



# **City of Grand Island**

**Tuesday, February 13, 2007**

**Council Session**

## **Item G3**

**Approving Minutes of February 6, 2007 City Council Study Session**

**Staff Contact: RaNae Edwards**

## OFFICIAL PROCEEDINGS

### CITY OF GRAND ISLAND, NEBRASKA

#### MINUTES OF CITY COUNCIL STUDY SESSION

February 6, 2007

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Community Meeting Room of City Hall, 100 East First Street, on February 6, 2007. Notice of the meeting was given in the *Grand Island Independent* on January 31, 2007.

Mayor Margaret Hornady called the meeting to order at 7:00 p.m. The following members were present: Councilmember's Pielstick, Walker, Cornelius, Nickerson, Gericke, Brown, Gilbert, Whitesides, Haase, and Meyer. The following City Officials were present: City Administrator Gary Greer, City Clerk RaNae Edwards, Finance Director David Springer, and City Attorney Dale Shotkoski.

INVOCATION was given by Councilmember Jackie Pielstick followed by the PLEDGE OF ALLEGIANCE.

Discussion Concerning Request of Energy Grains Development for Conditional Use Permit for Ethanol Plant Located at 1730 Wildwood Drive. Craig Lewis, Building Department Director reported that at the January 23, 2007 City Council meeting this request was referred to a Study Session for further discussion and to address questions and concerns from the Council and public.

The application for a Conditional Use Permit was submitted by Energy Grains Development Group LLC of Kearney, Nebraska for construction of an ethanol production facility located at 1730 and 1898 Wildwood Drive.

The following conditions were proposed by City staff:

- 1) On-site wells regulated by the Central Platte Natural Resources District shall also be registered with the City as to location, size, and proposed volume to be pumped.
- 2) Odor generated at the plant is proposed to be mitigated with two thermal oxidizers. As this approach appears to be the most recent technology, the operation shall submit, on a two-year cycle, documentation that the Best Available Control Technology (BACT) has been provided or will be provided to control any odors associated with the process.
- 3) Air quality and emissions are regulated by the State of Nebraska Department of Environmental Quality. Additionally, in regard to air quality, BACT shall be provided and documented to the City of Grand Island on a two-year rotational period.
- 4) Waste discharges from the production are regulated by the State Department of Environmental Quality; additionally, the City of Grand Island Public Works Department shall approve the method and destination of the proposed waste.
- 5) Landscaping on the site is proposed in a tree line adjacent to the north boundary of the property. A landscape plan identifying this proposed planting and additional plantings that comply with the provisions in the zoning regulations shall be presented to and approved by the City of Grand Island prior to construction permits. The landscaping shall be maintained for the life of the facility.

- 6) Exterior lighting for the facility shall be predominately down lighting.
- 7) Construction of the proposed facility shall commence within two years of approval and if, for any reason, production ceases for any continuous two-year period the conditional use permit shall become null and void and require subsequent approvals from the City Council.
- 8) An additional item for conditions placed on the proposed use would be a development agreement that identifies the expectations for the development of the tract of land. In the past, subdivision agreements have typically fulfilled this expectation, but, as this property will not need to be subdivided as a requirement for development, an agreement that identifies the responsibilities and expectations is desirable.

The following people spoke regarding the proposed ethanol plant:

Jim Greer, 637 E. McArthur Avenue spoke in opposition.

David Bush, 2508 Stagecoach Road wanted council to research pollutants given off by ethanol plants. Submitted to council were several articles concerning VOC emissions and order.

Diane Haney, 3604 South Blaine Street, Lot 6 wanted to know the details of the 40 jobs and why there was not a local contractor. Mr. Lindstrom stated 40 – 45 full time jobs and approximately 90 indirect jobs would be created. Pay scale would be approximately \$45,000 per year. The following positions would be needed at the plant: grain handlers, technical, laboratories, grain sales & contracting, computer, accounting, and business. There would be local subcontractors as the local contractors do not have the expertise to build a plant like this.

Dr. Casey Iverson, 3604 South Blaine Street asked what would happen if the plant was no longer profitable to make ethanol, what else could it be used for. Dan Lindstrom, Attorney for Energy Grains Development stated it was their intention to make ethanol. It was mentioned that if the use changed at this location a new conditional use permit would be required.

Elaine Deharde, 2815 Lakewood Circle spoke of concerns about the highly toxic chemicals from the plant that would be released into the atmosphere. Mr. Lindstrom stated the state, through the EPA would regulate this. Howard Hohl, Winfield, Illinois commented on emission limits for VOC and hazardous air pollutants. He works for Eisenmann, a company that manufactures thermal oxidizing equipment. All ethanol plants have to go through a certification process through a third party.

Larry Oakley, 1381 West Schimmer Drive spoke in support.

Tom Haney, 3604 South Blaine Street, Lot 6 commented on thermal oxidizers and that every plant had some sort of a smell. He also spoke of concerns about truck traffic.

Kevin Prior, consultant for Olsson Associates was present to answer questions from the council. Presented was a PowerPoint regarding the proposed ethanol plant and groundwater issues. The model results indicated that the impact to the nearby wells would be negligible to city wells, irrigation and domestic wells, and power plant wells. Discussion was held concerning contamination of the aquifer. Mr. Prior stated this would be regulated by the state and permits would be needed from the NRD.

Karen Griffin, 2900 South 31<sup>st</sup> Street, Lincoln, Nebraska geologist with Olsson Associates spoke on permeability of the soils. Ms. Griffin explained the water discharged would be tested and would have to meet EDQ standards. Duane Woodward with the Central Platte Natural Resource District

explained the baseline contours from 1997. Testing though hydrology studies take place continually through the Central Platte NRD. Ms. Griffin stated this was the best site she had seen because of the abundant water supply.

Marlan Ferguson, 2808 Apache Road, President of Economic Development Corporation commented on the importance of environmental issues. He stated the importance of the jobs that would be created, the impact of corn producers, truckers, and others in the community.

Scott McFedders, Gothenberg commented on ethanol experiences as a farmer and supported this plant. Rod Gangwich, Shelton commented on the chemicals used during production of ethanol. Both individuals were a part of Energy Grains Development.

Ken Gnadt, 1610 Gretchen Avenue commented that in order to move this community forward we needed to create more jobs. Mentioned were other ethanol plants in Nebraska that he had visited and noticed very little odor from those plants.

Gary Mader, Utilities Director answered questions with regards to the expansion of the Platte Generating Power Plant and the steam demands of an ethanol plant. He stated it was physically possible but very expensive. Mr. Lindstrom commented on working with the city to work jointly in the future for steam use at the ethanol plant.

Mr. Lewis commented on the development agreement recommended by city staff. Discussion was held on water use and DEQ regulations. Safety issues at the plant were also discussed due to its location being close to PGS.

Mr. Lindstrom answered questions concerning available grain stating there was more than enough corn grown in this area for this size of plant. Comments were made concerning the VOC emission levels. Regulations, permits, and parameters of ethanol plants were mentioned.

Mayor Hornady stated this item would be on the agenda for the February 13, 2007 City Council meeting.

ADJOURNMENT: The meeting was adjourned at 9:15 p.m.

RaNae Edwards  
City Clerk