

Deer Park Community Advisory Council

www.deerparkcac.org

Meeting Notes Monday, October 22, 2018

The 270th meeting of the Deer Park Community Advisory Council was held on Monday, October 22nd, 2018 at the Republic Grill. The meeting was called to order at 6:06 p.m. Facilitator Diane Sheridan reviewed the agenda, which was accepted as proposed. The September meeting notes were approved without changes.

ATTENDANCE

DPCAC Community Members		DPCAC Plant Members		Guests/Resources	
	Ruth Boyd	x	Clean Harbors, Bruce Riffel	x	John Abel, Oxy Vinyls VCM
	Tim Culp	x	Delta Companies Group, Frank Ingrassia, rep by Sonny Watts	x	Della Barbato, Native Prairies Assoc.
x	Ken Donnell	x	Dow Chemical Deer Park, Jeff Garry	x	Corbett Brinly, TCEQ
	Bobby Garcia		Dow Chemical, Whitney Bolger	x	Kaitlyn Conner, Econ. Alliance
x	John Garrett	x	Evonik Oil Additives, Jim Bentinck-Smith	x	Trilby Cressman, Evonik
x	Sherry Garrison		GEO Specialty Chemicals, Chris Miller	x	Butch Cressman
x	Tommy Ginn		Hexion, Marlene Mercado	x	Karen Lewis-Holmes, TCEQ
	Stephen Harrell	x	Intercontinental Terminals, Brent Weber, rep by Karl Kuhn	x	George Mueller
	Robert Hemminger	x	Lubrizol, Chris Hext, rep by Tanya Travis	x	Clint Penrose, Oxy Vinyls
	Cara Herbeck	x	Lubrizol, Tanya Travis	x	Mark Vincent, Port Houston, Speaker
x	Steven Horton	x	Oxy Vinyls Houston Ops, Chris Thomas	x	Wallace Ward
x	Norma Hysler	x	Oxy Vinyls VCM, Claudia O'Rourke		
	Bill Irwin	x	Oxy Vinyls PVC/KOH, Craig Horak		
	Katherine Mitchum	x	Shell Deer Park, Amanda Accardo		
	Mike Mitchum	x	Shell Deer Park Chemical, Michelle Roberson		
	Jeffrey Parks		Shell Deer Park Refining, Thor Nygaard		
	Ariel Pena	x	Texas Molecular, Frank Marine		
	Vickey Roberts		Valvoline, Jerry Precise		
x	Robert Segelquist		Vopak Terminal Deer Park, Dave Stephens		
	Andy Smith				
x	Charles Thomas		Support Staff		
x	David Wade	x	Diane Sheridan, Facilitator		
x	Ernest Weedon	x	Anja Borski		

Port of Houston: Barbours Cut and Dredging Update

Slides available online at <https://deerparkcac.org/wp-content/uploads/2018/10/DPCAC-Port-10-22-18.pdf>

Mark Vincent, Director of Channel Development for the Port of Houston Authority, presented an update on projects by the Authority to modernize and promote navigation safety along the Houston Ship

Channel. The Port of Houston is the number one U.S. port by foreign waterborne tonnage (169.9M tons/year), number one in petroleum, steel and project cargo, and is ranked sixth U.S. container port by total TEUs (twenty-foot equivalent unit, used to measure a ship's cargo carrying capacity). The Port's reach extends about 1,000 miles before reaching competition from ports on other coasts. The Port is an economic and energy security powerhouse, generating an estimated \$617 billion in national economic activity and \$35 billion in national tax revenue annually. The Port of Houston Authority manages 5,000 acres of terminals, 7,000 acres of dredge placement areas, and 12,000 acres of submerged land in and around the Houston Ship Channel. They continue to focus on master planning for future growth and development, optimizing land use and positioning infrastructure for future uses to meet demand as population, investment, and resources continue to increase in the region.

In the next 5 years, the Port of Houston Authority plans to invest \$200 million each year in facilities and infrastructure like ship to shore cranes. Barbours Cut is undergoing an extensive modernization process, updating cranes, reconstructing wharf, reinforcing docks, and widening and deepening the ship berths. They are also removing warehousing, adding heavy pavement across the entire facility to handle bigger equipment for container handling, and improving gates, cameras and maintenance facilities. General cargo (breakbulk, bulk and other cargo) terminals represent approximately one-third of Port revenues. These are also some of the oldest docks in the city. These areas are increasingly productive, with new leases and expansions ongoing. The Bayport Container Terminal is undergoing steady buildout over the next 5-7 years, and improvements are expected to come online just in time to accommodate the sustained growth in container shipping.

The goal of the Authority's submerged land management activities is to develop and promote maritime commerce. They are developing barge fleeting leases to assist in efficient staging of barges, and also manage about 1,200 pipeline licenses for the transport of liquid cargo. The Houston Ship Channel is the busiest channel in the country, with 9,945 deep draft ship calls annually. The Authority is working with the federal government on the next set of improvements to the channel, up for congressional approval in 2020. The proposal is to widen the channel from 530 feet to 700 feet in the bay where justified, to allow for safer and more efficient two-way traffic, especially as ships continue to increase in size. Channel closure from shipping accidents and shoaling (when a channel becomes shallower, as seen after flooding events from sediment deposition) have a huge economic impact, and the Authority is looking to the federal government to assist with projects to make the channel safer, and to improve shoaling conditions with flood control projects.

The Port of Houston Authority expects the Army Corps of Engineers to propose a coastal protection plan soon. They expect the plan will include a gate and a series of dikes, as a companion to the \$3.8 billion project already funded for Port Arthur to Freeport (excluding the Galveston Bay/Houston Ship Channel region). Vincent said estimates on the cost of the project are from \$20-30 billion, and the Authority, while neutral in position in terms of which plan is proposed, believes it is a needed project to protect industry, the bay, and the population. Important to the port is that any gates can be reopened promptly after the storm so that commerce may resume.

Question: Is dredge material still used for projects such as filling in marshes that have subsided? Yes, the beneficial users group meets regularly to use as much dredge material for beneficial projects as possible. Recently, dredge from a new dock at Enterprise was used to fill in marshes near the San Jacinto Monument, and at the Bayport Flare, dredge material is being used on the back side of Atkinson Island.

Question: Why is the federal government more inclined to fund/accommodate the Port of Norfolk's channel widening/deepening request than ours? Their channel is deeper to begin

with, so overall it requires less dredging, which seems to be the driver for getting the project approved. But we are just asking for what is reasonable to improve navigation safety.

Question: Are all facilities along the ship channel owned by the Port of Houston? Do you assist facilities' owners in case widening of channel requires relocation of businesses or their infrastructure? Of the 400 ship and barge docks along the channel, the Port only owns 78. Each time they begin a widening project, they try to route the channel in a way that reduces the impact on existing facilities/infrastructure. The current plan has only identified about 12 pipelines and zero terminals that will need to be moved. The cost of moving infrastructure, when necessary, does become the responsibility of the owners themselves.

Question: Are you involved in the Beltway 8 bridge expansion project? Yes, we own some of the submerged land and adjacent properties. In addition to working with TxDOT to acquire a permit for the work taking place on Authority land, we are also working to help them get efficient access to the work site, and have provided a lay-down/staging area to be used during construction.

Updates

Question of the Month: Delta Companies Group

“What is petrochemworks.com and how is it helpful for the community?” was presented by Sonny Watts of Delta Companies Group. See www.deerparkcac.org for the answer and for questions from past meetings.

Level 3 (Warning) or Level 2 (Watch) Incidents

Amanda Accardo from Shell Deer Park reported a 2 gallon spill of hydraulic oil onto the dock and into the Ship Channel on October 21st. All but 1 tablespoon of the oil was recovered.

Ozone Exceedance Days:

Corbett Brinley reported that there were no additional ozone exceedances since the last meeting. The year to date totals are 35 8-hour 71ppb ozone exceedance days in Houston for the year, and eight 8-hour 71ppb exceedances in Deer Park. There were four 1-hour, 125ppb exceedances in the Houston region (one each in July and August, two in September, none of these in Deer Park).

Written Facility Updates:

- **Delta Companies Group** Sonny Watts reported there had been no environmental releases or notices of violation or fines during the reporting period (February – October 2018). The site did not have any OSHA recordable incidents either.
- **OxyVinyls – Deer Park PVC/KOH and Deer Park VCM Sites** John Abel reported there had been no reportable environmental incidents at the PVC/KOH site during the reporting period (March 6 – October 5, 2018). There were two reportable environmental incidents at the VCM site during the reporting period, a greater than reportable quantity release of VCM on June 13th, and another on July 8th. There were no injuries or off-site impacts. The PVC/KOH site experienced one recordable safety incident, when a millwright received treatment to remove debris from his eye. The VCM site experienced no recordable incidents, making 6 years with no Oxy recordable incidents and 7 years with no contractor recordable incidents.
- **TM Deer Park Services LP (TMDP)** Frank Marine reported there were no reportable spills or releases during the reporting period (March 27, 2018 – October 22, 2018). Their TCEQ Compliance Rating has improved to 0.12, placing them in the “high performance” category. TMDP has gone 4,278 days without a lost time accident, and there have been no OSHA

recordable incidents since the last update. Total Recordable Incident Rate (TRIR) for 2017 was 2.24. Their third well is complete and has passed testing, they are waiting on approval from the TCEQ on the Drilling & Completion report, and they will then submit an update to the No Mitigation Exemption to the EPA.

Other Plant Updates:

Michelle Roberson from Shell Deer Park Chemical announced her move into a new role with Shell. Instead of two plant managers, there will be one plant manager for both facilities moving forward.

Other Announcements

Diane Sheridan said images and information about the Ship Channel Bridge expansion are available online at www.shipchannelbridge.org. Updates for SH146 construction can be found at www.SH146.com.

DPCAC's website redesign is complete and members are encouraged to visit www.deerparkcac.org on their computers and mobile devices to see the updates.

DPCAC Secretary Anja Borski will begin a period of "working leave" in November to accommodate the birth of her baby, and LaPorte CAC's Secretary Tiffany Miller is prepared to fill in as needed. Diane disclosed that Tiffany is the wife of DPCAC participant and GEO Specialty Chemical representative Chris Miller. Members should contact Diane with any questions or concerns.

Plans for Future Meetings

Unless otherwise indicated, meetings are held at the Republic Grill. Food service begins at 5:45 and business at 6:00. We adjourn no later than 8:30.

*Tuesday, November 13, 2018 – **Joint CAP Meeting – Economic Facts and Forecasts and How They Impact the Houston Ship Channel Region***

Presentation by Jesse Thompson, Houston Branch of Federal Reserve Bank of Dallas. Economist specializing in hydrocarbon industry. Tracks energy and economic indicators for area.

7:00 – 8:30 p.m. (no dinner)

Houston Community College Gulfgate Campus

Hosted by Houston CAP – all CAPs invited

*Monday, November 26, 2018 – **What's on the Minds of Students: A Discussion with Plant Managers***

DPCAC is interested in getting to know what is on the mind of students, and will invite local students to attend and present their questions at a Q&A about industry topics. We expect that students may need to meet with the teachers that help us set this up in order to assemble a list of questions they can then ask at the meeting.

Each CAC plant will be asked to ensure that the plant manager (or a qualified representative) will attend and participate in the Q&A session.

After the Q&A, students will be asked "What would it take to interest you in a career in industry?" and "What issues may be holding you and your peers back from considering a career in industry?"

Meeting hosted by GEO Specialty Chemicals

Written updates to be provided by Hexion, Lubrizol and ITC

Jan. 28

Feb. 25

Mar. 25

Apr. TBD

June 3 (delayed due to Memorial Day)

No end of June meeting

No July meeting

Aug. 26

Sept. 23

Oct. 28

December 2 (delayed due to Thanksgiving Week)

Deer Park Community Advisory Council Input on PortHouston Presentation

October 2018

- Best things you heard, if any?
 - Booming business
 - Federal funding
 - Infrastructure coming on coastal protection
 - Beneficial uses of dredge material
 - Our port is irreplaceable!
 - Focus on safety
 - Economic growth
 - Coastal Spine update coming
 - Volume of traffic – good to be #1
 - Funding/Forward thinking improvement
 - Expansion/investment continuing for “foreseeable future”
 - Continued growth is great for local economy!
 - Dredged material is recycled back into the environment

- Concerns, if any?
 - Texas chicken
 - Traffic impacts on 225
 - Ongoing congestion
 - Not enough money for coastal protection
 - Future safety issues if storms are
 - Lack of funding for channel widening!
 - Expanding right of way could impact owners of the land
 - Cost to expand
 - Safety of expanding vessels long term

- Width of channel relative to ships
- The current administration doesn't get it when shown why the channel & bay need to be widened
- Financial responsibility/burden on industry members

- Need more info on anything?
 - Coastal protection gate
 - Price tag for coastal Ike Dike (coming Friday)
 - No very detailed

- Anything else?
 - It's freezing in this room!