

2018

Sinclair Transportation Company
8581 East 96th Avenue



COMMERCE CITY
COLORADO

DENVER PRODUCTS
TERMINAL

[CONDITIONAL USE PERMIT]



Denver Products Terminal

(I) FACILITY INFORMATION

Name: Sinclair Transportation Company
The Denver Products Terminal

Address: 8581 East 96th Avenue
Henderson, Colorado 80640

Facility ID No.: C00010019

Primary SIC Code: 5171

Phone Number: (303) 287-0267

(II) FACILITY MANAGEMENT

Regional Manager: Rex Wells
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Terminal Manager: Bill Halterman
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Terminal Operator: Shawn Frerichs
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Sinclair Oil Company's Denver Products Terminal

Sinclair Oil Company (Sinclair) is a multi-faceted organization, having been purchased and expanded by an entrepreneur of the name Robert (Earl) Holding in 1976. Sinclair Oil Corporation was originally founded by Harry F. Sinclair in 1916, who remained owner for nearly 53 years until its acquisition by the Atlantic Richfield Company (ARCO) in 1969. However, in 1976 ARCO spun off Sinclair, selling certain assets to Earl Holding. Since then, Earl and his wife Carol Holding have invested and grown what is now one of the few remaining and largest privately-owned oil companies in the nation, currently the 45th-largest private company in the nation. Sinclair is a Utah-based company with thriving business ventures in the oil and gas industry, hospitality, and ranching industries. As the umbrella company, Sinclair encompasses Sinclair Transportation Company, Sinclair Trucking Company, Sinclair Marketing, Sinclair Refineries, Sinclair Hotels, Sinclair Ranches, and Sinclair Ski Resorts. Sinclair continues to develop and operate as a successful, highly diverse organization, while still continuing to preserve the fundamental values of service, character, quality, and compassion that Earl Holding built it upon.

The Denver Products Terminal (facility) is located at 8581 East 96th Avenue in the County of Adams and City of Commerce City, Colorado 80640. The property incorporates two (2) separate parcels, identified with the Parcel Identification Numbers (PINs) 0172116007001 and 0172116007017 according to the Adams County's Assessor's Office. With the parcels combined, the property totals approximately 37.04 acres in size. The property is zoned with an 'I-3' designation, meaning it sits within a 'Heavy Intensity Industrial District' according to the City of Commerce City's Land Development Code.

It 2007, the Denver Products Terminal was annexed into the City of Commerce City's limits and as a result, had become 'legal and non-conforming' per the City's Standards. However, this designation was unknown to Sinclair until 2014, when the facility proposed to install the new butane blending system and two (2) new above-ground storage tanks. It was through the approval of the 2014 Conditional Use Permit that the designation no longer applied to the property and it has since remained 'legal and conforming' according to the City's standards. Sinclair also obtained a variance approval for a wall sign larger than that allowed per the City's Land Development Code in early 2017. This variance allowed Sinclair to paint the Sinclair logo on the side of one of the above-ground storage tanks.



Existing Use of Property and Operations

The facility has been operating as a petroleum by-products, or “finished products”, storage and trucking terminal under the current ownership of Sinclair since 1976. However, construction of the facility began in 1963 and became operational around 1964. At that time, the company conducted business under the company name of Sinclair Marketing, Inc. up until its merge into Sinclair Oil Corporation in 1986. In 2006, the terminal was assigned to Sinclair Transportation Company, as it currently remains today.

Because the facility, or terminal, is purposed for and able to maintain the storage of finished products, it also services a combined five-bay, truck loading and unloading operational unit of the products. Minimal rail operations are also performed on-site via a private spur off the main line that runs north and south along the western boundary of the property. Rail operations at the terminal consist of approximately three (3) trips per week and provide for the loading, off-loading, and storage of ethanol and bio-diesel, used for the blending and optimization of finished products to a higher-grade and performance.

The facility currently operates with five (5) employees who are on-site for approximately 9.5 hours Monday through Friday. However, because trucking operations at the terminal occur on a continual 24 hour / 7 days-a-week basis, the terminal employees maintain an “on-call” rotation outside of the normal operational hours worked. There are approximately fifteen (15) spots allocated for employee parking, six (6) of which are appropriately striped with high-visibility paint and are located directly behind the administrative building on the property. *An aerial image of the property and facility is provided in Figure 1.*

Figure 1: Aerial of Property





Access / Drives

Access to the facility exists at two (2) locations on the southern perimeter of the property, off of East 96th Avenue. Entry through either location is controlled by electric sliding gates that are operated by either pre-programmed clickers or access cards, and also by a mounted keypad for access outside of normal business hours. Ingress and egress of rail cars to the property exists via an installed railroad spur that separates off of the railroad mainline along the western perimeter through a fenced gate that is manually operated and locked.

The drives allocated for primary use on the property are utilized for the trucking and rail operations at the facility, as well as for access of the administrative building. They are the most often and heaviest traveled drives on the property and are therefore composed of both asphalt and concrete. These drives are found at both gated ingress and egress locations, along the rail spur servicing the facility's rail operations, throughout the entire trucking operations, and also around the facility's administration and storage buildings.

Drives that are considered for secondary use on the property are composed of recycled asphalt with a layer of crushed rock to protect the recycled asphalt, and exist around and throughout the storage tank farm. These drives are used only periodically and for the purpose of inspections or maintenance of the tanks, piping components, and pumps. Maintenance of these secondary access drives are conducted on an as-needed basis and are done so by the addition of new rock or recycled asphalt.

Existing Structures

Structures located on the property vary in size, purpose, and structure. Currently there are seventeen (17) structures that exist on the property and assist in the varying operations of the facility. The administrative building is considered to be the only occupied building on site, as the remaining buildings act as housing for either mechanical, safety, or electrical operations, or as temporary operations and storage.

There are two (2) buildings, identified as "commercial", that were built in 1963 located on the south-western portion of the property.

One (1) building is approximately 1,660 square feet in size and functions as the facility's administrative building. This building is a single-story, steel-framed brick structure with the amenities of electricity, natural gas, a septic system, potable water, and an installed HVAC system for heating, ventilation, and cooling. Prior to 1993, potable water at the Denver Products Terminal was generated by the water well installed on the property. In 1993, the facility reached an agreement with the South Adams County Water and Sanitation District (SACWSD) that required the facility to relinquish the water rights of the well and thus tap into the District's main water line, which runs north to south along the railroad tracks on the western side of the property. Electricity and natural gas at the facility are obtained through Xcel Energy.



The other commercial building is approximately 720 square feet in size and functions as the facility's storage garage. Equipment such as tools, extra operational equipment, and safety equipment are stored in this building. The building is a single-story, steel-framed and steel-sided structure with electricity and no other amenities.

Sinclair's tank and pipeline services employees utilize a trailer for file storage and temporary project work, on an as-needed basis. This structure is approximately 672 square feet in size and is located on the south central portion of the property.

To accompany the trucking operations conducted on the property, there are a total of six (6) separate structures, located on the south-western portion of the property. Two (2) of the structures serve as shelters for the loading and unloading of product via trucks, as well as the associated equipment used in the processes. These structures are steel-framed and are composed of sheet metal siding on the north and south facing sides, covered with a steel canopy. One structure supplies the trucks with three bays, or spots, and is approximately 4,320 square feet in size. The other structure supplies the trucks with two bays and is approximately 4,515 square feet in size. The remaining four (4) structures that are purposed for the trucking operations are metal sided and metal roofed, and are also located on the south-western portion of the property by the trucking canopies. One serves as the Motor Control Center (MCC) building, housing essential electrical components and monitoring equipment, and is approximately 130 square feet in size. Another serves as the Bill of Lading Building, the location for all trucking customers to submit operational tickets or receipts, and is approximately 235 square feet in size. One structure that is located between the trucking canopies houses the property's fire foam and fire suppressant system. This structure is also metal-sided and metal-roofed, and is approximately 194 square feet in size. There are two (2) structures located near the MCC building that are purposed for the butane blending system at the facility. These structures are each 140 square feet in size and are the electrical and analyzer enclosures for the blending system. The remaining structure serves as the Additive Building and is approximately 592 square feet in size. The Additive Building houses the equipment used to change, or add properties, to existing products in order to achieve desired product specifications that are required by varying customers.

The steam room that houses the steam generator needed to assist the rail operations at the facility is approximately 360 square feet in size and is located on the south-west side of the property next to the rail spur.

The remaining structures on the property are located on the north-western perimeter of the property near the storage tanks. This location is allocated for the pipeline operations and is situated in the area where the transfer of product from off-site pipelines either originates or terminates. Five (5) structures exist in this area, all of which are constructed with metal siding and metal roofing. Similar to the MCC for the trucking operations, there are two (2) structures that serve as the MCC's for the pipeline's essential components and equipment, and are approximately 128 and 300 square feet in size. Another structure, approximately 65 square feet in size, houses the necessary mechanical and sampling devices for pipeline operations, also known as the 'cut shack'. The remaining two (2) structures are



utilized for file storage and temporary project work, on an as-needed basis, by Sinclair's pipeline employees. These structures are approximately 200 and 170 square feet in size.

Portions of the structures that may be visible off-site or from those traveling on East 96th Avenue and are also screened by existing landscaping and fencing include the administrative building, the tank and pipeline services office, the facility's storage garage, and one of the trucking canopies. *Architectural elevations and photographs of the existing structures are provided in Appendix D: Development Plan.*

Lighting

Lighting appurtenances on the property include light poles and wall-mounted light fixtures located outside; including around the perimeter, access drives, and on the existing structures and storage tanks. Over-head fluorescent light fixtures are used for lighting inside the existing structures. These appurtenances provide for adequate lighting during non-natural lighting conditions or for necessary visibility of operations in poor weather conditions.

Security

For the prevention of any unauthorized persons, intruders or trespassers, the property is contained by a six-foot high chain-link fence topped with three strands of angled barbed wire protection along the entire property's boundaries. Both access gates are constructed of the same fencing and wire, and also serve as facility security during non-business hours.

Outside security cameras are also employed on the property. Video footage from the cameras can be viewed both locally and remotely from secure access computer monitors. These cameras come equipped with the ability to record videos using night vision technology.

At night, the property is illuminated by various methods of electric lighting including access and drive area light poles, wall-mounted light fixtures on structures, and light poles illuminating every storage tank.

Fire Protection

The facility contains a full fire suppressant and fire foam system that encompasses every operation conducted on the property. The system has been designed per National Fire Protection Agency (NFPA) regulations. Up-to-date tagged and regularly inspected fire extinguishers are also located throughout the property.

Finished Products Storage

As it was mentioned previously, finished products can be defined as the by-products resulting from the refining of crude oil. In the oil and gas industry, these products can range from those with heavier chemical properties such as asphalt, gasoline, or diesel oil, to those with lighter chemical properties such as propane or butane.



The crude oil by-products stored at the Denver Products Terminal include gasoline, diesel, ethanol, bio-diesel, and butane; all of which are transported for tank storage at the facility by means of pipeline, rail, or truck. There are currently a total of eighteen (18) above-ground storage tanks that exist on the property. Combined, they have an approximate total storage capacity of 848,000 barrels (or 33,810,000 gallons).

The eighteen (18) storage tanks vary in size, capacity, and type of product stored, all of which are constructed with carbon steel. Currently, there are eight (8) storage tanks that store gasoline, six (6) that store diesel, two (2) that store ethanol, and two (2) liquefied petroleum gas tanks, or LP tanks, that store butane. Below is a table illustrating the design type, size, and capacity of each storage tank that exists at the facility. *Photographs of the different tank design types at the facility are provided in Figures 2, 3, 4, and 5.*



Tank Number	Design Type	Diameter (ft)	Height (ft)	Capacity (bbls*)
1	Internal Floating Roof	100.0	40.0	55,000
2	Fixed Cone Roof	60.0	40.0	20,000
3	Fixed Cone Roof	42.0	40.0	10,000
4	Fixed Cone Roof	60.0	40.0	20,000
5	Fixed Cone Roof	42.0	40.0	10,000
6	Fixed Cone Roof	60.0	40.0	20,000
7	Fixed Cone Roof	60.0	40.0	20,000
8	Fixed Cone Roof	85.0	40.0	40,000
9	Internal Floating Roof	100.0	40.0	55,000
10	Internal Floating Roof	100.0	40.0	55,000
11	External Floating Roof	120.0	40.0	79,500
12	External Floating Roof	120.0	48.0	95,700
13	External Floating Roof	134.0	48.0	120,000
1394	Fixed Cone Roof	34.0	30.0	4,800
14	Cylindrical Pressure Vessel	10.87	90.34 (length)	1,429 (60,000 gallons)
15	Cylindrical Pressure Vessel	10.87	90.34 (length)	1,429 (60,000 gallons)
16	Internal Floating Roof	134.0	48.0	120,000
17	Internal Floating Roof	134.0	48.0	120,000

**bbl, or barrel, is a unit of measurement in the industry and is defined as 1 barrel = 42 gallons*



Figure 2: Internal Floating Roof Design – Tank #9



Figure 3: External Floating Roof – Tank #12





Figure 4: Fixed Cone Roof – Tank #6



Figure 5: LP Tanks – Tank #14 and Tank #15



The storage tanks, with the exception of the two (2) LP tanks, are located in the central and northern portions of the property and are contained within an earthen diked perimeter, or berm, as federally regulated by the Environmental Protection Agency (EPA). The containment has been designed, documented, and continually inspected to meet all applicable requirements for the facility-specific Spill Prevention Countermeasures and Control (SPCC) Plan, which can be found in Appendix C. Design of the containment is specific for the facility's operations and capacity to adequately protect the environment and safety of the community and facility personnel in the event of a "worst-case discharge" of product. The two (2) LP tanks are located on the south-eastern portion of the property where they were strategically constructed in order to follow all required NFPA and International Fire Code (IFC)



regulations and setback requirements. A photograph of the earthen diked containment is provided in Figure 6.

Figure 6: Existing Earthen Diked Containment



Access to each storage tank is provided for both vehicular access and access by foot. Access by foot is granted by sloped entry points around the dike, as well as, installed metal stairs that bridge the dike walls. Access by vehicle is provided by secondary drives that exist in-between and throughout the storage tank locations. As required by the EPA, a secondary drive is also provided around the entire perimeter of the diked containment. These drives are an important safety precaution implemented at the facility in the event of an emergency and a quick escape route is warranted.

Transfer of product to and from the storage tanks occur by a configuration of piping, valves, and pumping operations. Piping components range in diameter from four (4) to ten (10)-inches, are X42 grade carbon steel, and are all fully coated using a urethane paint to protect the pipe from weather and corrosion. Inspection of pipe and components, and associated maintenance, are conducted by qualified personnel. Pumps are used for the physical movement of the products for all of the facility's operations and will be discussed in further detail in separate sections of this document. An associated meter accompanies the pumping of product to monitor any potential for loss of product during operations. This equipment, allocated for product transfer, occurs for the transferring of product between storage tanks, between truck loading and offloading bays, for the rail loading and offloading station, and transfer by pipeline to and from Sinclair's facilities off-site. *Photographs displaying the different methods of product transfer are provided in Figures 7 through 10.*



Figure 7: Equipment for Transfer of Product Via Off-site Pipelines



Figure 8: Equipment for Transfer of Product between Storage Tanks





Figure 9: Equipment for Transfer of Product for and Between Truck Bays



Figure 10: Equipment for Transfer of Product By Rail





Trucking Operations

The Denver Products Terminal manages a continual, twenty-four (24) hours per day, seven (7) days per week trucking rack that accommodates for the transporting of product by transport trucks. The truck racks are located on the south-west portion of the property. Ingress and egress for the trucks occur off East 96th Avenue. Trucks access the station via an automated gate located on the south-west perimeter of the property and exit the property via an automated gate located on the south-central perimeter of the property.

Truck unloading of products for storage, as well as blending and loading of products for off-site retail, is performed at the facility. Products included in this operation are gasoline, diesel, ethanol, bio-diesel, and butane. During the busiest months, the facility may experience an average daily peak trip of approximately 150 to 180 trucks per day.

Both the loading and unloading of product, with the exception of butane, occurs at the loading racks, of which there are two (2) separate structures. One (1) location provides three (3) bays, or truck-spot locations, and the other location provides two (2) additional bays. Operations are protected by steel canopies with associated steel beam support systems. Loading arms are extended and attached to each truck by means of dry-break couplers. Product is then loaded or unloaded using the fully automated system computer system, a closed system of piping, and pumps. *Photographs of both truck loading and unloading canopies are provided in Figures 11 and 12.*

Figure 11: Existing Truck Loading / Unloading Canopy (3-Bay)





Figure 12: Existing Truck Loading / Unloading Canopy (2-Bay)



Similarly, liquefied butane is transported to the facility for off-loading and storage by means of transport trucks. However, off-loading of butane occurs at its own location near the rail spur due to its part in the larger butane blending system that exists at the facility. After butane has been blended with gasoline through a series of injection points, it is analyzed and then transferred to the main truck racks as a more oxygenated gasoline for loading and retail off-site. *A photograph of the butane offloading location is provided in Figure 13.*

Figure 13: Existing Butane Offloading





The property's flare is another important design component for the trucking operations at the facility and serves as a crucial component in protecting the safety of all; the customers, the personnel, and the community. As it is common for the trucks to contain residual product vapor prior to their loading of new product, it is not safe practice to perform the loading of product with the vapor present. Therefore, the facility stages a flare that is located down-wind and away from the operations. The flare is permitted according to the Colorado Department of Public Health and Environment (CDPHE) Air Pollution Control Division (APCD) and designed to burn off any excess vapors that may exist in the trucks prior to operations. *A photograph of the facility's flare is provided in Figure 14.*

Figure 14: Existing Flare



Containment for the trucking operations consists of an impervious concrete surface containing floor drains designed to catch the minimal spillage of product that may occur, and are connected to an oil/water separator. An oil/water separator is purposed for the event that there becomes an accumulation of oil and water, and is designed to separate the oil from the water. The wastewater would then be transported to a small storage tank where it can be pumped into a truck and transported to an appropriate hazardous waste disposal facility.



Rail Operations

The Denver Products Terminal also conducts minor rail operations including the transportation of ethanol and bio-diesel. The rail spur servicing the terminal is located near the south-west perimeter of the facility, near the truck entrance gate.

Currently, the rail operations consist of three (3) switches, or days, per week with a varying number of rail cars. The term 'switch' is used in the industry to describe when rail cars are moved off the main line of the railroad onto a separate spur and into a particular facility for delivery. At maximum, one (1) switch may take approximately eight (8) hours of operation.

Operations by rail at the terminal allow for either loading or unloading of product. Product is unloaded from rail cars by means of bottom-unloading, where it is then transported, or pumped, to applicable storage tanks. Bottom-unloading is an industry practice that uses underground pipes and hoses that are manually attached by a camlock fitting to the bottom of a rail car. *Figure 15 illustrates the facility's existing bottom-unloading rail operation location.*

Figure 15: Existing Bottom-Unloading Location of Rail Cars



Loading of rail cars at the terminal is conducted by means of top-loading, an industry practice that uses an elevated platform and overhead loading "arms", or pipes and hoses, that are lowered down through a latch on the top of the rail car at which product is then pumped and loaded into the rail car. *Figure 16 illustrates the facility's existing top-loading rail operation location.*



Figure 16: Existing Top-Loading Location of Rail Cars



The Denver Products Terminal's rail operations remain compliant with the United States Department of Transportation's (USDOT) Federal Railroad Administration (FRA) regulations, governed by the Code of Federal Regulations (CFR), specifically 49CFR parts 200-299.

Per the National Fire Protection Association's (NFPA) regulations, specifically NFPA 30, the rail operations were designed and constructed with proper containment, in the event of a worst-case discharge or spill. Drip pans are also placed beneath the rail cars as secondary containment during any unloading operations.

Hazardous Materials

Hazardous materials that are handled and/or stored on the property consist of gasoline and diesel additives, gasoline, diesel, ethanol, bio-diesel, butane, and oil wastewater if generated during trucking operations. These products are stored in regulated tanks that are designed according to federal specifications and standards. As required, inspections and maintenance of these storage tanks are conducted regularly.

Other hazardous materials stored at the facility are ice-melt, propane, solvents and degreasers, equipment hydraulic fluid, epoxy coatings, ethylene glycol antifreeze, and cleaning chemicals. These are used on an "as-needed" basis, stored in small quantities, and generally for maintenance. They are always stored in an approved, fire-proof cabinet with appropriate hazardous materials labeling.

Material Safety Data Sheets (MSDS) of all chemicals and materials located on-site are provided and updated, and stored in a common location that allows access of the information by any person. MSDS are an extremely important tool used to identify the properties of each chemical or material, including its chemical structure, boiling point, flash point, and freeze point. Specific health and safety



information is also provided in an MSDS, such as what type and what magnitude of impact may be caused as a result of unprotected exposure and how to temporarily mitigate its affects. MSDS may be displayed as a general material or as specific to each manufacturer.



Environmental, Personnel, Customers, and Community Safety

Environmental Safety

Various precautions such as employee training and education, equipment safeguards, and operational practices are taken to ensure the safety and protection of the environment. In addition, the terminal is regulated and required to uphold environmental standards under certain laws such as the Code of Federal Regulations, Colorado Air Pollution Prevention and Control Act, the Clean Air Act, the National Environmental Policy Act, and the Clean Water Act.

Air emissions are calculated and tracked for every process and operation held at the terminal. This data is reported to and also retained by the CDPHE's Department of Environmental Quality's (DEQ) Air Pollution Control Division (APQD). Monitoring of the data is beneficial in evaluating if there becomes a need for installation of any emission-reducing equipment. Also, as a result of blending, gasoline with a higher butane or ethanol content generally has a lower emission profile.

Daily walk-throughs of the property allow for personnel to be proactive in addressing any issues or concerns that may be discovered. This proactivity is an important practice for protecting the environment as it could prevent the release of product to the environment.

As described in previous sections, earthen dikes exist as containment in the event of a worst-case discharge of product around both the storage tanks and rail operations. In the event a discharge of that magnitude occurs, personnel are trained on appropriate emergency response procedures for varying situations. The facility maintains a site-specific Facility Response Plan (FRP) and Emergency Response and Management Manual (ER&MM). *The FRP and ER&MM are included in Appendix C.* Materials such as oil-absorbents, booms, and vacuums are kept on-site in the storage facility for immediate remediation. Containment for trucking operations exists as a fully-contained drainage system.

Sunoco Logistics, the facility's partner on the existing butane blending system, also maintains a comprehensive butane certification and distribution infrastructure. Key suppliers, compliance and regulatory staff, lab technicians, distribution terminal operators and schedulers work hand-in-hand to ensure prompt delivery of certified butane. Certified butane meets or exceeds stringent EPA quality specifications and is tested prior to delivery using the industry standard American Society for Testing and Materials (ASTM), test methods for butane purity and total sulfur content. Sunoco Logistics continues to remain in front of changing specifications and regulations. Today's gasoline is engineered to be the cleanest ever because of these specifications and several processes that are used to remove impurities. Sunoco Logistics' commitment to this quality is evident in its ongoing risk management and relationships. Since 1990's Clean Air Act, key team members have worked with the EPA on development of butane blending regulations, on which the blending system was designed. The butane blending system has been fully engineered and designed to be a safe and secure operation. Systems are fitted with atmospheric/hydrocarbon and oxygen detectors throughout, pneumatic and fail-safe valves, emergency shutdown safeties throughout, audible alarms and vision lights for critical alarms, analyzer



and Programmable Logic Controller (PLC) cabinets, sampling and blending skids and other classified system components that all meet or exceed LPG and NFPA codes. The grounding cable and smart hose, or dry-break connection, located at truck unloading location is utilized to mitigate emissions and release.

Personnel Safety

Sinclair personnel are required to become Hazardous Waste Operations and Emergency Response (HAZWOPER) certified. This certification trains and educates personnel on the proper handling, labeling, placement, and safety procedures of hazardous waste and how to respond to different emergency situations associated with it. Also, personnel are required to take lessons and tests on a variety of internet-based safety modules throughout the year. In addition, the operation of certain machinery, such as fork lifts, requires Sinclair personnel to be trained and certified appropriately.

In the event of chemical exposure, safety eye wash stations are located on the property. Material Safety Data Sheets (MSDS) are also provided and are located in the administrative building which serves as a centralized and common location for access. These documents provide assistance when identifying chemical properties, health and safety risks, and immediate first aid procedures.

As well as the FRP that outlines what to do in an emergency, the facility displays a site-specific emergency evacuation plan for personnel to follow during an emergency situation. It includes the safest and quickest evacuation routes and muster points, and the locations of fire extinguishers, safety eye-wash stations, and first aid kits. If personnel are located within the diked containment area of the storage tanks, emergency evacuation is provided by means of secondary drives around the entire outside perimeter of the dike, as well as in between and throughout the storage tanks for the quickest route of evacuation.

In the event of a fire, the property has been designed according to the National Fire Protection Agency's (NFPA) regulations with a complete fire and foam suppressant system. Fire hydrants are located throughout the property and in close proximity to every operation conducted on-site.

As part of the butane blending system, a control center monitors pressure, butane flow, temperature, inventory and customer's product flow data; extensive startup training and manuals are provided, including Risk Management Process (RMP) and Process Safety Management (PSM); and alarm notifications by phone, pager or emails is automated for prompt emergency response to abnormal situations.

Every operation at the facility is automated and can be controlled remotely; having the ability to alert personnel immediately if any alarm is activated.

Customers (Truck Drivers) Safety

Before a truck driver can enter the facility, they are required to take a Driver Training course developed and held by Sinclair Transportation Company. This course includes hands-on lessons at the facility, a video, and a final test before they are issued the pre-programmed access cards that allow



them to enter and exit through the automated gates. The purpose of the course is to educate customers on the use and operation of Sinclair's truck loading and unloading system so that they are able to conduct operations effectively and safely, ultimately protecting themselves, those on-site, and the neighboring community. The course also provides customers with the facility's emergency procedures and locations of fire extinguishers, eye wash stations, and MSDS.

In addition to education, the fully-automated computer-based system associated with the trucking operations, as well as, mechanical devices on the equipment, are used as safety precautions for customers. The computer-based system monitors the capacity and rate at which product is being either loaded or unloaded and can shut off if safety is being jeopardized. Mechanical devices, such as automated valves, are employed in the event that operations are being conducted in an unsafe manner as well.

A separate 24-hour secure control center monitors changes in the butane blending system through Human Machine Interfacing, troubleshooting issues where appropriate and dispatching field technicians as necessary. Any anomaly in pressure, volume, etc. will automatically trigger an alarm and, if appropriate, can immediately shut down the closed-pipe system.

Community Safety

As a result of the implementation and dedication to the safety practices and procedures that exist at the facility to protect the facility's personnel and customers, as well as the environment, the safety of the community is subsequently increased. This is achieved through the above-mentioned safety standards and fire protection systems that are currently executed at the facility.

In conjunction with the mandated local, state, and federal regulations to be followed, the facility has developed certain rules that are required to be followed on-site. In order to protect the safety of site personnel, customers, and the community, smoking anywhere on the property is prohibited. "No smoking" placards are placed around the perimeter and throughout the facility. Also, proper procedures for operations are required to be followed including the location, appropriate tools, specific procedures, and personal protective equipment. For instance, welding activities may only be performed under specific conditions and distances away from hazardous areas, and with face shields specific for welding.

Security at the site also plays an important role in protecting the community. Restricted access, video surveillance, and the perimeter's barbed-wire fencing provide for the control of trespassing and tampering of equipment by unqualified persons. The facility is also private and not open to the public.

The continual inspecting of the equipment and operations that are performed on-site also ensures the safety of the surrounding community. By being proactive, personnel become aware of and are able to provide immediate attention to any potential hazards that may exist, ultimately decreasing and removing the opportunity to harm the community, the customers, the environment, or themselves.



Regulatory Agencies, Contact Information, and Inspection Frequency

The Denver Products Terminal is required to operate and maintain compliancy with several State and Federal agencies. The following list identifies each agency, the contact information, and the frequency at which inspection occurs. *Copies of the current facility's permits are provided in Appendix A and Appendix B. In addition, copies of the facility's current SPCC and Facility Response Plan (FRP) are provided in Appendix C.*

(1) Colorado Department of Public Health and Environment (CDPHE) Air Pollution Control Division (APCD) – **Title V Operating Permit Number 96OPAD172** (Facility ID Number 0010019)

- | | |
|-------------|--|
| a. Contact: | Matt Burgett |
| Phone: | (303) 692-3183 |
| Address: | 4300 Cherry Creek Drive South
Denver, Colorado 80246 |
| | |
| Inspector: | Thomas E. Lovell, Environmental Protection Specialist |
| Phone: | (303) 692-3204 |
| Frequency: | Annual inspections. To this date, the facility has no associated violations. |

(2) Environmental Protection Agency (EPA) – Compliance of **SPCC and Facility Response Plan (FRP)**:

- | | |
|-------------|---|
| a. Contact: | US EPA – Region 8 |
| Phone: | (303) 312-6312 or (800) 227-8917 |
| Address: | 1595 Wynkoop Street
Denver, Colorado 80202 |

Inspection Frequency: Inspections are not mandatory or routine, however, SPCC and FRP are required to be reviewed annually and updated accordingly. To this date, the facility has no associated violations.

(3) CDPHE Water Quality Control Division (WQCD) – Stormwater Pollution Prevention Plan (SWPPP) and Stormwater Management Plan (SMP) **COR900000 Stormwater Discharges Associated with Non-Extractive Industrial Activity**

- | | |
|-------------|---|
| a. Contact: | Kathy Rosow |
| Phone: | (303) 692-3521 |
| Address: | 4300 Cherry Creek Drive South
Denver, Colorado 80246 |

Inspection Frequency: The permit must be reviewed annually and updated if there are changes or new construction. An annual compliancy report is submitted to the CDPHE. Internal inspections and documentation is required quarterly. To this date, the facility has no associated violations.



(4) Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA) – **Emergency Response and Management Manual (ER&MM)**:

a. Office of Pipeline Safety – Emergency Support and Security Division:

Contact: David Lehman, Acting Director
Phone: (202) 366-4439
Address: 1200 New Jersey Avenue, S.E.
Washington, D.C., 20590

Inspection Frequency: ER&MM updated annually and revised / updated as necessary. To this date, the facility has no associated violations.

(5) DOT Federal Railroad Administration (FRA):

a. Contact: FRA Chief Counsel
Address: 1200 New Jersey Avenue, SE
Washington, DC 20590

Inspection Frequency: Inspections are random

b. Contact: Railway Specialties, Inc.
Phone: (303) 798-4115
Address: 8031 Southpark Circle
Littleton, Colorado 80120

Inspection Frequency: Inspection of the rail spurs' integrity are conducted annually by a certified inspector and maintained accordingly. To this date, the facility has no associated violations.



Proposed Use of Property and Operations

Additional Storage Tanks

Sinclair has proposed to construct several new above-ground storage tanks that have been designed for their future construction and ultimate expansion of the facility's storage capacity, as shown on the included Development Plan. Each tank will be constructed within an earthen diked containment and located such that it complies with all of the governing rules, regulations, and specifications that API tanks must be constructed according to. Each tank will also be internally coated with an epoxy and externally coated with a polyurethane-based paint in order to protect the steel from corrosive elements.

The tanks will be of the same design type that already exists on the property and are being included with this submittal and development plan for the purpose of future planning and utilization of the property's characteristics that already exist. *The proposed locations for the new tanks can be found on sheet 4B of the Development Plan found in Appendix D.*

The proposed size and capacity of these tanks are provided in the table below.

Number of Tanks Proposed	Diameter (ft)	Height (ft)	Capacity (bbls*)
6	80'	48.0	43,000
1	110'	48.0	82,000
1	134.0	48.0	120,000
2	100.0	48.0	68,000
2	60.0	40.0	20,000

**bbl, or barrel, is a unit of measurement in the industry and is defined as 1 barrel = 42 gallons*

Additional Trucking Bay

To better and enhance the efficiency of the trucking operations that currently exists at the facility, Sinclair has proposed to construct an additional truck loading/unloading bay. This will be accomplished by expanding the existing three-bay trucking canopy that is located closest to the southern boundary of the property to accommodate the additional full service bay. It is estimated that this expansion will increase the pervious area of the property by approximately 7,500 square feet.

As it was mentioned previously, one of the products that are offloaded at the facility is ethanol, which when blended with gasoline, enhances the octane level and produces a more oxygenated and cleaner burning fuel. In addition to the environmental and economic impacts that it creates, there are also many areas along the Front Range that mandate the fuel being sold there have ethanol blended in the gasoline prior to retail sale. Therefore, the supply and availability of fuel in these mandated areas would rapidly diminish and thus the cost of fuel would be driven to extreme numbers without the



addition of ethanol in gasoline. By having the ability to provide this gasoline at the Denver Products Terminal, the environment, community, and economy are enhanced as a whole.

Although the offloading of ethanol for oxygenating gasoline already exists at the facility, the process is less than ideal. Currently, the ethanol trucks offload the product on the existing bays alongside the other trucks. However, it takes an ethanol truck approximately 45 minutes to offload while it only takes the other trucks approximately 10-15 minutes, or about 1/3rd of the time. With the expansion of the trucking bay to include the additional bay, Sinclair would be able to dedicate the new bay solely to ethanol trucks, allowing for more trucks to enter and leave the facility quicker than they currently do. This will also help mitigate traffic flow and congestion that can occur along 96th avenue as a result of the trucks needing to wait to get through the facility.

Phasing of Projects

Construction of one of the new above-ground storage tanks is anticipated to begin in the 2018 year, and the expansion of the trucking canopy to accommodate an additional bay is anticipated to begin in the 2019 year. The construction of the remaining eleven (11) tanks is unknown at this time and will be staggered depending on Sinclair's annual budget planning and approvals.

A detailed Development Plan for the facility that demonstrates the proposed operations is provided in Appendix D.

Operational Structure

Facility's Operating Structure		
Structure	Current	Proposed
Hours of Operation (personnel)	9.5	9.5
Hours of Operation (trucking)	24	24
Days per Week (personnel)	5	5
Days per Week (trucking)	7	7
Number of Employees	5	5

Traffic

The construction of the new storage tanks and the expansion of the trucking canopy will not impede the existing traffic patterns either at the facility or on East 96th Avenue. Furthermore, the



expansion of the trucking canopy will provide a more efficient flow of truck traffic both at the facility and along 96th Avenue, ultimately improving the traffic patterns as they exist today.

Utilities

There will be no need for new utilities on the property as the proposed additions will not change the fundamental operations of the facility.

Due to the nature of the proposed use, Sinclair did not obtain another 'Can Serve Letter' from South Adams County Water and Sanitation District, as was done in 2014 when Sinclair went through the Conditional Use Permitting Process for a similar use. For the 2014 submittal that included the facility's butane blending system and storage tank construction, SACWSD provided Sinclair with a 'Can Serve Letter' that acknowledged the additions were part of a closed system and that they would not constitute new or substantial changes to the existing infrastructure. If requested, Sinclair will obtain a letter from the SACWSD specific to this proposed use.

Lighting

It is not anticipated that additional lighting appurtenances be need to be installed in association with the proposed uses as they will be constructed in locations of existing and sufficient lighting.

Drainage

Due to the existing operations and property's characteristics, drainage is not anticipated to change on the property. Specifically, the additional truck bay will only increase the existing pervious area by approximately 7,500 square feet. The pervious area under the bay will be designed and constructed such that any drainage will be directed to the existing landscaped area adjacent to the south of the location. The new storage tanks are planned to be constructed within the existing earthen-diked containment areas that surround the storage tank farm and therefore will not generate an increase in pervious surface area.



Property Characteristics and Compatibility

Location Description

The Denver Products Terminal is located in the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 16, Township 2 South, and Range 67 West. The property can be described as having a triangular shape and encompasses approximately 37.04 acres. *A photograph of the property is provided in Figure 17.*

Figure 17: Aerial Photograph



The topography in the area is relatively flat, with the South Platte River located approximately 1 mile to the west, the Burlington Ditch located approximately 0.75 miles to the east, and the First Creek also located approximately 0.75 miles to the east. The topography across the property is also relatively flat, gently sloping to the north, northwest. According to the Federal Emergency Management Agency (FEMA)'s website and interactive mapping service, the property is not situated in any federally designated floodplains. The Flood Insurance Rate Map (FIRM), Map Number 08001C0607H, identifies the property as being located in an unshaded 'Zone X' area. The unshaded Zone X area is defined as areas that are determined to be outside the 0.2% annual chance floodplain. According to the interactive mapping service of the National Wetlands Inventory provided by the U.S. Fish and Wildlife Service, the property is not situated in any federally designated wetlands.



Surrounding Area Compatibility and Neighborhood Harmony

The Denver Products Terminal is compatible with the surrounding area and neighboring uses, as the area is comprised primarily of industrial businesses and activity.

Similarly to the zoning and operations held at the Denver Products Terminal, the surrounding area is comprised of varying industrial businesses and activity. Surrounding businesses include Veolia ES Technical Solutions LLC to the northeast, a hazardous and non-hazardous waste disposal facility; R/W Specialties Inc. to the southeast, a wholesaler of specialty building products; a 7/11 gas station also to the southeast; UE Compression LLC to the southwest, a custom air and gas compression package manufacturer; Kelly Pipe Co., LLC also to the southwest, a distributor of steel pipe and fittings; the Union Pacific Railroad to the west; and RK Mechanical to the southwest, a plumbing, mechanical and process pipe contracting and fabrication company. These businesses all conduct operations in a similar industrial manner. Therefore, a definite harmony and compatibility with the surrounding area and neighborhood exists.

Sinclair has fostered and continues to maintain the positive relationships with neighboring properties, having no complaints or negative interactions with them. Due to screening methods such as fencing and landscaping, operations that are conducted at the facility are not readily visible to the surrounding properties. This has helped the facility in continuing to maintain harmony with the surrounding properties. *An aerial image of the property's vicinity is provided in Figure 18.*

Figure 18: Aerial of Property Vicinity





City and Surrounding Area: Effects, Harmony, and Compatibility

Effects on Public Improvements and City Services

Fuel is a necessity in almost every aspect of today's world, with that necessity constantly growing as population increases and development expands. Having the ability to expand the operations at the Denver Products Terminal will help to provide for this growing need as the community continues to prosper.

As part of this growth, a concern for traffic flow and change in traffic patterns arises. With the expansion of the existing trucking canopy and additional bay, the existing concrete under the canopy will be enlarged to accommodate the additional bay. This is anticipated to improve the traffic flow that exists on East 96th Avenue by providing a reduction in waiting time for the entering truck traffic and a more efficient flow of operations.

In 2017, Sinclair received approval from Commerce City for a variance from the City's Land Development Code on sign standards. This allowed for Sinclair to paint the Sinclair logo on the side of one of the storage tanks located on the north end of the property. The logo can be seen by those traveling on Interstate 76 heading into Commerce City, giving the industrial area a more aesthetically pleasing look but also knowledge of the commerce and industrial growth that the City has to offer. The addition of more storage tanks in this area of the property could provide for more opportunities to promote the City's comprehensive and future plan.

Adjacent / Adjoining Properties

The proposed operations for the facility will not affect the adjacent or adjoining properties negatively. Traffic entering the property will have a more efficient route to take when on the property, thus providing the opportunity for a decrease in traffic jams along East 96th Avenue, ultimately increasing the current traffic flow and accessibility to surrounding properties.

With the location of the facility being situated in an area with other similar industrial businesses and activities, the areas of other characteristics, such as residential or commercial, are not impeded.

Landscaping, Screening, and Property Upkeep

The employees at the Denver Products Terminal not only maintain the equipment and materials associated with the terminal's operations, they recognize the importance of property upkeep and therefore continually participate in efforts to maintain and improve it.

Landscaping at the Denver Products Terminal exists and can be immediately noticed upon approach of the property. Grass and varying types of shrubs and trees line the southern perimeter of the property adjacent to East 96th Avenue, as well as, around the terminal's administrative building and storage garage. Trees and shrubs were planted in several groups and mulched for a more aesthetic view of the property. The trees and shrubs vary in species type, are matured, and average an approximate 64,000 square foot surface area. The landscaped areas are constantly maintained; any debris or litter



that may have blown onto the property is removed, fallen branches are removed and discarded, and the landscaping is irrigated and fertilized frequently during the spring, summer, and fall months.

The earthen containment dikes around the storage tanks also add to the landscaping that can be observed on the property, acting as buffers in the spring, summer, and fall as well. In the warmer months of the year, the containment berms are covered with varying types of plants and grasses that are continually cut and maintained.

Landscaping at the facility consists of varying species of evergreen trees including Austrain Pines and Colorado Blue Spruces; species of deciduous trees such as Staghorn Sumacs and Cutleaf Maples; species of low-growing evergreen shrubs such as Junipers; grass sod; and rock-mulch. *A photograph of a portion of the facility's existing landscape is provided in Figure 19.*

Figure 19: Existing Landscape



In addition to the maintenance of the landscaped areas, the grounds are kept clean of debris and trash. Good housekeeping of equipment and materials is held with high importance at the facility as it not only is visually appealing for the neighboring community, it aids in the safety of personnel and customers during daily operations.

Nuisances – Noise, Vibrations, Dust, Odor

Since the origination of the Denver Products Terminal to present-day, nuisances such as excessive noise, vibrations, dust generation, or displeasing odor have not been identified with the facility. The proposed operations for the facility will also not create any such nuisances, as they are consistent with existing operations.



Minimal noise is generated on the property, as is typical of many industrial businesses. The majority of noise created is attributed to the general driving operations of transport trucks.

All operations that exist at the facility are done through closed systems, eliminating the potential for odor nuisances.

The facility's operations do not incorporate heavy machinery that would cause excessive vibrations. Due to the lack of vibrations generated, they are not considered to be nuisances associated with the property.

Due to the constant vehicular travel being a crucial component in the facility's operations, the awareness and protection of dust generation and migration outside of the property lines is continually monitored. The locations of constant vehicular traffic on the property are considered primary access and drives, and consist of both asphalt and concrete paved surfaces. The other locations on the property that allow for vehicular travel are only utilized periodically and typically for maintenance and inspection as-needed. These are considered secondary drives and are composed of recycled asphalt protected with a layer of crushed rock.



Local Economic Impacts / Community Need

The construction of additional storage tanks at the facility will allow for a larger available capacity to store product. This is beneficial because it provides for the additional storage of consumer products, and thereby meets customer demand without the constraints of allocating or rationing fuel products. When constraints exist, the price of fuel increases for the consumer and therefore, by having the availability for extra fuel storage, the local economy benefits. The blending of ethanol provides the potential for more gasoline to become available to the market.

In addition, the blending of ethanol with gasoline allows for oil and gas companies to become more conservative with the land's natural resources as well as create additional gasoline without having to use additional resource consumption.

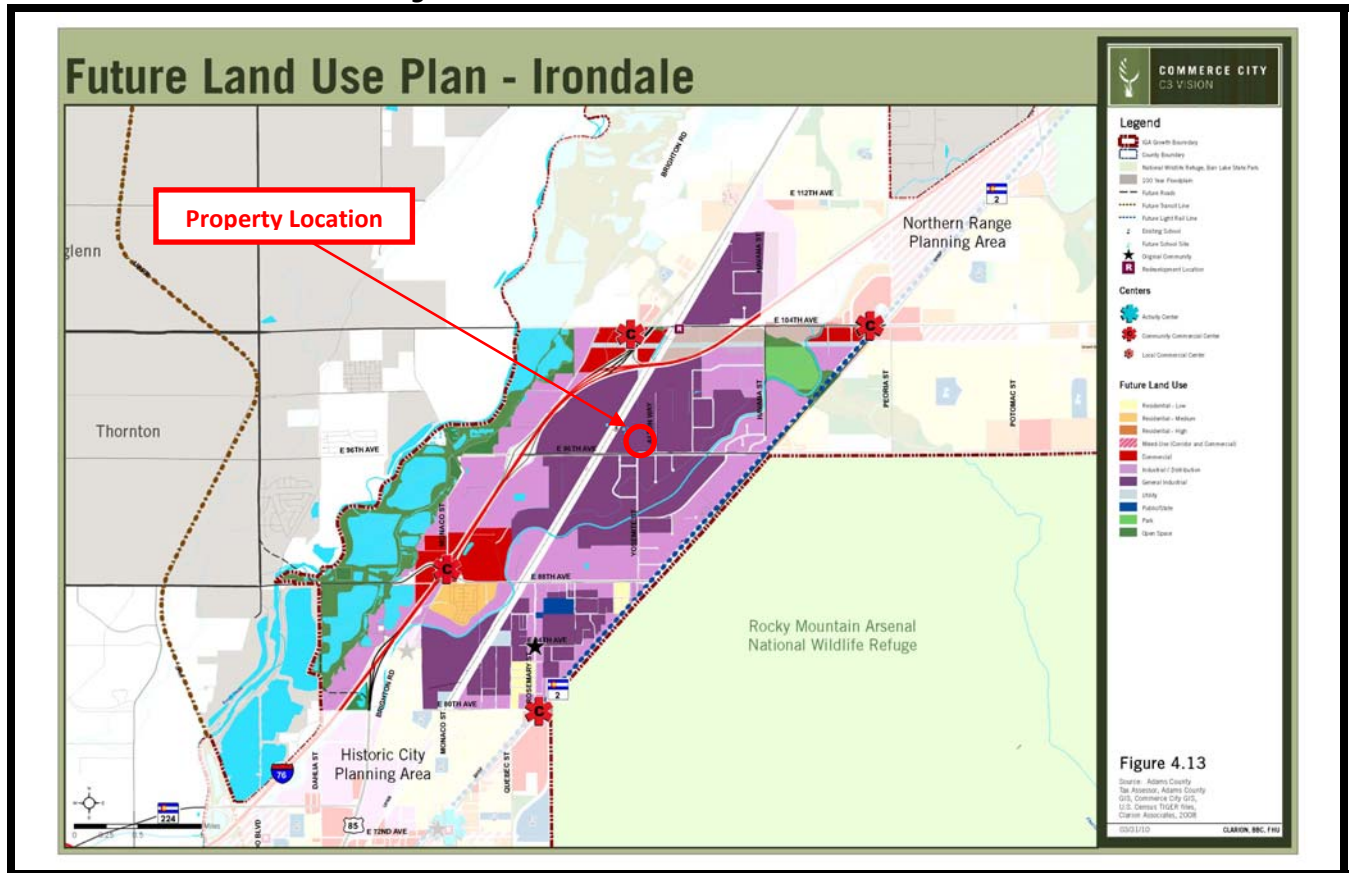
The inclusion of ethanol with gasoline oxygenates the gasoline resulting in a fuel that burns much cleaner than the heavier, higher-emitting hydrocarbon components of the fuel. That typically means gasoline with ethanol blended with it has higher octane content and has a lower emission profile, thus aiding in the reduction of environmental pollution to protect the community around.



Compliance with the Comprehensive Plan

As it remains today, the property is identified with the zoning classification I-3, or Heavy Intensity Industrial District. According to The Future Land Use Plan map for Irondale, as part of Commerce City's Comprehensive Plan, the property is classified as having a future land use of 'General Industrial'. This is consistent with the property's current zoning classification, as well as the future operations proposed for the facility. *The map from Commerce City's Comprehensive Plan is provided in Figure 20.*

Figure 20: Future Land Use Plan – Irondale



Through deliberate collaboration with the community, Commerce City has developed a C3 Vision Plan that affirms the community's dedication to become a more sustainable city. Commerce City's C3 Vision Statement states that "Commerce City will have a robust economy, drawing on its strength as a business-friendly city. It will have a quality natural and built environment with great neighborhoods, parks, and places in which to live, work, and play safely. The community will celebrate its culture and history, and promote conservation and stewardship of resources for present and future generations." As part of the Comprehensive Plan and C3 Vision Plan, the City has developed a focus and specific goals as a commitment to this Plan, which are addressed as the three 'Cs' of Sustainability. These include: Commerce and Economy, Context and Environment, and Community and Social Well-Being. Sinclair has established, is committed to, and continues to grow, as a successful business within



Commerce City, holding of high importance the relationship that exists between the Denver Products Terminal and the City's community.

Preservation of a more sustainable city is demonstrated through the conservation of resources at the facility, especially through the blending of butane and ethanol. This blending allocates the use of existing products to produce a cleaner-burning fuel.

The facility's operations as a whole supports the growth and development of the entire community by providing the various fuel sources needed for daily activities. In addition to this existing support, the proposed construction of new storage tanks will positively enhance the community's desire of being a robust economy through growth and development. This will be achieved as the new storage tanks will enlarge the facility's capacity to store fuel, increasing the availability of fuel and the ability to provide the fuel to the community during high demand. Similarly, the expanded trucking bay will allow for the opportunity to disperse the fuel quicker and more effectively.

Protection of the environment is a crucial goal maintained at the facility and held with high importance during its daily operations. This can be observed through existing design of the processes, operations, and procedures held at the facility, through the compliant inspections and consistent documentation, and through awareness and proactivity. The facility's proposed trucking bay expansion that will increase the capacity for the offloading of ethanol in order to blend it with gasoline, will provide the community with the option for a more oxygenate and cleaner-burning fuel. The proposed storage tank will be designed and constructed as an internal floating roof tank which has the lowest potential for fugitive air emissions of all available design types. It will also be designed, coated, sealed, and inspected according to strict regulations.

Blending ethanol with gasoline at refined products terminals can also create additional gasoline, lower manufacturing and production costs and bring the gasoline to the appropriate specifications required in certain areas. Sinclair's use of blending practices at the Denver Products Terminal ensures product quality, environmental compliance, operational excellence, and supports best practices in Commerce City, Colorado.

Through these efforts and practices that exist, continue to grow, and are demonstrated to improve at the Denver Products Terminal, Sinclair continues to demonstrate their consistency of continued compatibility with Commerce City's Comprehensive Plan.