

Andrew Kleine

<b>FROM</b>	<b>NAME &amp; TITLE</b>	Andrew Kleine, Chief
	<b>AGENCY NAME &amp; ADDRESS</b>	Bureau of the Budget and Management Research Room 432 City Hall (410-396-4941)
	<b>SUBJECT</b>	City Council Bill #16-0621 - Transport of Crude Oil by Rail

CITY of  
**BALTIMORE**

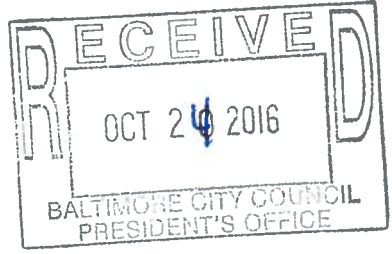
**MEMO**



**TO**

DATE: October 21, 2016

The Honorable President and  
Members of the City Council  
Room 400, City Hall



Attention: Natawna Austin

The Department of Finance has reviewed City Council Bill 16-0621, which would require the City to conduct a health impact assessment and risk assessment of the transport of crude oil by rail; require the City to update, periodically study, and report on the City's incident response plans as they relate to the transport of crude oil by rail; require the City to create a mechanism to ensure proper clean up and effective response to derailments or other adverse impacts; and require the City to develop certain public outreach programs.

The Department of Planning coordinates natural disaster planning for the City. Planning has done a risk assessment and vulnerability assessment related to natural hazards and climate change, but has not done a specific risk assessment associated with the transport of crude oil. Planning is due to update its All Hazard Mitigation Plan (AHMP) in early 2017, which serves as the City's Disaster Preparedness Plan (DP3). The Department of Health, in coordination with the Mayor's Office of Emergency Management, would coordinate a health impact assessment. The Department of Health does not currently have the capacity to conduct such an assessment internally, nor the funding to support this work.

The Department of Finance has been in contact with other municipalities that have conducted crude oil transport risk assessments, with a cost ranging from \$38,000 to \$271,000. The Department of Planning has estimated the cost of hiring a consultant to perform a risk assessment study at \$40,000 to \$200,000, depending on the level of depth requested. The Department of Health has estimated the cost of performing a health impact assessment at up to \$270,000.

The Department of Finance opposes Council Bill 16-0621 as it appears to mandate an unbudgeted expenditure for which no funding has been identified. The Department would consider supporting this as a resolution. Additionally, the Department of Finance believes more information is needed with regards to the expected outcomes from conducting these risk assessments and any anticipated additional costs that would be required in mitigating any risks identified in the reports.

cc: Henry Raymond  
Angela Gibson

OPPOSES