



CITY OF MORGAN HILL
17575 PEAK AVENUE
MORGAN HILL, CA 95037
TEL: 408-779-7271
FAX: 408-779-1592
WWW.MORGANHILL.CA.GOV

January 20, 2016

The Honorable Ken Topping
Chairperson, County of San Luis Obispo Planning Commission
976 Osos Street, Room 300
San Luis Obispo, CA 93408

Dear Chairperson Topping:

On behalf of the Morgan Hill City Council, we write to express our opposition to the proposed Phillips 66 Company Rail Spur Extension and Crude Oil Unloading Facility Project (Rail Spur Project).

The Rail Spur Project is located in San Luis Obispo County and would provide an extension of an existing rail spur for the delivery of crude oil to Phillips 66's Santa Maria Refinery facility for processing. As outlined in the Draft Environmental Impact Report (DEIR), the Rail Spur Project would involve unloading up to five unit trains per week, with a 250 annual maximum number of trains. Each unit train would include up to 80 rail cars, with each carrying between 26,076 and 28,105 gallons for a total barrels of crude oil per train ranging between 49,670 and 53,532 barrels. Operation of the trains to and from the refinery would be performed by Union Pacific Railroad (UPRR) on its tracks, and on trains operated by UPRR employees. The DEIR indicates that trains would arrive at the Santa Maria Refinery from the north or south and it is unknown which route UPRR would use to deliver the trains.

The City of Morgan Hill has a direct interest in the Rail Spur Project as trains arriving at the refinery from the north would travel directly through our City.

The environmental hazards and community risks associated with oil transportation, particularly in densely populated urban areas, are significant. Shipping hazardous materials is inherently dangerous due to the risk of possible spill, explosion, and/or fire and subsequent environmental contamination. Federal agencies have documented a significant increase in the number of rail accidents involving oil rail cars in the United States in recent years. According to the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA), more oil was spilled in train accidents in the United States in 2013 than in the previous 38 years combined.

Air quality in our City would be adversely affected by pollutant emissions from the mainline rail operations. In fact, the DEIR states, "mainline emissions would exceed most other air district thresholds." This situation is exacerbated by the lower speed at which trains move through highly populated areas, which includes a significant portion of the route through our City. Lower speeds must be used in such areas and more emissions occur due to the slower speed.

The safety and health of our City's residents would be threatened if the Rail Spur Project is built and becomes operational. Additionally, the environmental risks and hazards are significant. It is for these reasons, our Council strongly oppose this project and requests that it be denied. The Council recently adopted a resolution opposing the Rail Spur Project, which is enclosed.

Sincerely,



Steve Tate
Morgan Hill Mayor

Sincerely,



Steve Rymer
Morgan Hill City Manager

Enclosure

cc: County of San Luis Obispo Board of Supervisors