

**DETERMINATION OF SIGNIFICANCE
AND REQUEST FOR COMMENTS ON SCOPE OF ENVIRONMENTAL IMPACT
STATEMENT FOR GRAYS HARBOR RAIL TERMINAL, LLC (GHRT) BULK
LIQUIDS LOGISTICS TERMINAL FACILITY PROJECT**

Description of proposal: Grays Harbor Rail Terminal LLC (US Development Group LLC) is proposing a bulk liquids rail logistics facility at the Port of Grays Harbor Terminal 3 (T3) property. The facility will accommodate the receipt for transfer to marine vessel of 45,000 barrels per day on average of various liquid bulk materials, specifically, various types of crude oil and condensates.

T3 is a 150 acre industrial site and includes an existing 600-foot- long concrete shipping wharf. The Port of Grays Harbor currently leases approximately 25 acres of the T3 site to a private tenant (Willis Enterprises), which utilizes the property for storing and sorting logs, and operating a wood chipping and processing facility. The tenant utilizes the existing wharf for loading product on to barges for export. The remaining area of the property (a former mill site) is currently occupied by 4 metal buildings and a rail spur line but otherwise is vacant.

The liquid bulk materials would be delivered to the proposed facility via unit trains in fully contained rail cars, unloaded into on-site storage tanks, and then loaded onto barges or other marine vessels for delivery to refineries.

The proposed rail and off-loading facility includes four 20-car yard tracks and two 20-car off-loading or staging tracks (120 rail cars total can be accommodated within the facility footprint). In addition, a “runaround” track would be used to reposition the locomotive engines and could also be used to hold cars awaiting maintenance. The off-loading spots would be equipped with a permanent rack structure between the two offloading tracks and would support connections for a maximum of 40 rail cars (20 spots on each side of a rack). The off-loading spots and central header would be located within secondary containment. The rack structure includes an elevated steel walkway with extendable access platforms used to access the tops of the rail cars. Off-loading would occur via 4-inch dry break connections, hoses, valves, and risers connecting the bottom rail car couplers to a central piping header. The rail cars would be off-loaded by gravity feed into the central header and the material would be pumped into the on-site storage tanks.

The liquid bulk materials would be stored in approximately six to eight above-ground storage tanks with secondary containment and internal floating roofs until a marine vessel (ship or barge) arrives. All tanks will be located outside the Shoreline District. The total combined tank storage would be approximately 800,000 – 1,000,000 barrels. Construction of multiple storage tanks would allow the facility to accommodate interruptions in rail and vessel schedules as well as changes in delivery volumes, and would allow the facility to maintain consistent operations. The facility is expected to handle 3-5 vessels calls per month.

As noted above, T3 includes an existing 600-foot-long concrete shipping wharf. There are currently four mooring dolphins (three downstream/one upstream) off the existing concrete wharf. Up to four additional mooring dolphins (two downstream and two upstream) would be constructed to provide the necessary mooring support of vessels during liquid bulk materials transfer. No additional overwater expansion of the wharf is proposed. The existing trestle (which supports the Willis conveyor) and the wharf can accommodate the piping needed to transfer the materials from the tanks to the vessels. Stormwater collection, drainage improvements, fire suppression, and spill containment measures would be added to the existing wharf as needed but no structural modifications are necessary.

To facilitate operations at the Grays Harbor Rail Terminal, the Genesee & Wyoming Railroad (owner/operator) of the Puget Sound and Pacific Railroad) would be permitting and supervising construction of an industrial lead track extension of their main line railroad system. This industrial lead track would extend from the current main line rail terminus, just east of Paulson Road, for approximately 1,300 lineal feet to the west. The industrial lead track would allow for the backing of rail car strings into the project site and provide additional flexibility for rail car operations for other railroad customers. The identification of the industrial lead track is to account for potential indirect or cumulative environmental impacts for the purposes of the State Environmental Policy Act (SEPA) only and is not a project component of the Grays Harbor Rail Terminal site development permitting.

Proponent: GRAYS HARBOR RAIL TERMINAL, LLC (GHRT)

Location of proposal: The site is located on the south east corner of SR 109 and Paulson Road in the City of Hoquiam in Township 17 North, Range 10 West north of the Willamette Meridian.

Co-Lead Agencies: City of Hoquiam and Washington Department of Ecology. The City of Hoquiam is the nominal lead for the SEPA review process.

EIS Required. The Co-Lead Agencies have determined this proposal is likely to have a significant adverse impact on the environment. An Environmental Impact Statement (EIS) is required under RCW 43.21C.030 (2)(c) and will be prepared. The Co-Lead Agencies will make notifications related to the environmental review process, including public meetings and hearings, in accordance with adopted City and State procedures.

The Co-Lead Agencies have identified the following areas for discussion in the EIS. Additional areas of study will be identified and considered during the scoping period.

Earth

- Geology and Soils
- Seismic Events
- Tsunami Preparedness

Air

- Emissions (including Greenhouse Gases)

Water

- Water Quality
- Runoff

Plants

Animals

- Marine Life

Energy and Natural Resources

Environmental Health

- Oil Spill Prevention, Preparedness, Response
- Noise
- Risk of Fire or Explosion
- Releases or Potential Releases of Toxic or Hazardous Materials

Land and Shoreline Use

Aesthetics

Light and Glare

Recreation

Historic and Cultural Preservation

Transportation

- Vehicle Traffic
- Rail traffic, including a rail transportation impact analysis for the rail line from Centralia to Grays Harbor
- Rail Safety
- Vessel Traffic, including vessel transportation impact analysis for vessel traffic in Grays Harbor
- Vessel Safety

Public Services

The No Action Alternative will also be evaluated.

Scoping. Agencies, affected tribes, and members of the public are invited to comment on the scope of the EIS within a 47-day expanded scoping comment period beginning on **September 18, 2014** and closing **November 3, 2014**. You may comment on alternatives, mitigation measures, probable significant adverse impacts, and licenses or other approvals that may be required.

Scoping comments will be accepted in three ways:

Oral Comments: Oral comments will be accepted during two public scoping meetings:

1. **Aberdeen: October 16, 2014** at Aberdeen Rotary Log Pavilion, Morrison River Front Park 1401 Sargent Blvd. Aberdeen, WA 98550. The meeting will start at 1 p.m. and end at 4 p.m. The public comment period will start at 1:30 p.m. and end at 4 p.m.
2. **Elma: October 16, 2014** at Grays Harbor County Fair and Event Center, WA. The meeting will start at 6 p.m. and end at 9 p.m. The public comment period will start at 6:30 p.m. and end at 9 p.m.

Electronic Written Comments: Electronic written comments will be accepted through 5 p.m. Pacific Daylight time until **November 3, 2014** via a web form at:

<https://public.commentworks.com/cwx/graysharborrailterminalcommentform>

Other Written Comments: Other written comments will be accepted through **November 3, 2014** via US Mail at the following address:

Grays Harbor Rail Terminal EIS
 c/o ICF International,
 710 Second Avenue, Suite 550
 Seattle, WA 98104

Written scoping comments will also be accepted at scoping meetings listed above.

Documents Available: An environmental checklist or other materials indicating likely environmental impacts can be reviewed at the City of Hoquiam Office, 609 8th Street, Hoquiam WA, or at the City of Hoquiam website at: <http://cityofhoquiam.com/newsroom/public-notice/graysharbor-rail-terminal-project-reports/> or at the Ecology website at: <http://www.ecy.wa.gov/geographic/graysharbor/GHRT.html>

Responsible Officials:

Brian Shay

City Administrator, City of Hoquiam

Date: 9/10/14 Signature: Brian Shay

Gordon White

Program Manager, Shorelands and Environmental Assistance, Washington State Department of Ecology

Date: 9/9/14 Signature: Gordon White