

BEFORE THE CITY COUNCIL  
CITY OF SUMAS, WASHINGTON

IN RE Conditional Use Application of:	)	REPORT OF DECISION
	)	
Brian Fraser	)	
Arrow Reload Washington	)	March 9, 2026 DRAFT
300 Bob Mitchell Ave	)	
Sumas, WA 98295	)	

The matter having come before the City Council of the City of Sumas for public hearing on January 26, 2026, the matter having been continued to February 23, 2026, the Council having duly considered all matters in the record and all testimony given for and against the application, makes the following Findings of Fact, Conclusions of Law, and Decision:

**FINDINGS OF FACT**

1. The Applicant is Arrow Reload Washington.
2. The Applicant seeks to expand its existing transloading operation to include the transferring of molten sulfur and other hazardous materials from rail cars to transport trucks.
3. The project site is located in the Sumas International Cargo Terminal at 300 Bob Mitchell Avenue. The property is located in the Industrial District within the NW ¼ of the SE ¼ of Section 34, T 41 N, R 04 E of W.M. The Whatcom County Assessor’s parcel number is 410434 357120.
4. The parcel is located within the Industrial zoning district and is, therefore, subject to the regulations set forth in Chapter 20.44 of the Sumas Municipal Code (SMC).
5. The property is owned by Arrow Reload Washington and is currently used for the transloading of lumber products.

Procedural Requirements

6. An application for approval of a conditional use permit was submitted on October 8, 2025 by the Applicant. The application was determined to be complete on October 20, 2025.
7. Pursuant to Chapter 20.08 SMC, the application was processed as a Class III action. A *Notice of Application* was issued on October 22, 2025. The notice publicized the public hearing date. A public comment period was held from October 22, 2025 through November 7, 2025. No comments were received during the public comment period.
8. On December 2, 2025, the Applicant held a site visit with representatives from the Sumas Police and Public Works Departments, as well as Whatcom County Fire District No. 14, to receive an overview of the safety and spill prevention precautions proposed as part of this project.

9. A public hearing regarding the application was held before the Sumas City Council on January 26, 2026. Opportunity for public comments was provided and testimony was received.
10. During the public hearing, Jacob Williams, 207 Lincoln Circle, inquired as to whether the Project would include the transport of oil lubricants. The Applicant advised that the Project would not include the transport of those materials.
11. Following receipt of public testimony, the Council requested the matter be brought before the Public Works Committee. The public hearing was continued to February 23, 2026.
12. Pursuant to WAC 197-11-340, the City, acting as lead agency under RCW 43.21C, the State Environmental Policy Act (SEPA), issued a SEPA Determination of Nonsignificance (DNS) on January 27, 2026. The SEPA comment period was open from January 27 through February 10, 2026.
13. On February 10, 2026, the City received comments and requests for additional information from the Washington State Department of Ecology. On February 11, 2026, the Applicant provided responses to the requests for additional information requested by the Department of Ecology. On February 13, 2026, the Department of Ecology provided follow-up questions to the Applicants responses. On February 17 and 18, 2026, the Applicant provided responses to the Department of Ecology. On February 18, 2026, the City was notified by the Department of Ecology that they were satisfied with the Applicant's responses.
14. On February 18, 2026, the Public Works Committee held a meeting to further discuss the Application. During this meeting, additional information was provided by the Applicant, including responses to each of the Industrial zone-specific conditional use permit criteria as listed in Section 20.44.035 SMC.
15. The public hearing was reopened on February 23, 2026. Opportunity for public comment was provided.
16. At the public hearing, Councilmember Daniels provided a report on behalf of the Public Works Committee regarding their meeting with the Applicant and the documents provided.
17. During the public hearing, Samantha Doering commented that she was concerned about how this project would increase the amount of noise disturbance caused by the arranging of rail cars on the Burlington Northern Santa Fe (BNSF) line. Additionally, she was concerned about the potential danger of the presence of potentially hazardous materials contained in the rail cars as they are being arranged. The Applicant addressed these concerns in describing the safety measures they employ to maintain structural integrity of the rail cars. Additionally, Jacob Williams, 207 Lincoln Circle, provided insight into the safety features included with these rail cars. Richard Van Diest, 207 W Second St, provided additional historical insight into the safety of these rail cars.
18. Following receipt of public testimony, the public hearing was closed on February 23, 2026.

#### Zoning Requirements

19. The Project is identified as being permitted as a conditional use in the Industrial District under subsection 20.44.030(1) SMC – an operation “using significant quantities of the following materials and/or the following processes” where the list of materials and processes includes in relevant part any of the following: “petroleum products, and petroleum by-

products”, “[h]ighly flammable materials” or, “any combustible fuel”. Additionally, Sumas Ordinance No. 1822 (2025) established a moratorium against all permitted uses involving hazardous, toxic, and/or flammable materials, except where such uses are allowed and permitted as a conditional use pursuant to section 20.44.030 SMC. Thus, Council approval of a Conditional Use Application is required.

#### Conditional Use Requirements

20. The Project meets the applicable criteria for issuance of a conditional use permit established at Section 20.66.020 SMC as follows:

- a. The Project is harmonious and in accordance with the general policies and specific objectives of the *Comprehensive Land-Use Plan* as it is allowed under the Industrial zoning district.
- b. The Project has been designed to be compatible with the essential character of the area and is not hazardous or disturbing to persons, property, or existing neighboring uses.
- c. The Project Site is already served by public facilities and utilities. Water, sewer, electric, and phone utilities are available at the Site.
- d. The Project will not create excessive vehicular congestion on neighborhood, collector, or residential access streets. Access to and from the site will occur on industrial-grade roads and/or roads which meet Canadian weight standards.
- e. The Project will not create conditions substantially detrimental to persons, property, or neighboring uses by reason of the production of excessive amounts of traffic, fumes, glare, electrical interference, mechanical vibration, or odor.
- f. The Project will not result in destruction, loss, or damage to any natural, scenic, or historic feature of major consequence. There are no specific natural or scenic features of importance on the Site, and no adverse comments have been received by the City regarding natural, scenic, or historic features.

21. Section 20.44.035 SMC establishes zone-specific conditional use permit criteria to be considered by the City Council when reviewing proposed conditional uses in the Industrial District. These criteria are as follows:

- (a) The extent to which the proposed use is consistent with the purpose established under Section 20.44.010;
- (b) The benefits to the public that will result from permanent improvements associated with the proposed use that increase the city’s tax base;
- (c) The number, duration, and quality of jobs that will result from establishment of the proposed use;
- (d) The extent to which potential impacts to the public and neighboring properties and resources, including to neighboring zoning districts, will be mitigated to within acceptable levels such that the use will not result in adverse impacts to private property, property values, quality of life, and community and environmental health; and
- (e) The extent to which the use will generate benefits or contribute revenue that will offset impacts to or use of public facilities.

22. Upon review of the zone-specific conditional use permit criteria, the City Council makes the following findings for this Project:

- (a) Section 20.44.010 SMC establishes that the purpose of the Industrial District is “to encourage the development of manufacturing, wholesale and selected retail business

establishments.” This Project involves a cargo transloading operation and does not involve manufacturing, wholesale or selected retail businesses as is to be encouraged in the Industrial District.

- (b) This Project does not include the construction of any permanent improvements which would result in an increase to the City’s tax base.
  - (c) This Project proposes to maintain the current number of permanent employees on the Site, however it may better assure continuity of employment for those employees and the Applicant may raise the number of employees as needed to accommodate increases in the amount of cargo which passes through the Site.
  - (d) This Project is unlikely to result in significant new or additional impacts to public and neighboring properties and resources, including to neighboring residential zoning districts. The proposed closed-loop transfer system and commitment to not venting their product into the atmosphere will allow the Project to contain any noxious or hazardous emissions from entering into the atmosphere and impacting neighboring communities.
  - (e) The Project itself does not present itself to generate benefits or contribute revenue that would offset impacts to or use of public facilities. However, to compensate for this, the Applicant has proposed to pay a fee to the City of \$100 for every rail car that is brought in as part of this Project. This would help to generate sufficient revenue that will offset impacts to, or use of, public facilities and help offset the lack of permanent improvements that would increase the City’s tax base.
23. Having considered all the above-listed findings, the City Council finds that this Project is generally consistent with the zone-specific criteria.

**CONCLUSIONS OF LAW**

1. With the mitigations measures incorporated in the Application and in Conditions 1 through 10 from Appendix A, the Application is consistent with the application requirements set forth in Titles 20 SMC.
2. With the mitigation measures incorporated in the Application and in Conditions 1 through 10 from Appendix A, the Project complies with the requirements established for approval of a conditional use permit established at Chapter 20.66 SMC.
3. With the mitigation measures incorporated in the Application and in Conditions 1 through 10 from Appendix A, the Project complies with the criteria established for City Council approval of a conditional use permit in the Industrial District established at Chapter 20.44 SMC.
4. The conditions of approval set forth in Appendix A are adopted under authority of Title 20 SMC as measures necessary to reach Conclusion 2, above.
5. Any finding of fact that is also a conclusion of law is hereby adopted as such.

**DECISION**

Based upon the aforementioned findings of fact and conclusions of law, the application for approval of a conditional use permit is APPROVED, subject to the Conditions of Approval established in Appendix A

City of Sumas, Washington

\_\_\_\_\_  
Bruce Bosch, Mayor

\_\_\_\_\_  
Date

**METHOD OF APPEAL**

There is no administrative appeal of the Council's decision. Pursuant to Chapter 36.70C Revised Code of Washington, any land use petition challenging the decision must be filed with the Superior Court and served on the following parties within twenty-one days of the issuance of the decision:

City of Sumas  
433 Cherry Street  
PO Box 9  
Sumas, WA 98295

Brian Fraser  
Arrow Reload Washington  
300 Bob Mitchell Ave  
Sumas, WA 98295

**APPENDIX A TO REPORT OF DECISION  
CONDITIONS OF APPROVAL  
ARROW RELOAD CONDITIONAL USE PERMIT**

1. All permits and approvals required for the construction of the Project from either the City of Sumas or other agencies shall be obtained prior to the commencement of operations. All permits and approvals required for the operation of the Project from either the City of Sumas or other agencies shall be obtained in conformance with the requirements of such agencies. The Applicant shall provide to the City copies of all plans and reports prepared under the regulatory requirements of other jurisdictions, including stormwater pollution prevention plans, spill and containment contingency plans, and operations and maintenance plans for Project facilities and equipment.
2. The trans-loading operation must be located adjacent to a rail siding that has been properly constructed and approved by the Public Works Director prior to commencement of operations.
3. The trans-loading operation shall only be permitted to operate at the location as proposed in the Project application and as specifically shown on the Site map. The placement of above-ground or below-ground, temporary or permanent storage tanks is not authorized. Access to the Site shall be from Bob Mitchell Avenue.
4. The Project shall comply with all noise standards established in Chapter 8.26 SMC.
5. The Project shall implement access improvements subject to approval by the Public Works Director which seek to reduce the spread of dirt, gravel and other debris onto adjacent properties and streets.
6. The Project shall at all times comply with the performance standards established under Subsections 20.44.100 (1)-(4) SMC.
7. All construction-related plans shall be reviewed and approved by the Sumas Public Works Director prior to construction.
8. The Applicant proposed and shall pay a fee to the City of Sumas for the purpose of community development and to meet the criteria for issuance of a conditional use permit by offsetting the lack of benefits to the public from improvements that increase city's tax base and to contribute revenue that will offset impacts to, or use of, public facilities. The fee shall be paid monthly and shall be based on the number of rail cars transferred/transloaded. The fee shall be calculated at a rate of \$100 per rail car of petroleum products and petroleum by-products transferred/transloaded.
9. The project shall be commenced within a period of one year from the date of council approval; otherwise, the permit shall lapse unless a one-year extension is granted in advance by the City Council.
10. Any finding of fact or conclusion of law that is also a condition of approval is hereby adopted as such.