

AGENDA ITEM  
CITY COUNCIL MEETING DATE – OCTOBER 4, 2016  
BUSINESS ITEMS

DATE : September 27, 2016

TO : City Council

FROM : City Attorney

SUBJECT : CONFIRMATION OF THE RESOLUTION TO DENY THE USE PERMIT FOR THE VALERO CRUDE BY RAIL PROJECT

RECOMMENDATION:

Review and approve the resolution denying the use permit for the Valero Crude By Rail project.

EXECUTIVE SUMMARY:

At the September 20, 2016 City Council meeting, the Council denied the use permit for the Valero Crude By Rail project and requested a revised resolution be brought back for final approval at the October 4<sup>th</sup> Council meeting. Per the Council's direction, the proposed resolution incorporates some General Plan policies as well as issues raised by the state Attorney General, the Bay Area Air Quality Management District and Caltrans.

BUDGET INFORMATION:

There are no new budget implications from the adoption of the proposed resolution.

ENVIRONMENTAL REVIEW:

An Initial Study that led to an Environmental Impact Report (EIR) was prepared for Valero's Crude By Rail Project to comply with the California Environmental Quality Act (CEQA). A Draft EIR (DEIR) was issued for the Project on June 17, 2014. In response to requests made in comments on the DEIR, the City issued a Revised DEIR on August 31, 2015, to consider potential impacts that could occur uprail of Roseville, California and to supplement the DEIR's evaluation of the potential consequences of upsets or accidents involving crude oil trains based on new information that became available after the DEIR was published. The Final EIR was released on January 5, 2016. The EIR identified eight less-than-significant impacts with mitigation measures and eleven significant and unavoidable impacts. In accordance with Section 15270 of the CEQA Guidelines, CEQA does not apply to projects that a public agency disapproves.

## BACKGROUND:

After multiple meetings to hear public comments and review the extensive record on the Crude By Rail project, the City Council decided to reject the project because of safety concerns. The City Council requested at the September 20<sup>th</sup> Council meeting that the proposed resolution be revised to add more findings for the City Council to consider. Information from the state Attorney General, the Bay Area Air Quality Management District (including the joint letter) and Caltrans were cited by the City Council for possible inclusion in the revised resolution. Copies of the letters are attached.

The revised resolution is included both as a redline and a clean copy.

## Attachments:

- Draft Use Permit Resolution – Project Denial CLEAN COPY
- Draft Use Permit Resolution – Project Denial Redline Copy
- April 14, 2016 Attorney General Letter
- February 8, 2016 Bay Area Air Quality District Letter
- October 15, 2015 (received October 29, 2016) Bay Area Air Quality Management District letter
- October 26, 2015 (received October 29, 2016) Bay Area Air Quality Management District and other Air District letter
- September 15, 2014 Bay Area Air Quality Management District letter
- January 15, 2016 (received January 15, 2016) Department of Transportation (Caltrans) letter
- January 15, 2016 (received January 21, 2016) Department of Transportation (Caltrans) letter (same letter but included twice in the record based on received date)
- January 20, 2016 (received January 25, 2016) Department of Transportation (Caltrans) letter
- September 28, 2016 Letter on Findings