



Legislation Text

File #: 18-0111, **Version:** 1

ITEM TITLE:

Unfinished Business: Approval of Conditional Use Permit #18-01 for an Additional 50,000 Barrel Unleaded Gasoline Storage Tank Located at the Existing Petro Star Tank Facility at 204 W. Egan Drive, Track J, Port Valdez Subdivision, Submitted by Valdez Petroleum Terminal, Petro Star Inc.

SUBMITTED BY: Rochelle Rollenhagen, Community Development Senior Planner

FISCAL NOTES:

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

RECOMMENDATION:

Staff recommends Conditional Use Permit #18-01 be postponed until additional fire and explosion information is acquired and that Petro Star submit their Alaska registered design professionals plan for the project.

SUMMARY STATEMENT:

On February 28, 2018, the City of Valdez Planning and Zoning Commission held a public hearing on application #18-01 for a conditional use permit for an additional unleaded gasoline storage tank at the Petro Star tank facility located at 204 W. Egan Drive. This proposed tank farm expansion includes switching two existing internal floating roof storage tanks from regular unleaded to premium unleaded gasoline and modifying the existing truck rack. Although during the hearing, there was no public comment, a verbal comment of concern was expressed directly to staff. A member of the public was concerned about the proximity of the proposed tank expansion to the existing Copper Valley Electric plant. During that meeting, the Commission postponed the decision until the March 14, 2018 meeting, pending further safety information on a potential fire or explosion that an additional 50,000 barrel gasoline tank may incur.

Staff reviewed the proposed site plan with City of Valdez Fire Chief, Tracy Raynor. Chief Raynor stated he is not an explosives expert but recommended two additional fire hydrants be located inside the gates, one at each entrance. He also suggested the American Petroleum Institute (API) and/or the State Fire Marshall for a professional review of the proposal.

API offers a Process Safety Site Assessment Program; however, Petro Star itself must apply for the assessment. More information on the program can be found at:

[<http://www.api.org/products-and-services/site-safety>](http://www.api.org/products-and-services/site-safety)

The State Fire Marshall's office (SFM) responded that the Planning & Zoning Commission should

review the Petro Star Alaska registered design professionals plan for the area. Petro Star has not yet submitted this plan to the SFM's office for review. The timeline for a SFM review is at least four weeks, but as summer draws closer the reviews can take up to two months. He said that requiring Petro Star's professional design plan is a reasonable request for any permitting authority such as the Planning & Zoning Commission.

The consideration of this CUP requires a major land use decision by the Commission. By its very nature, a petroleum tank farm should not be located in a population center for many reasons. The health, safety and welfare of the town are the main concerns, but the associated impacts of tanker traffic through the City of Valdez should also be considered.

Granting this CUP may lock the tank farm in the existing location for many years. The facility has been in this location for decades and the citizenry accepts and realizes its function. If Petro Star commits to increasing its infrastructure, they will not be moving. However, if Petro Star is denied this CUP, the expansion of the facility will not continue. It may lead Petro Star to consider an alternative location for this expansion - potentially a location that will have fewer impacts on the quality of life of the people of Valdez.

It is important to remember that the Planning & Zoning Commission should not consider economic impacts in their decision. Health, safety and welfare should always be the main focus of any Planning & Zoning Commission decision, as it's never prudent to promote and regulate at the same time.