

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Coal Train Environmental Impact Statement Scoping Process		
DEPARTMENT:	Planning & Community Development		
PRESENTED BY:	Paul Cohen, Planning Manager Kim Lehmborg, Associate Planner		
ACTION:	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input checked="" type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

PROBLEM/ISSUE STATEMENT:

The Environmental Impact Statement (EIS) process for the coal train terminal at Cherry Point is underway. The process includes scoping the extent of the project and the associated, potential impacts including the additional rail transportation of coal through Shoreline. The proposal is for a new terminal to receive an expected 54 million tons of coal annually from Montana and Wyoming via Burlington Northern Santa Fe (BNSF) railroad tracks along the Puget Sound to Cherry Point – just north of Bellingham (Attachment A). The coal is to be loaded onto ships destined for Asian markets. The project is expected to bring a significant increase in coal train traffic through Shoreline beginning in 2015 (Attachment B).

The current stage in the EIS process is the Scoping Period. The lead agencies in charge of the EIS (Department of Ecology, Whatcom County, and U.S. Army Corp of Engineers) ask affected jurisdictions and the public what impacts should be analyzed in the EIS. The Scoping Period ends January 21, 2013 followed by the Draft EIS which is expected sometime in 2014. The Draft EIS will have its own comment period.

RESOURCE/FINANCIAL IMPACT:

There is no Council action on this issue that would directly result in resources or financial impact. However, there is a report discussion regarding the possible financial impact of lowering property values along the railroad corridor caused by increased train traffic from the project.

RECOMMENDATION

Staff recommends that the Council determine what issues the lead agencies should address in the development of the Draft EIS. Staff also recommends that Council suspend your public comment rules for this meeting to allow for more extended public comment on this issue following the staff report presentation.

Approved By: City Manager **JU** City Attorney **IS**

INTRODUCTION

The Environmental Impact Statement (EIS) process for the coal train terminal at Cherry Point is underway. The process includes scoping the extent of the project and the associated, potential impacts including the additional rail transportation of coal through Shoreline. The proposal is for a new terminal to receive an expected 54 million tons of coal annually from Montana and Wyoming via Burlington Northern Santa Fe (BNSF) railroad tracks along the Puget Sound to Cherry Point – just north of Bellingham. The coal is to be loaded onto ships destined for Asian markets. The project is expected to bring a significant increase in coal train traffic through Shoreline beginning in 2015.

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BACKGROUND

An application has been submitted for a rail/marina terminal in Whatcom County. The primary use for this terminal will be to transfer coal mined in Montana and Wyoming from railcars onto ships destined for Asia. The trains will need to pass through Shoreline on the BNSF rail line with a significant increase in train traffic. Initial indications were that there could be up to an additional 18 trains per day (9 northbound and 9 southbound) . Note that the southbound (empty) trains might not come back through Shoreline; they may be routed east along the track that parallels Highway 2 (which, due to grade changes isn't suitable for the fully laden trains). The final number of additional trains is unknown at this point. Each coal train is expected to be more than one mile long.

At the June 4, 2012 Council meeting, the Deputy Mayor requested that staff follow the EIS process to inform Council of the opportunity for public comment.

The lead agencies will conduct a coordinated environmental review of the Pacific International and BNSF applications under the [National Environmental Policy Act](#) (NEPA) and the [State Environmental Policy Act](#) (SEPA) for approval for the project.

Other Terminals: The Cherry Point terminal is the only one that requires additional coal trains through Shoreline. Other coal export terminals being proposed in the Northwest are Longview, Washington and Boardman, St. Helens and Coos Bay, Oregon.

Site Description: Cherry Point is located between Bellingham and Birch Bay, just north of Lummi Bay, and is 1,500 acres of industrial zoned land which is mostly undeveloped. The southeast portions of the site contain sloping terrain, a ravine, and bluffs along portions of the shoreline. An oil refinery and dock lie to the north of the site. The proposed wharf and trestle would be located in an area that contains the Washington State Department of Natural Resources (DNR) Cherry Point Aquatic Reserve.

Project Description: The Cherry Point terminal will be built to handle 54 million tons of coal annually. The terminal would be developed on approximately 350 acres and would include a three-berth, deep water wharf approximately 3,000 feet long and 105 feet wide, accessed by an approximately 1,100 feet long by 50-foot train trestle. Storage facilities include open air and covered commodity storage that is serviced by an on-site rail loop. Development of these facilities will impact approximately 162 acres of wetlands, two streams and numerous drainage ways that flow into the Strait of Georgia and ultimately Puget Sound. See Attachment C for the site map. For more information on the project, see the DOE and Whatcom County agency websites:

<http://www.ecy.wa.gov/geographic/gatewaypacific/>

<http://www.co.whatcom.wa.us/pds/plan/current/gpt-ssa/index.jsp>

Off-Site: The project will, secondarily, include the increase of coal train traffic from the mines in Montana and Wyoming which will raise the issues such as coal dust, Railroad crossing delays, noise, and accidents on its way to the terminal. See Discussion below.

Scoping Period: The first part of the EIS process is the Scoping Period. The Scoping Period is an opportunity to learn about the proposals, the EIS process, and provide scoping comments to the lead agencies. The Council will identify issues and will take public comment for staff to forward to the lead agencies.

The 120-day scoping process is from September 24, 2012 – January 21, 2013. Scoping is designed to gather input on four topics:

- Reasonable range of alternatives
- Potentially affected resources and extent of analysis of those resources
- Significant unavoidable adverse impacts
- Measures to avoid, minimize and mitigate effects of the proposals

The most useful scoping comments focus on these topics and provide agencies with ideas about how these should be addressed in the EIS. Decisions about what to include in the EIS will be made jointly by the lead agencies and will be reported in a scoping report.

Other Ways to Participate

The public may also submit comments directly to the lead agencies via the following methods:

Mail: GPT/Custer Spur EIS c/o CH2M HILL 1100 112th Avenue NE, Suite 400 Bellevue, WA 98004	Email: comments@eisgatewaypacificwa.gov	Web: www.eisgatewaypacificwa.gov
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DISCUSSION

Reasonable Range of Alternatives

The EIS process includes looking at alternatives to the proposed project that could mitigate environmental impacts. Alternatives include:

- No Project Alternative: The EIS should give a clear picture of what would happen with the coal if it doesn't come through to Cherry Point.
- Alternative Project Location: If the Cherry Point site is not selected, where else could the terminal be located? If it were to be located in British Columbia, what would be the scope of that project and would there be additional environmental review?
- Reduce Project Size: Would this be a way to reduce environmental impacts?

Potential Impacts and Affected Resources

- Train Traffic: The most immediate impact to Shoreline would be the increase in train traffic. Associated health impacts may include an increase in noise and vibration and potential air pollution from engine exhaust and possibly coal dust.
- Property Values: A study by Eastman Company Consultants, stated in one of the AWC sponsored webinars about this topic, concluded that properties within 600 feet of a railroad track could experience a drop in property values by between 5 and 20 percent as a result of the additional railroad traffic. A GIS analysis of single-family properties within 600 feet of the railroad track in Shoreline (excluding parks and reserves) reveals 414 properties, with a total valuation of \$368,470,100 which is 5 percent of the total City valuation.
- Regional Environmental Impacts: These impacts could include water quality impacts to the Puget Sound from the terminal construction and activities and a possible risk of hazardous material spills both from a train derailment or ship grounding. The impact to the Cherry Point Department of Natural Resources Aquatic Reserve's important habitat resource should include endangered species of the Puget Sound area.
- Global Environmental: Impacts from pollutants such as greenhouse gases released from the burning of coal in Asia could result in ocean acidification or climate change that could impact local fisheries, shellfish production, recreation, tourism, properties near the shore, and endangered species.
- Neighboring Jurisdictions:

Jurisdictions near the proposed port terminals may benefit from an increase in jobs, both short term during construction and long term port terminal jobs.

Jurisdictions with railroad crossings may face additional impacts in terms of increased surface transportation congestions due to more trains. Railroad officials and port authorities admit there will need to be additional investments in crossing improvements. There is a five percent cap on the amount of funds that the railroad has to pay for these types of improvements. State and local jurisdictions would be responsible for the rest.

Tonight staff will take note of scoping comments from the Council and the public to submit to the lead agencies by January 21, 2013.

SURROUNDING JURISDICTIONS

At least 21 other jurisdictions have officially voiced either opposition or concerns about the projects. In May 2012, the City of Seattle unanimously passed Resolution Number 31379, stating the City's opposition to transporting coal across Washington State and through Seattle, citing negative health impacts, negative impacts to traffic and the earth's climate and traffic concerns. In November 2011 the City of Edmonds passed Resolution 1263 stating Edmond's opposition to transporting coal across Washington State and along Puget Sound to export for overseas consumption, citing environmental, health, traffic and transportation concerns. As there are several proposals for terminals throughout the Northwest, some jurisdictions are requesting that the agencies conduct a Programmatic EIS that addresses the cumulative impacts of all of the projects.

STAKEHOLDER OUTREACH

Currents: The Winter 2012 issue of Currents contained a notice of this Council meeting with a link to the Department of Ecology project page.

Council of Neighborhoods: On December 12th City staff sent notification to the following neighborhoods regarding the opportunities to comment and regarding tonight's meeting:

- Council of Neighborhoods representatives
- Neighborhood Association web
- The Innis Arden and Richmond Beach Boards
- Board members and General Manager of the Highlands

Richmond Beach Community Association: Staff attended the September and November 2012 meetings of the Richmond Beach Community Association to listen to presentations and concerns and to announce the January 14 Council meeting.

Scoping Meeting: Staff attended the December 13th Scoping Meeting that was held at the Convention Center in Seattle.

City-Hosted Public Webinars: The Association of Washington Cities (AWC) hosted two webinars that City staff attended. These webinars provided information about proposed

coal export facilities and the associated rail traffic. Some of the materials presented at the webinars are available from the AWC website:

<http://www.awcnet.org/LegislativeAdvocacy/Legislativeissues/TabId/677/ArtMID/1863/ArticleID/28/Coal-train-webinar-materials-available.aspx>

The first webinar was held on October 31, where representatives from Burlington Northern Santa Fe, the State Freight Mobility Board, and the Washington Public Ports Association made presentations. Attorney Eric Laschever explained the environmental review process.

The second webinar was held on November 14 and featured representatives from Climate Solutions, Washington Physicians for Social Responsibility, Sightline Institute; a traffic consultant who has done rail traffic impact studies on these proposals for several cities in Washington; and an attorney who discussed the environmental review process.

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ATTACHMENTS

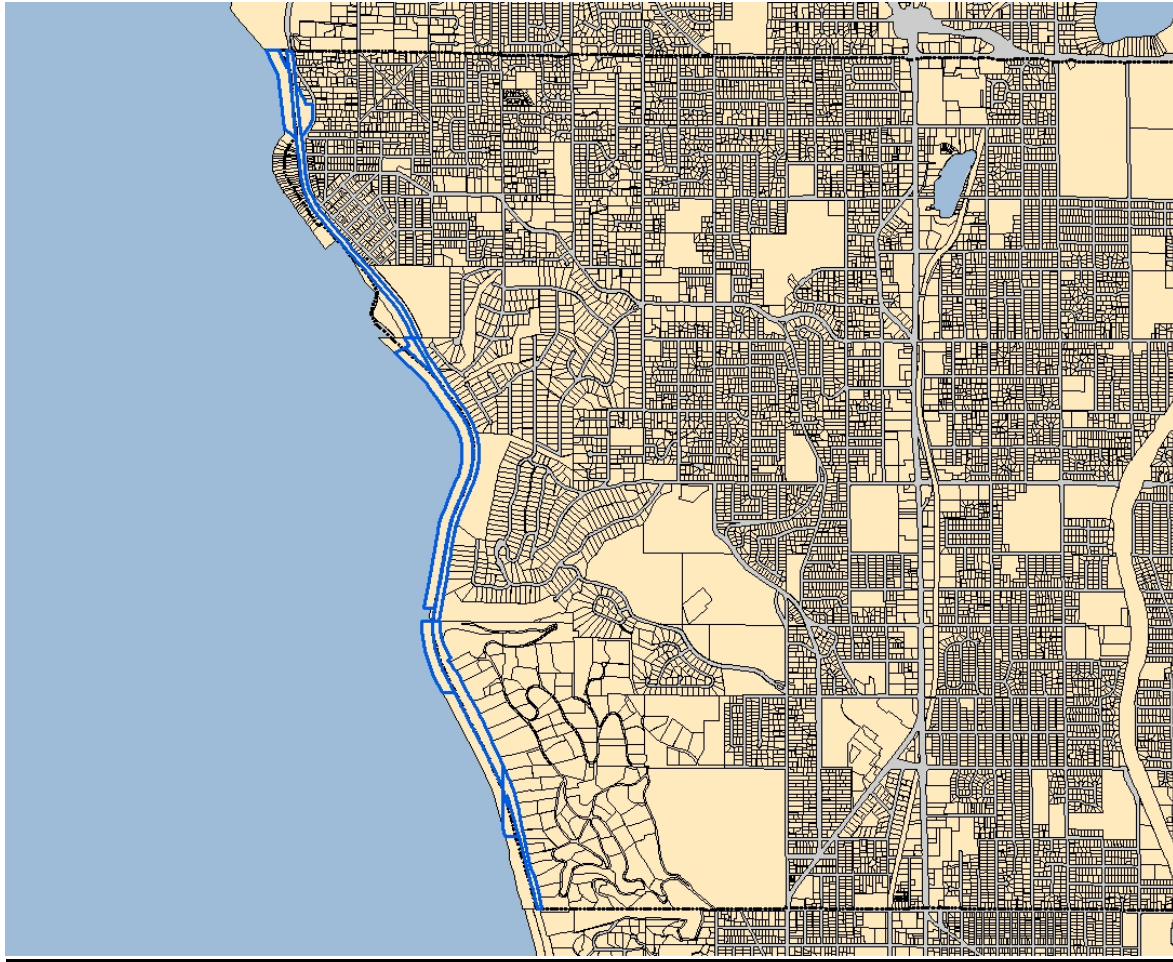
Attachment A: Regional BNSF Route
Attachment B: Shoreline Route
Attachment C: Cherry Point Terminal Map

ATTACHMENT A – REGIONAL BNSF ROUTE



For the entire route, go to http://bnsf.com/customers/pdf/maps/coal_energy.pdf

ATTACHMENT B – SHORELINE ROUTE



ATTACHMENT C – SITE MAP

