

MINUTES
STANFIELD CITY COUNCIL
REGULAR MEETING
TUESDAY, JULY 18, 2017
STANFIELD COUNCIL CHAMBERS
150 WEST COE AVENUE

CALL TO ORDER

The regular meeting of the Stanfield City Council was called to order at 7:00 p.m. by Mayor Tom McCann at the Stanfield City Council Chambers, located at 150 West Coe Avenue, Stanfield, Oregon.

ROLL CALL

Members present were Mayor Tom McCann and Councilors Don Tyrrell, Pam McSpadden, Susan Whelan, Del Manley, Jason Sperr, and Jack Huxoll. City Staff present were City Manager Blair Larsen, Public Works Director Scott Morris, and Police Chief Bryon Zumwalt. Also present was Scott Stanton, Chief of Umatilla County Fire District #1.

FLAG SALUTE

Mayor Tom McCann led the audience and members of the Council in the Pledge of Allegiance.

APPROVAL OF MINUTES FROM JUNE 20, 2017

Mayor Tom McCann approved the minutes for the June 20, 2017 council meeting as written.

COMMENTS FROM THE AUDIENCE

Mayor McCann moved the public comment period to the beginning of the meeting. He said that he wanted to give an overview of the odor issue first, before taking public comments. He said that the problem has gone on for four to five months, and the City has tried everything to get the issue mitigated. He said that he is getting to the point where he would like to have the City Attorney do whatever is possible to get the company to cease and desist until they can prove that they have taken care of the problem. He asked the City Manager if he had anything to add.

Mr. Larsen said that he received a statement the previous day from Marc Johnson, of 3D Solutions, the company that owns the plant, and read it in full:

“Dear Members and Guests of the City Council –

First of all please accept my apology for not being able to visit with you in person at this meeting. Blair had invited me; however, my travel plans and already been booked and I am unable to attend. My name is Marc Johnson and I am the VP Operations for the 3D Idapro business. Blair has been in communication with me on a regular basis as we work towards a remedy for the odor associated with our potato processing and I wanted to provide an update of what we have done thus far and what we are in process of getting done currently.

I have only been with 3D Idapro for 2 months so the history I have, as I know it, is as follows:

- We started Operations in Stanfield towards the end of 2016/beginning of 2017
- In Feb. we experienced a fire that burned down our scrubber that was designed to remove odors
- Due to the business interruption we scrambled to get a new scrubber in place as soon as we could. This required us to buy equipment off of the open market that was not purpose built to our operation
- Due to the fire we experienced a back log of incoming raw materials that started to collect and create odors
- We also have a raw material stream that we utilize that is very beneficial to our operation; however, it does have a strong unpleasant odor

Operational changes that have been made in the last two months:

- At a cost to the business we have suspended the use of any raw materials that have the strong odor, none of this stream comes to the plant anymore
- We have made suggested engineering changes to the current scrubber to increase its effectiveness
- All collected older raw material has been sold to another processor located in a different area and no longer comes to the facility

- Re-dedicated our training efforts for operators teaching them how to operate the drying equipment in a cleaner more efficient manor
- Worked with Stanfield to shut down operations on requested days
- All raw material that arrives at the facility is processed within 1-2 days

Current operations changes that we are working on:

- Hired an Environmental Engineering firm to purpose build us a brand new system designed specifically for our operation (current estimate for this system is ~\$500,000)
- Working with the Engineering firm and the DEQ to better understand the root cause of the odor issues and remediate as possible

Status as of today:

- Air sampling has been completed
- Air sampling results are in and system is being designed by our engineering firm - Estimated completion 7/28/2017
- After system is designed the new scrubber system will be built – Estimated completion 10/20/2017
- After constructed the new system will be installed – Estimated completion 11/3/2017

I know that this timeline is a number of months out; however, when we first contacted the scrubber building companies they were giving us dates that stretched into 2018 and we have worked very hard and are paying additional premiums to reduce their original delivery estimates by 3 months.

We are very proud to be an employer in Stanfield and continue to strive to be a better member of the community. As you can see we are actively working towards a solution and will continue to do so with greatest efforts in getting things remedied properly and as quickly as possible. We currently employ approximately 40 individuals, 13 of which live in the Stanfield community and hope to continue to bring additional jobs to the area as we grow. We do apologize for the aroma issues and I want to assure you that we are working very hard and in conjunction with Environmental Engineers as well as the DEQ and will be spending the additional capital needed to help alleviate the situation as quickly as possible.

Thank you,

Marc”

Mr. Larsen said that since Mr. Johnson had sent that email, he had spoken with him and Mr. Johnson explained more about the different types of raw material they bring in. He said that the company takes in pieces of potato that are not the right size of quality to be used for packaged food, but also previously took in “cake,” which is potato bits that have accumulated on machinery, and “slurry,” which is a liquid full of potato solids that is left over from potato processing operations. He said that Mr. Johnson had informed him that the company would no longer be bringing in the last two categories, which are the cheapest for them to buy, but also are the most prone to cause odor. Mr. Larsen said that the company was also looking into using a chemical to address places where raw material drips off of supply trucks onto the ground, and into a different route for supply trucks to take.

Mr. Larsen said that while the efforts to mitigate the odor have been slow, the company has been making verifiable attempts to address it. He said that the options that the City has are limited to the City’s nuisance ordinance, which certainly applies. He said that once the City gives notice to a property owner that there is a nuisance on the property, it can then levy fines on the property if the owner does not take care of the problem. He said that the ordinance used to state \$250 as the fine for a violation, but has since been amended to be the maximum amount allowed under state law, and he had not been able to find out yet what that amount is. He said that each day constitutes a separate violation. Mr. Larsen explained that his opinion is that as long as the company is working on the problem and making progress, he did not want to start to penalize them, because he feared that such action would sour the relationship with the company and end any possibility of working together to address the problem and improve things. He feared that the company would prefer to pay the fine and cause even more odors.

Mr. Larsen said that the City has also been working with the Oregon Department of Environmental Quality, which has jurisdiction over this as well, and that DEQ has been working with the company and has been satisfied that the company is working toward fixing the problem, and seemed fine with the timeline as it stands. He explained to the Council that he works for them, and if they would like him to take a different action than he has taken up until now, he will

do so, however he thinks it is worth listening to the company. He said that it is a balance between allowing people to use their industrially zoned land, and protecting the interests of those in residential areas who are affected. He said that if there are questions about technical issues, a representative from the company working on the odor mitigation equipment was present.

Mayor McCann said that the City has been trying to work with the company for more than 120 days, and there is still no real improvement. He said that some people in town have respiratory issues, and this is affecting their health. He said that some people have even told him that they are trying to move in response to the odor. He said that it is time for the odor to stop in whatever way is legally possible. He said that the plant should be shut down until it is fixed. He said that with the economy the way it is, the workers there will be well able to find employment elsewhere.

A citizen said that the product the company is bringing in has been rotting in a pit since before the fire, and these rotting spuds will be coming in until the end of August. He described what he had seen in the pit. Mr. Larsen asked if that was the site west of Hermiston or in Stanfield on site. The citizen said that it was in the site west of Hermiston on 207.

Mayor McCann said that two weeks ago he was at the compost yard, and a citizen was throwing up there because of the odor.

A citizen said he was worried about the devaluation of property.

Another citizen complained about the odor during ball games.

Mayor McCann said that the company has other facilities in Idaho and in the north central states, and has had problems in both of those places, and a fine had been levied against them in Idaho. He said that he feels that the City has been patient enough.

Leland Winebarger read a newspaper article from 2013 in Burley, Idaho that outlined the same issues as well as an article from 2016 in the same place speaking about violations charged against the company for odors. He said that the company has been fighting this for three years, and that it is still going on with no improvement. He said that everyone says to call DEQ, but DEQ has no say in the matter, and people at DEQ has told him that they can't do anything. He said that what the company is doing is not illegal. He said it is not a DEQ problem. He asked the Council what they are going to do.

Mayor McCann said that the only option that he has come up with has been to get a court order to get them to cease and desist operation until they can prove that they can operate without causing an odor.

A citizen said that the company can get this to work if they had decent product, but they don't want to pay for it.

Mr. Winebarger said that the health aspects of this are complicated. He said right now it's hot, but humidity really makes it worse.

Citizens and the Council discussed the qualities of the odor, and where they could smell it.

Mayor McCann said that the City is in an agricultural area, and there are a lot of smells that come with that. He said that the starch plant opened in 1990, and for years there was no odor associated with it, and there were no problems until now.

A citizen brought up the odor associated with the site three years ago. He asked why this company was approved. Another citizen asked if the City did not know what the smell would be like.

Mr. Larsen said that the company came to him when they bought the property and told him about what they were going to do, and got all the necessary permits. He said that unfortunately, those plans do not have an odor to them, and it is not possible to tell exactly what it will smell like.

Citizens complained that more research should have been done and that they should have been consulted.

Mr. Larsen said that the company presented everything they were going to do and they said that there would be a baked potato smell. He said that everything was in order in their permits, and there was nothing that he could do at that time to refuse them a permit. He said that they were following the City's ordinance. He said that he had to do what the law required, which was to approve their permits.

A citizen asked if there was any research done on this company before approving their permit. Mr. Larsen said the City's ordinance do not require that.

A citizen asked if they would have to put up with the odors all summer.

Mr. Larsen said that he answered to the City Council, and he would do whatever they asked that was legally possible. He said that they City needed to operate legally to avoid a counter suit that will cost the City a lot of money.

A citizen said that he had never been to a Council meeting, and he said that showed how serious a problem this was. He said that he thought that Mr. Larsen was not taking the complaints serious enough. He said that he has not noticed any improvement in the odor, despite the work that the company was doing.

Mayor McCann said that he would rather see an empty plant, than people going to the hospital with respiratory problems.

Kevin Covert asked if Mr. Larsen would feel the same if he and his family lived in the City.

The Council and residents discussed their inability to be outside and enjoy themselves due to the odor.

Mr. Covert said that the company owns a financing company, and stated that they can afford to shut down while they fix things.

A citizen said that the solution to the problem is to pay for decent raw product, which this company won't do. Mr. Winebarger asked why this brand new plant isn't state-of-the-art. He said that the company pushed all the contractors so hard to get things up and running and get product in and out that they ended up with a plant that can't handle the odors. He asked who is going to pay for the fire district response to their property, and the damage to roads from their trucks.

Councilor Sperr said that his opinion has been affirmed, and they want the smell to stop. He said that the City needs to take whatever action it can to get the place shut down until it is run properly. A citizen said that if there is not a solution, the plant should be shut down.

Councilors Sperr and Manley moved and seconded to direct City Staff to enforce the City's nuisance ordinance and look to take legal action to make 3D Idapro cease and desist operation until the smell has changed completely. Ayes: McSpadden, Whelan, Tyrrell, Manley, Sperr and Huxoll. Nays: None. Motion carried.

A citizen asked if the company shuts down, if they will still have to clean up the property. Mayor McCann said that they would be required to.

Councilor Whelan said that she hopes the audience comes back when they're happy.

A citizen said that when he has called, it doesn't seem like they care.

Mr. Larsen said that he appreciated all the comments, and that he works for the Council and does his best to put their will into practice. He said that he understands that some in the audience don't think that he has been aggressive enough, and he respects that. He said that he loves this community, and that he took this position because he wanted the job. He said that he doesn't live in Stanfield because when he moved here, they could not find a house here. He said that he is on their side even though they may think that he isn't. He said he has made an effort to everything that people say when they come in to complain. He said if staff are not listening, then please let him know because he wants to make sure that they are responding to complaints. He said he is doing what he can, and he is trying to protect the City from being sued. He said he will do what the Council wants. He said he wants to make sure that this route of action is not a quick thing. He said that nuisance enforcement would start immediately, but fines will take a while to have an effect. He said that legal action will also take time.

Steve Otzenberger said that everything that is done in a City is a process, and it is not fast. He said this will not happen overnight. He said that the City Manager is in the hot seat, but the process is detailed and requires paperwork, meetings, and phone calls, and this is just the beginning. He said everyone needs to understand that there is a process that needs to be followed. He said be patient, keep complaining, and don't expect that the plant is going to be shut down immediately.

A citizen said that she is alarmed that this plant even opened without her knowledge, and that she didn't vote for it. Another citizen said that the company chose the City for a reason, because the City can't react very fast or stop them.

Mr. Winebarger said that the City is going to living with this for two years, at least.

Mayor McCann said that the City is trying to mitigate the problem and do it as expeditiously as possible.

Greg Jerrod, of 3D Idapro said that they had a product that was causing more odor, and they stopped using it. He said everything they use is fresh, less than 48 hours old.

A citizen said that she appreciates everything that the City Council and Staff are doing to eliminate the stink.

Another citizen suggested contacting federal legislators.

A citizen said she has a son who is asthmatic, who can't breathe.

Mayor McCann said the biggest friend the community has is the media. The more it is brought to light, the more it will help Stanfield.

A citizen complained about other towns coming in for a state baseball playoff game and being affected by the smell.

Jesse Nielson said he was an engineer specializing in waste products from large potato facilities under contract with 3D Idapro since early May. He said the first thing they were tasked to do was look at the scrubber that is in place now to determine if it was adequate. They found that it was undersized. They then determined that it was better to replace the scrubber. He said they are now designing a new scrubber and are putting together a fugitive emissions plan, which has been required by DEQ. He said they have identified this as a priority project, and they are designing, building, and installing a new system. He said that he has had conversations and met personally with representatives from DEQ on this project. He described the equipment that has been recommended to decrease the odor. He said that October and November is the projected completion.

Greg Jerrod said that they had the right scrubbers, which were then burned up, but then they replaced them with an inadequate scrubber, and now they are getting the right system.

Citizens continued describing the existence and effect of the odor.

A citizen asked why the company was even allowed to set up in the first place.

Mayor McCann declared a five minute recess before continuing the meeting.

PRESENTATION FROM UMATILLA COUNTY FIRE DISTRICT NO. 1

Scott Stanton, the Chief of Umatilla County Fire District No. 1 presented his annual report to the Council. He said that this was the first year of operation of the newly created fire district. He said the creation of the district was very good for Stanfield, as it increased capability while decreasing taxes.

Mr. Stanton detailed all the activities of the Fire District for the last year. He said that a big part of the increase in activity is from distracted driving. He discussed the changes in the board due to the merger of the two fire districts. He said there have been some significant fire calls due to the wet spring. He also told the Council about their new HazMat team, the new brush fire truck, training tower, and other improvements. He outlined the additional equipment that would be replaced in the near future.

COMMITTEE REPORTS

Police/Court: Chief Zumwalt submitted the police report in writing. He passed out the flyers for National Night Out. He said this year they were concentrating on the bike rodeo-registering bikes so that they can be more easily found if lost or stolen. He said they will try to do drone obstacle race. He said food for the event was donated, and there will be a movie in the park right afterward. He said that this year they will also be presenting a Neighbor of the Year award at the event. Mr. Larsen said that the next Council meeting was scheduled for August 1st, which would allow the Council to be at the event, and then go to the Council meeting. The consensus of the council was to cancel the meeting on August 1st, and have the next Council meeting on the third Tuesday of August, the fifteenth. Councilor Whelan asked about the occupied RV that was discussed at the previous meeting. Chief Zumwalt did not have any updates on that issue.

Public Works/Building: Mr. Morris said that the Public Works staff is busy with routine summer stuff, and will be painting crosswalks soon before school starts. He said they are getting ready to start putting up the new storage building. He said they had a big sewer plug up recently, and

fixed a few water leaks. He also said that they will be cleaning up some more properties soon for code abatement, and will have inmates in town to handle that.

Finance/Administrative: Councilors Sperr and Manley moved to pay bills in the amount of \$162,895.03. Ayes: McSpadden, Whelan, Tyrrell, Manley, Sperr and Huxoll. Nays: None. Motion carried.

Councilors Tyrrell and Huxoll moved and seconded to approve the finance report for June 2017. Ayes: McSpadden, Whelan, Tyrrell, Manley, Sperr and Huxoll. Nays: None. Motion carried.

Safety: None.

Library: None.

Councilors Huxoll and Sperr moved and seconded to approve all committee reports. Ayes: McSpadden, Whelan, Tyrrell, Manley, Sperr and Huxoll. Nays: None. Motion carried.

OTHER BUSINESS

Mr. Larsen said that the next meeting will be August 15th. He said that the League of Cities conference was coming up, and that funding is available for Councilors to attend. He asked that Councilors let him know if they would like to attend. Councilor Whelan said that she would like to attend. Mr. Larsen said that the County is deeding a property over to the City that being auctioned for having defaulted on taxes. Mr. Larsen said he had arranged that because the property was unbuildable, and the City already maintains it. He said that it would serve as an extension of Bard Park. He also said that the Council was invited to the grand opening of the Eastern Oregon Trade and Events Center. He also said that he would be out on vacation for the rest of the week.

COMMENTS FROM THE COUNCIL

Councilor McSpadden asked about the status of El Dorado apartments. Mr. Larsen said that the owner is back in town, but the building has not been inspected yet. Chief Zumwalt said that some access has been permitted, but the building is not open yet. Councilor McSpadden also asked about the grant to the Broken Barrel. Mr. Larsen said that they have not applied for any reimbursement yet.

Councilor Whelan asked who the City Attorney is. Mr. Larsen said that it is David Blanc of Corey, Byler and Rew in Pendleton. Councilor Whelan thanked Mr. Larsen for maintaining a professional attitude during the questioning earlier in the meeting.

Councilor Sperr also thanked Mr. Larsen for “taking the fire for us.” He said that in the future the Council should be more proactive.

Mayor McCann thanked all the volunteers and others who works so hard on the 4th of July this year. He said this year was great, and it gets better every year. Chief Zumwalt said that he heard a lot of compliments on the 4th of July. Mr. Larsen said that the committee did a fantastic job. Mr. Morris said that the fireworks display was exceptional.

ADJOURNMENT

With no other business to consider, Mayor Tom McCann adjourned the regular meeting of July 18, 2017 at 8:59 p.m. The next meeting was scheduled for August 15, 2017.

Respectfully Submitted,

W. Blair Larsen, City Manager/Recorder

Attest: _____

Date of Approval: _____

Mayor