop comprehensive plans or ensure the availability of necessary response resources, carriers have effectively placed the burden of remediating environmental consequences of an accident of local communities along their routes. This is particularly true when a tank railcar incident occurs with a subsequent fire/explosion event coupled with potential evacuation due to the danger that may be present from fire and toxic fume emissions.”
 - “Bakken crude.....is highly flammable and easily ignited at normal temperatures by heat, static discharges, sparks or flames.”



Public Input:

- City of Spokane Valley Public Hearing Tuesday, January 12, 2016
- Public Comments at CenterPlace Thursday, January 14, 2016
- Written Comments due Friday, January 22, 2016

Summary: Tesoro Savage DEIS



- Increase of 4-5 unit trains/day westbound loaded/eastbound empty totaling 8 – 10 trips per day through Spokane Valley
- Total increase of 2,920+ one -way train trips per year passing through Spokane Valley
- Total Train Traffic Increase = 26,280 crossings annually
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