

OFFICE OF THE CITY MANAGER

CITY OF SACRAMENTO CALIFORNIA

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September 10, 2014

Amy Million, Principal Planner City of Benicia Community Development Department 250 East L Street Benicia, CA 94510

Re: Valero Benicia Crude by Rail Project Draft Environment Impact Report

Dear Ms. Million:

On August 21, 2014, the Sacramento Area Council of Governments (SACOG) Board of Directors voted to approve a comment letter on the Valero Crude Oil by Rail Project Draft Environmental Impact Report for the City of Benicia. The City of Sacramento participated in the drafting of the letter and concurs with the tone and substance of the SACOG letter.

The Valero Benicia refinery is one of two California refineries that are in the process of securing permits to build rail terminals to import Canadian tar sands and Bakken crude oils from the Dakotas. The Benicia bound crude oil trains enter northern California via the Donner Pass, pass through Auburn, Rocklin, and Roseville, then proceed along the American River through Sacramento following on to Yolo and Solano Counties.

Why this project is of particular concern to Sacramento

Although the federal government provides general regulations for freight rail movement, there are some specific aspects to consider in Sacramento that need to be considered because a potential derailment of railcars carrying flammable crude oil would be catastrophic in terms of potential fires, explosions, and exposures to hazardous substances.

High population density adjacent to rail freight lines

Several active rail lines traverse Sacramento; these lines converge in downtown and midtown Sacramento. Based on the map prepared by the Sacramento Area Council of Governments (see attached Figure 1), more than 147,000 City residents live within ½ mile of freight rail lines potentially carrying crude oil. Additionally, numerous K-12 schools are located proximate to these rail lines. Sacramento is the capital city of California and its Central Business District is home to a large number of public and private employers, all located in close proximity to these rail lines. The new arena to serve the Sacramento Kings and other entertainment activities will be located within blocks of the rail line.

Sacramento Valley Station - high concentration of people

The Sacramento Valley Station is located at 4th and I Streets, serving as the gateway to the northern edge of downtown Sacramento and the southern boundary of the 240 acre Railyards redevelopment site. The historic station has served as the primary rail passenger station for the northern California region since its opening in 1926 and has grown in ridership to the nation's 7th busiest station, serving the Capitol Corridor and San Joaquin trains. The planned High Speed Rail terminus station is designated at the Sacramento Valley Station immediately adjacent to the freight rail tracks that Benicia proposes using for crude oil transport.

The Railyards Specific Plan was approved in 2007 and allows for development of up to 12,000 residential units, 2.4 million square feet of office, 1,100 hotel rooms, 485,000 square feet of historic/cultural space, and 491,000 square feet of mixed-use space.

Source: http://sacramentovalleystation.com/background-information/

Track curves through populated areas

Within the City of Sacramento, a number of curved track segments and/or railroad switches are adjacent to densely populated areas. These curved track segments may be more vulnerable to derailment – especially if the engineer fails to slow the train for a sharp curved section in a route that otherwise has higher speed conditions. Federal regulations address maximum allowable speeds; however, we believe there are curves within the city limits that would necessitate even slower speeds than what general regulations allow. This factor is underscored in that some freight train derailments have been found to have been caused by excessive speed.

Track atop levees - higher likelihood of rail car puncture in the event of a derailment

The City of Sacramento is traversed by both the Sacramento and American Rivers and numerous flood control canals, surrounded by levees. The rail route proposed for the Valero project crosses and travels along the levees in several locations. In the event of a derailment resulting in rail cars tumbling down a steep embankment (such as a levee), there could be a higher likelihood of tank car puncture and resulting fires, explosions, and hazardous materials exposures affecting thousands of residents and workers in the surrounding neighborhoods.

Concurrence with SACOG's request for mitigation measures

The City concurs that, at a minimum, the mitigation measures to protect the City of Sacramento (and more broadly, the region), should include the following:

- Advance notification to county and city emergency operations offices of all crude oil shipments (to facilitate more rapid and appropriate public safety responses);
- Prohibition of storage of crude oil tank cars in urbanized areas (of any size), and appropriate security for all shipments;
- Support, including full-cost funding, for training and outfitting emergency response crews;
- Utilization of freight cars with electronically-controlled pneumatic brakes, rollover protection, and other features that mitigate to the maximum extent feasible the risks associated with crude oil shipments;
- Funding for rail safety projects (e.g., replacement/upgrade of existing tracks, grade separations, Positive Train Control, etc.);
- Utilization of best available inspection equipment and protocols;
- Implementation of positive train controls to prioritize areas with crude oil shipments; and
- Prohibition of shipments of unstabilized crude oil that has not been stripped of the most volatile elements, including flammable natural gas liquids.

Conclusion

We urge the City of Benicia to substantially revise the DEIR for this Project so that it will fully inform the public and the City Council of the full impacts of this Project and analyze all available mitigation to reduce those impacts to a less-than-significant level.

We appreciate your consideration of our concerns and comments and are available to answer any questions you may have. Our contact person is Scot Mende, at (916) 808-4756.

Sincerely,

JOHN F. SHIREY

In & Short

City Manager

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Copies to:

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