

Approved Minutes Emmet County Board of Supervisor Minutes

July 19, 2018

Special Meeting

SERT Building, Iowa Lakes Community College, 2421 7th Ave South, Estherville IA 51334

9:00 a.m.

Present: Bev Juhl, Chair
John Pluth, Vice-Chair
Jeff Quastad
Roger Hash
Tim Schumacher

Absent:

Juhl, Chair, called the special meeting to order at 9:00 a.m. at the Iowa Lakes Community College S.E.R.T (Sustainable Energy and Resource Technology) building with all Board members present. Also present was Doug Hansen, Emmet County Attorney, Barb Bohm, Emmet County Assessor and Zoning Administrator and Colleen Anderson, Secretary to the Board of Supervisors. Representatives from Central Bi-Products, Farmers Union Industries LLC, was Dan Hildebrandt, CEO OF Farmers Union, the parent company of Central Bi-Products and Dale Bednarek, Chief Operating Officer of Farmers Union, and many people from the public were in attendance.

The meeting started out with each Emmet County Board of Supervisors member giving their view of the situation going on with the rendering plant.

Supervisor, Beverly Juhl, Chair, stated that her concern is that the quality of life in Estherville the last few weeks, has been compromised.

John Pluth, Supervisor Vice-Chair, who also lives directly across to the West of the rendering plant next spoke. He stated that he has several concerns. He stated to Farmers Union that you need to be good stewards of this community. You are taking trucks down the roads and spilling on the highways. He stated he believes trucks are being overloaded, creating all the spills on the highways. He stated that right now, there are so many spills in the yard that the trucks and vehicles drive through these and then drive and spread these spills on the highways. He stated some of these housekeeping things could be remedied very easily. Since he lives directly across from the facility, he keeps an eye on things and notices that many times, the doors are not down. He has mentioned this to Tom Beseman, Director of Operations at Central Bi-Products, and stated that you need to get the one door that is broken fixed. The doors are to be shut to operate their air system within. When the doors on the North are left open, with a South wind, the terrible odor goes directly into Estherville. He stated he has observed dead animals in trucks, sitting way too long, parked in the back and baking in the 90-degree heat that we have had. He went on to say we have heard your long-term plans, but we need and want to hear what your short-term plans are.

Roger Hash, Supervisor, stated that your current operating situation is doing more harm, than good. He wants to see this remedied and wants to know what you are going to do to make this situation better for our community.

Tim Schumacher, Supervisor, thanked all for coming. He stated that one goal we are all working for is to be partners here. We all want a great way of life here in Estherville and Emmet County. When I came on Board 8 years ago, I personally thought that this was a lousy place to put this facility, just south of Estherville. However, we cannot go back and change that, but we do have a conditional use permit here. He went on to state that the reason the people are here today is because we used to have 5-15 days a year with odor and now it has gone to 5-15 days a month, if not more. He stated that it is easy for people, to say shut it down, but it is not that easy. Schumacher stated that agriculture is far different than it was 40 years ago. He stated I hope we can find a solution for our problems this morning and that everyone can leave with confidence today that things will get better.

Jeff Quastad, Supervisor, stated that when you took over the plant, the air quality was improved. He believes there are different standards of tolerance for different people. To some it is a horrible smell. Quastad shared a story about being a good neighbor and just do not tell us you will fix it, but do the fix. He stated that after a while, people lose faith in you when you do not fix things and make them better. He stated that the Board takes the wrath of the smell issue constantly. Quastad went on to say we are the public's link. He stated that the last few months, it seems like someone dropped the ball and it went out the door, it has gone from bad to worse, stating why has it gotten this far.

Dan Hildebrandt, CEO of Farmer's Union, apologized and stated that Farmers Union Company is a lot better business than what he has heard today. He stated that he lives in Redwood Falls MN and that his community has a rendering plant. When we bought the plant here, we sure did not have the intent to reduce the quality of life in Estherville. We were aggressive with the rendering plant; we took on more work, we had a management change and fire. He stated even when you are broken down, the trucks keep coming in. He stated that he believes an answer here in Estherville is less raw material coming to the plant. He stated that animals have no shelf life. Hildebrandt stated that we have hurt our other companies due to our problems here. With these problems, the quality of the product diminishes as well. Initially, we need to do a whole lot less product, making Estherville happier. He stated that they are in the process right now of building a new area and additional storage to park trucks within the building and to implement a new scrubber system. He stated that driving into Estherville this morning, there was an odor. Farmers Union wants to be friends with the Estherville area.

We need to do a good job and be respected in the community. He stated that until we get the proper equipment in place, we are going to haul in less raw material. He went on to say we cannot guarantee no odors altogether, but we will have much less. We need to get the equipment in place to get the odors down. The new building will be done September 1 of this year. The scrubbing equipment will come in and be installed. After that, the other building will be torn down. He stated that we need to manage the facility and the spillage much better, stating right now is unacceptable. Farmers Union employs 600 employees total in all their facilities. He stated also that it looks like I need to spend more time here. He stated we are diligent to make your quality of life better.

Doug Hansen, County Attorney asked Hildebrandt when the fire occurred and the answer was June 1. Hildebrandt stated that it was an internal fire inside the cooker and turned the grease to a tar. The question was asked what did it do to the scrubber system and Hildebrandt said nothing, other than it is undersized. A new scrubber will be installed in the new building. Hansen asked the question if they have ever considered shutting this system down, until they get this fixed. Hildebrandt stated that if we shut this plant down, Redwood Falls would have to shut down also because of no raw material and this would have quite an impact on so many things. Hansen went on to say that, I hear it will be September or October before you are up to speed but you are still operating. You have a conditional use permit, to operate within. Hansen stated so what is reasonable, is it reasonable to continue operating, when your scrubber is undersized, there is raw material sitting out there and doors are not being closed? It seems reasonable to me to shut the plant down, until you get it in order.

Hildebrandt stated we are running right now within the conditional use permit, we are going to make improvements. As far as shutting down, I do not know I can consult with our Board and Attorney; I cannot answer that question today.

Central Bi-Products employs 25 employees and receives 6 loads of dead animals and 14 loads of offal daily.

Hildebrandt stated that cleanup is timely and they will be going forth with less hauling in.

Juhl stated that there was a complaint that one of the trucks that hauled the dead animals was parked at Dairy Queen in Estherville, and that is unacceptable.

Quastad stated we had a businessperson come to town and they were not impressed. This would have been one of the best prospects coming to town in many years,

A member of the public spoke, Mark Mitchell. He has been to various meeting, stating he is not against your plant but against how you operate your business. The smell started in July 2008, and the plant has increased production and you keep the plant running with the same equipment. He stated that the trucks coming by his place on highway 4 are not covered or tarped and smell awful. It's not only your smell, but I also blame the City Council of Estherville for not taking care of the Jake brake issue. He stated to the Board of Supervisors you told me in 2014 that something would be done and then again in August of 2015. He stated so how can plant run today, the plant should be shut down until these things are in place and operating. He believes it is all talk and until this plant can be run the way it is supposed to be run, it should shut down.

Dan Lutat, Director of Sustainable Resources and Technology at Iowa Lakes Community College, stated I already have the impression that you don't care about our community. He stated that 2/3 of our population are held captive here. These odors have a huge impact to economic development and growth in our community. He believes that you do not operate until you have renovation complete. Four to six months of odor is unacceptable, it has affected the quality of life in this City. At his residence this morning, there was a horrible smell. He stated that he works across from Dakota Pack, and they are a good partner. It is just not acceptable; we have new prospects coming into town that smell the bad odors. He stated hundreds of students, when their finals are done, couldn't wait to get away from Estherville to leave the smell. You need to approach this aggressively to fix this for all of us. In closing, Lutat stated end of story, bottom line.

Roy Gage, stated you have failed us the last 40 days and beyond. You tell us what you are going to do, but you have really failed us. He asked Hildebrandt have you seen all the complaints of odors in the last 40 days. Are these complaints even going to your desk?

Don Edwards asked what is the accountability in all of this. For the Board, I understand good faith, when I do something wrong I am held accountable for what I have not done or done wrong.

Attorney Hansen stated that there are legal remedies. Litigation is time consuming and costly but if we have to we are going to leave that option open, it is getting to the point that something has to change.

Eric Anderson, Valley Contracting, is a business lying between the sewer and rendering plants. Most days, it is tolerable until six months ago. Right now, we are happy when the wind is out of south, but noting then it is bad for Estherville. He believes that the previous administration did a better job on odor and housekeeping. We were all asked before this plant went into place in 2008, our opinions. I felt we needed industry and it would put people to work in our community. The smell has greatly increased. We do not want to see a plant closed. The number one problem with this plant is housekeeping and odor. Address those issues presented today and we will get through this.

Richard Beaver, Fire Chief for Estherville said his worst nightmare was fighting a fire in this plant facility. That is the worst crap we have ever driven through. They are still working on hoses, etc. to get the smell off the equipment. This odor is something that should be addressed every day, all day, not just when someone starts complaining.

Mitch Eveleth, stated he has been watching the management of this facility sitting in front of us today. Not one note is being taken or written down. He would feel a lot more comfortable if he saw the representatives taking notes and our concerns to heart.

Bob Jensen, business owner, stated he has heard many concerns from, life-long residents of this community. He stated that he is aware that this is a multi- million-dollar facility and employs people. Jensen stated but we have business owners and own homes here too in Estherville. The topic that seems to overshadow all the good is the stink factor. We have a new Emergency room being constructed on our hospital employing doctors that we are trying to get into our community and we have some new businesses coming into our town. Jensen stated, we are an aging community, many looking to retire and stay here and now with the odors, these people may move elsewhere. These are genuine concerns. All the positive things going on for our community are overshadowing our quality of life with the smell we are experiencing from your plant.

Hildebrandt responded; I do care if I did not care, I would not have showed up for this meeting today. Concerning the odor complaint log, he has not heard of them all. They do keep track of it and log them in their facility in Redwood Falls. He stated we need to do a better job of housekeeping and do a better job with our trucks and spills. As for the Jake brakes situation, again he stated I live a mile out of town at Redwood Falls, he hears them all too, but got on their contractors to get them to eliminate that brake noise and it worked. We do care. We need to talk and take care of your quality of life and we will work with this and granted we need to eliminate a portion of the raw material being hauled into the plant.

Pluth, thanked everyone for coming and thanked Farmers Union representatives for coming also.

Quastad stated to Farmers Union that I hope you do pick up the ball. Shutting down would be hard, and then what do you do with the raw material. The placement was not great for this facility. The last couple of months have been dramatic.

Mark Mitchell asked about a timeline on this situation, are we going to go on another 10 years like this?

Supervisor Juhl stated that we are not going to let it go, we will work with our County Attorney and we will work with Farmers Union/Central Bi-Products, we are not going to let this drop.

The Board thanked all for coming and thanked Iowa Lakes Community College for the use of their facility.

It was moved by Schumacher, seconded by Pluth to adjourn the meeting at 10:05 a.m. All ayes. Motion carried. Meeting closed.

Colleen Anderson, Assistant to the Auditor

Bev Juhl, Chair