

**WOODS CROSS CITY COUNCIL MEETING
NOVEMBER 17, 2009**

The minutes of the Woods Cross City Council Meeting held November 17, 2009 at 6:30 P.M. in the Woods Cross City Hall located at 1555 South 800 West, Woods Cross, Utah.

CONDUCTING:

Mayor Kent Parry

COUNCIL MEMBERS PRESENT:

Kent Parry, Mayor
Rick Earnshaw
Tamra Dayley

John Hadlow
David C. Hill
Jill Evans

STAFF PRESENT:

Alan Low, City Recorder
Gary Uresk, City Administrator
Tim Stephens, Community Development Director

VISITORS:

Mindy Lilyquist
Don Schrader
Court Welsh
Tom Lindhardt
Gordon Carl
Greg Simonsen
Leo Beecher

Katherine Kriegbaum
Lois Schrader
Nathan Rich
Joe Dougherty
Melinda Williams
Ken Shector
Michelle Kjelgaard

Karen Kriegbaum
Nathan Rich
Dave Winward
LeGrande Blackley
Brad Wall
Gary Stark

INVOCATION:

David C. Hill

PLEDGE OF ALLEGIANCE:

Jill Evans

The Mayor welcomed those in attendance and stated this is a regularly scheduled meeting that notice of time, place and agenda was sent to local newspapers and provided to each of the City Council members prior to the meeting.

APPROVAL OF MINUTES

The City Council reviewed the minutes of the City Council meeting held November 3, 2009. After the review, Council Member Earnshaw motioned the minutes be approved as corrected with Council Member Hill seconding the motion and all voted for the motion through a roll call vote.

APPROVAL OF FINANCIAL REPORT

The floor was given to the City Recorder who reviewed with the City Council the City's Financial Report for the period ending October 31, 2009. The Council reviewed the City's cash

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position, sales and use tax report, the transient room tax report, report of the impact fees collected for the South Davis Metro Fire Agency and executive summary of the City's funds comparing revenues and expenditures to the budget.

After the Council's review, Council Member Earnshaw made a motion to approve the City's Financial Report as presented with Council Member Evans seconding the motion and all voted for the motion through a roll call vote.

APPROVAL OF CASH DISBURSEMENTS

The floor was given to the City Recorder who reviewed the Cash Disbursements listing for tonight's meeting with the City Council. After the Council's review, Council Member Dayley made a motion to approve the Cash Disbursements listing as presented with Council Member Evans seconding the motion and all voted for the motion through a roll call vote.

OPEN SESSION (BRIEF ITEMS)

The Mayor then opened the meeting to items from those present they would like to bring before the City Council that would take less than two or three minutes.

The floor was given to Mrs. Mindy Lilyquist, a City resident living in the Town Center. She asked the City Council why there was a lack of information given to the citizens of the City about the lack of fluoride in the City water. She recommended to the City Council that periodically for the benefit of the new move-ins in the Woods Cross City area that the City publish on their website and in their newsletter the fact that the City does not fluoridate their water.

She then asked what could be done to change this to allow Woods Cross City to fluoridate its water, reviewing with the City Council her opinion as to why it is important that there be fluoride in the water especially for expectant mothers and new mothers.

The City Staff explained to her the vote of the City several years ago that exempted it from fluoridating its water and advised her she could prepare a petition asking the City Council to place the matter on the ballot at a future election in the City.

She mentioned that she hesitated to wait for two years before this vote could be taken since there was a City election in this month of November. The Council advised her there is an election within the City each year whether it be a City election or a countywide election or a State or Federal election.

She thanked the Council for their advice and for listening to her concerns.

There were no other items for the brief open session.

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**APPROVAL OF RESOLUTION 2009-481 A RESOLUTION PROCLAIMING
NOVEMBER 20, 2009 AS WOODS CROSS CITY ARBOR DAY**

The floor was given to the Community Development Director who advised the Council of the following:

“To complete our Tree City USA recertification, we will be asking the Council to declare November 20th as Woods Cross Arbor Day. We will hold a brief Arbor Day observance which will include a dedication of an existing tree in one of our parks. The Staff has decided to honor long time and former City employee Delton Nelson by dedicating a tree in honor of him and his 52 years of service to Woods Cross. Delton Nelson was the public works, park, and water superintendent.

“It should be noted that fall is recognized by most experts as the best time to plant trees. In our climate, trees can be planted late into the fall/early winter season as long as the ground has not frozen.”

Following the information presented by the Community Development Director, the floor was given to Council Member Dayley who motioned that Woods Cross City proclaims November 20, 2009 as Woods Cross City Arbor Day through resolution 2009-481. Council Member Earnshaw seconded the motion and all voted for the motion through a roll call vote.

**FOLLOW UP DISCUSSION ON SILVER EAGLE REFINERY NOVEMBER 4th
INCIDENT**

The Mayor gave the floor to the City Administrator who went over the following with the Council:

“I do not have too much further information to report on the incident, but we did tell the residents we would have it on the agenda if any of them want to ask any questions or have any further follow-up.

“The Community Development Director and I have both been interviewed by the Chemical Safety Board (CSB) concerning the approval of the homes in the Morningside subdivision. I know the CSB and OSHA have been spending a lot of time at Silver Eagle Refinery. Each of you should have received an e-mail from me indicating the Chemical Safety Board recommended and Silver Eagle Refinery agreed to shut down the facility to allow for a comprehensive inspection of the pipes and vessels within the facility. I understand this will take a number of weeks to do and should help increase the level of confidence of safety within the City. I believe there is more we can do and we will be working during the next couple of weeks to see what more we can do to help ensure our residents are safe.”

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Following the review by the City Administrator the Council then reviewed the statements from CSB, Chairman Mr. John Bresland and CSB Investigator Supervisor Don Holmstrom updating the public on the investigation of the November 4th explosion at Silver Eagle Refinery in Woods Cross, Utah.

The following are the statements from Mr. Bresland on November 17, 2009:

“Thank you and welcome to this U.S. Safety Board, or CSB, news conference. The CSB is an independent federal agency that investigates major chemical accidents at industrial sites. Our mission is to prevent future accidents through effective investigations, safety recommendations, outreach, and advocacy—we do not have regulatory or enforcement responsibilities.

“Each year the Board deploys investigative teams to about 15 of the most serious accidents that occur anywhere in the United States, and we have 15 investigations open currently.

“Of those 15 investigations, more than half involve accidents at oil refineries—even though the nation’s 150 refineries account for only a small percentage of the facilities that fall under the CSB’s investigative jurisdiction. Three of those eight refinery investigations are located right here in Salt Lake City area.

“The frequency of accidents in U.S. refineries is very troubling. These accidents cost lives, inflict serious injuries, and as we just saw here in Woods Cross, can harm communities. They also earn scrutiny from government regulators; in the past few weeks a refinery in Texas drew the largest OSHA fine in history, more than \$80 million, for alleged process safety violations.

“I call on all refineries to redouble their commitment to safer operations and safer communities. The current rate of accidents in refineries is not sustainable and it is not acceptable. Today, we will release some dramatic surveillance video that underscores the seriousness of the November 4th accident at the Silver Eagle refinery and its potential to cause even more harm had the circumstances been slightly different.

“Earlier today, I saw first-hand some of the damage from the explosion in the residential neighborhood east of the facility. To me it was particularly important to meet the families whose lives have been disrupted by this unfortunate event.

“I was struck by the seriousness of the damage, but I was also deeply impressed by the resilience of the community. As I understand, within hours of the accident, some 200 neighbors had gathered to aid one of the families that had lost the use of their home.

“But as neighbors have also clearly told us, their peace of mind will not be so easily repaired as their belongings.

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“The CSB responded almost immediately to this latest accident at Silver Eagle. Investigators from our Denver office arrived in Woods Cross on the evening of November 4th and have been actively investigating here ever since.

“On Friday, based on preliminary findings about the conditions in the refinery and in consultation with the state and federal OSHA officials, I asked that the refinery shut down temporarily to correct potentially serious safety problems that had come to light.

“Silver Eagle management, to its credit, responded rapidly and positively to this suggestion.

“My understanding is that four of the refinery’s five processing units have now been shut down, and the fifth unit will be brought down in the coming days.

“This decision will obviously cost Silver Eagle some revenue in the short run, but I believe it is the right action to protect the long term interests of the company, its workforce, and the community which gives it license to operate.

“Now I will ask our lead investigator, Don Holmstrom, to summarize the team’s findings to date. Mr. Holmstrom?”

Statement of Don Holmstrom:

“Thank you Chairman Bresland.

“The CSB investigative team has been active here in Woods Cross since the day of the accident. This week we are continuing our interviews, document collection, and site work.

“Our investigation remains ongoing, and today I will present some of our preliminary findings. These findings are subject to further refinement as the investigation continues.

“At 9:11 am on November 4th, 2009, the refinery experienced a catastrophic failure of a 10-inch pipe off the bottom of a reactor in the Mobil Distillate Dewaxing Unit. You can see pictures of the pipe here on the easels. The force of the rupture has caused a section of the pipe to wrap itself around steel support, shown here.

“At the time, the unit was undergoing a special operation to regenerate the catalyst. This operation involved circulating high-pressure hydrogen gas inside the piping, at a temperature of 800 degrees Fahrenheit and a pressure of 630 pounds per square inch, or psi.

“The refinery operated a surveillance video camera, which was pointed directly at the unit where the failure occurred.

“Watch for the truck passing directly past the unit a few seconds before the blast. (Start video)

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“Here’s the unit. You can see the pickup truck driving slowly past and out of view.

“(Explosion)

“There’s a release and almost instantaneously the gas ignites in a large fireball, which we estimate to be 100 feet high. The hydrogen contents of the reactor continue to be released through the pipe, which is now open and pointing directly east toward the housing subdivision next to the refinery.

“The fire burns for a number of minutes while responders arrive.

“(End video)

“There were four workers near the process unit at the time of the explosion. They were blown to the ground but were not seriously injured. Another worker had been taking readings next to the pipe that failed just 1-2 minutes before the release.

“In addition there are commuter rail lines that frequently carry passengers on routes that are immediately adjacent to the refinery. Fortunately there was no train present during the blast.

“Clearly this explosion had the potential to cause deaths or serious injuries had it occurred even a few moments earlier or later in the day.

“The blast wave from the hydrogen explosion damaged over 100 homes, based on our investigators’ survey of the neighborhood. Two of the homes were severely damaged, including one which was knocked off its foundation.

“Now let me summarize what we know about the causes of the explosion.

“Our investigation to date indicates that the Silver Eagle refinery was operating with a mechanical integrity program that had serious deficiencies.

“The goal of a mechanical integrity program is to ensure that process equipment is fabricated from the proper materials of construction and is properly installed, monitored, and maintained to prevent failures and accidental releases.

“Because of the hazardous nature of the materials in a refinery—and the high temperatures and pressures that are frequently used—a robust mechanical integrity program is essential to safe refinery operations. It is also a regulatory requirement for refineries and chemical plants under the OSHA Process Safety Management standard, enacted in 1992.

“So it was a very positive development that the refinery agreed to a voluntary shut down to try to address these important issues.

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“Prior to May 2009, mechanical integrity inspections—including thickness monitoring of pipes and vessels at the refinery—were completed by a contract company hired by Silver Eagle. The refinery later replaced this company with a second outside Inspection Company, which remains active at the site.

“Witness evidence indicates that various thickness readings taken by the prior contractor are of questionable validity. The refinery is now in the process of revalidating those readings.

“Specifically witnesses report that in 2007 the prior contractor documented the thickness of the pipe that failed on November 4th to be nearly one-half-inch, but measurements following the accident show that the pipe thickness was only one-eighth of an inch. A likely explanation is that the 2007 thickness measurement was inaccurate. This and other recent measurements call into serious question the pipe thickness readings obtained by the prior contractor.

“The evidence further indicates that a significant percentage of the pipes and vessels have no documented thickness readings at all.

“Refinery managers have now acknowledged to CSB investigators that minimum thickness values for piping and equipment throughout the refinery have been miscalculated. These are the thicknesses at which the equipment must be retired from service due to the potential for failure. Specifically, the refinery has been using what are known as ultimate tensile strength values, rather than the industry-recommended stress tables.

“The result of these miscalculations is that these minimum thickness values may be 3-4 times too low; some of the minimum thickness values may therefore be too low for the safe operation of the equipment. In other words, there is the potential that multiple pieces of equipment have been operating at below the required thickness for safety—and creating the potential for other serious accidents.

“Our investigation continues. This week we will be focusing on developing a testing protocol to determine the exact failure mechanism of the pipe in the dewaxing unit. We will continue to update the public on the progress of our investigation.

“Mr. Bresland?”

Statement of Chairman Bresland:

“On Wednesday of last week, the team informed me of many of these preliminary findings, which I greeted with great concern.

“We immediately discussed the issues with officials from Utah OSHA, Federal OSHA, and the Utah Labor Commission. All of us agreed the best course of action would be to ask the refinery to halt operations so that these serious integrity issues can be thoroughly examined.

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“On Friday afternoon, I spoke with the refinery manager along with the president and the chairman of the board of Silver Eagle Refining. We discussed the team’s findings. Silver Eagle’s response was sober and serious and reflected a concern for the company’s workers and its neighbors.

“Company officials told me that they agreed that the refinery should be shut down pending an examination of the integrity of the equipment.

“I thank Silver Eagle for its cooperation, and I urge the company to do as comprehensive and thorough an examination as possible and make whatever repairs are necessary to assure the safety of the plant. The restarting of the plant should occur in close coordination with the relevant state and federal regulatory agencies.

“In the days since the explosion on November 4th, we have heard from a great many people and gathered many documents. But none is more poignant than the words of an eight-year old girl, Anna Lindhardt, carefully printed on lined school paper and handed to one of our staff.

“Anna lives directly across the rail line on the east side of the refinery. A week or two prior to November 4th, she wrote a school assignment on the topic of “My Fears.” Anna wrote: “I’m scared that the refinery behind my house might blow up again. And my whole neighborhood will have to evacuate again.”

“Her fears, of course, were prophetic. A few days after the explosion she wrote another school paper, it begins “I was at school and the Silver Eagle refinery behind my house exploded. Now my house is a mess! I was really, really scared when I go home because everyone from our neighborhood was at my house.”

“Now I can imagine how a young child might feel coming home and seeing large numbers of people surrounding her home, and all the troubled thoughts and fears that must have arisen.

“I won’t read the entire essay but let me just say, families and neighborhoods deserve better than this. Refineries and other process plants can be operated in a safe manner, without major process accidents that impact surrounding communities.

“The CSB investigation will focus on understanding how a refinery could be operating—17 years after the federal government enacted process safety regulations—without an established and effective mechanical integrity program. We will also seek to determine how residential housing came to be located in an area where it could be affected by potential refinery explosions. More broadly, we will be examining whether existing guidelines for the siting of hazardous facilities provide enough protection for residents.”

In response to the statements by Mr. Bresland, Silver Eagle issued the following statements to the City Council:

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“In response to the CSB’s press announcement this afternoon, Silver Eagle Refining would first and foremost like to reemphasize what we have previously said, that we are truly sorry that the incident on November 4th occurred and that we recognize that it has been a trauma to many people. We are grateful that no one—refinery workers and or neighbors—were injured.

“The refinery is working closely with the CSB and OSHA to investigate the incident, working with residents affected and will evaluate lessons learned and implement any improvements that need to be made.

“Silver Eagle has been following an established mechanical integrity program and disagrees with any suggestion or assertion to the contrary. Silver Eagle has also worked hard in recent years to upgrade the refinery and improve safety. However, in light of the November 4th incident and the preliminary findings, it is apparent to the refinery that the program was insufficient and that changes need to be made.

“As an ongoing effort in this regard, Silver Eagle has retained an internationally renowned industry consulting firm to help. The refinery will work with them to examine the integrity of each and every one of the refinery’s refining systems before resuming operations.

“To give the consultant the ability to do this work and to reassure our staff and residents that we are committed to their health and safety, last Friday the refinery announced that it would temporarily suspend refining operations.

“Silver Eagle takes its operating responsibility and commitment to its neighbors very seriously. The refinery is committed to being a responsible business in the community.”

Following the review of this information by the City Council the Council was then shown a video of the explosion that occurred at the refinery.

The City Council asked the Staff to continue to work closely with the CSB as well as OSHA as they review the incident and prepare information for the public and the Council and to keep the Council apprised of the progress of their reports.

OPEN SESSION

The Mayor then opened the meeting for items from those present that they would like to bring before the City Council including any comments from the public concerning the November 4th incident at Silver Eagle Refinery.

The floor was given to City resident Ms. Katherine Kriegbaum living at 1935 South. She said that she was very pleased with Silver Eagle Refinery and how they have kept her apprised of the things they are doing for her and the other residents in the area of their explosion of November 4th. She said however she has received no communication from the City and asked why this was the case.

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The Mayor apprised her that there was a special City Council meeting held on November 10th 2009 at the Legacy Preparatory Academy School here in the City which was for the purpose of discussing the incident with the City residents.

Ms. Kriegbaum indicated she did not know of the meeting and the Mayor informed her that it had been announced through a community wide phone calling system as well as advertised on the City's reader board and the City's website.

He said the City will see that the information is posted in City's newsletters as well as the City's website as it becomes available.

She thanked the Council for all they are doing to keep the citizens apprised of this incident and its outcome.

The floor was then given to Mr. Leo Beecher, a City resident, who said the City may want to allow the use of cell phone numbers on the reverse 911 system that informs the public of emergencies and special matters through a phone message coming into their homes. He said many may not be home but would have their cell phones.

The Staff said they would look into this matter and see if the citizens could not be given the choice of having either their home line or their cell phone line in the reverse 911 system.

Mr. Beecher went on to say that he felt with Silver Eagle Refinery being shut down, perhaps it is a good time to monitor the air quality in the City to see what affects Silver Eagle Refinery has had on the air quality on the residents of Woods Cross.

The floor was then given to Mr. Don Schrader, a City resident who explained to the Council in layman's terms the affect of the November 4th incident at Silver Eagle Refinery had upon the other refineries in the area and why there was a burn off of chemicals from these refineries that polluted the atmosphere and what caused it.

The Council thanked him for his explanation.

The floor was then given to Mr. Gary Stark, a City resident living on 1100 West. He advised the Council he had worked in the oil refining business for several years and he was well acquainted with the industry. He noted OSHA does audits of the refineries on an unscheduled basis, but frequently to see if they are operating safely. He said the guidelines for blast zones around the refineries were established in 2002 and 2003 by the CSB and OSHA. He went on to say there is a community rights plan in place with each refinery that gives the community the right to know what safety procedures and what adequate procedures are taking place in the refinery and the City Council has a right to receive this information from the refinery.

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The floor was then given to Council Member Evans who said she had received an email from Ms. Leslie Gertsch, a City resident on 500 South near 1500 West, talking about the inability to evacuate from her home as well as the mobile home park next to her home with the median being placed in the middle of 500 South during its reconstruction.

It was discussed with Council Member Evans that she should advise Ms. Gertsch this is the best way to control the traffic flow in a safe manner on 500 South and in a time of an emergency preparations will be made to allow residents in her area to make a left hand turn onto 500 South to go west away from the oil refinery to the east.

There were no other items for the open session.

REPORT FROM THE WASATCH INTEGRATED WASTE DISTRICT

The floor was given to Mr. Nathan Rich the managing director of the Wasatch Integrated Waste District. He gave a Power Point Presentation to the Council reviewing the operations and goals of the Wasatch Integrated Waste District and advised the Council there are plans to build a transfer station in the south end of Davis County since the waste to energy district is located near the north end of Davis County. He said the land had been purchased in North Salt Lake near Center Street and Redwood Road.

He went on then to discuss with the City Council the opportunity that will be coming up in the future for cities to join the Wasatch Integrated Waste District's plan to recycle green waste. He discussed the pilot program that was conducted this past summer in Fruit Heights and the success that was had there. He said the program is a voluntary program and that Wasatch Integrated Waste District will provide a green can to those who want to participate and it would be picked up weekly through the months of approximately April through November and that perhaps that during the months of December through February the can may be able to be used for other recyclable items.

The Council thanked him for his review and said the City would be interested in participating in the program and gave direction to the Staff to work closely with Mr. Rich and his staff to see the program is implemented in Woods Cross City come the spring of 2010.

REPORT FROM THE SOUTH DAVIS METRO FIRE AGENCY

The Mayor reported on the activities of the South Davis Fire Agency as follows:

1. He reviewed the budget report from the agency for the period ending October 31, 2009 and said expenditures continue to track to budget but revenues are running behind the estimated budget because of the economic conditions in the country and less people seem to be using the ambulance services that are provided.
2. He said the agency approved its tentative budget for 2010 and he reviewed with the Council that budget and how much the City of Woods Cross would participate.

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3. He discussed with the Council that the board of directors of South Davis Metro Fire had discussed forming a taxing district for the agency and that this item would be placed on the agenda for the City Council's detailed discussion in two weeks.

This concluded his report.

REPORT FROM THE SOUTH DAVIS RECREATION DISTRICT

The Mayor continued with the floor and reported on the activities of the South Davis Recreation District as follows:

1. He noted the recreation district had approved its tentative 2010 budget.
2. He said the current year's revenues and expenditures continue to track favorably with the 2009 budget.
3. He said the recreation district continues to discuss expanding its facilities into other activities within South Davis County such as a softball field and other recreational areas.

This concluded his report.

REPORT FROM THE DAVIS MOSQUITO ABATEMENT DISTRICT

The floor was given to Council Member Evans who reported she was unable to attend the last Mosquito Abatement District meeting but the district had approved its tentative budget and she passed out a copy of the budget to each of the Council Members for their review.

MAYOR'S REPORT

The Mayor reported to the Council he would like to appoint Mr. Gary Stark, a City resident living on 1100 West, to the Silver Eagle Citizens Advisory Committee. The Council concurred with the appointment.

The Mayor had nothing else to report to the Council.

PLANNING COMMISSION REPORT

The floor was given to the Community Development Director who reported on the Planning Commission meeting held November 10th, 2009. Please see the minutes of that meeting for the details of his report.

CITY ADMINISTRATOR'S REPORT

The City Administrator reported to the Council on the following:

1. **Veterans Memorial Plaque**

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“We have run out of space for additional names to be added to the Veterans Memorial Plaque. Given to the Council is a sheet showing our options for putting additional plaques up. Because of the budget situation, I recommend we hold off doing this until later in the fiscal year. If we have funds to do it we could do it prior to the Memorial Day Breakfast. Please review the options we have and we can discuss which option you would like to pursue and when you would like to do it.”

The Council directed the Staff to hold on this matter until closer to the Memorial Day Celebration for 2010 when this item will be discussed in detail and a decision is made.

2. Budget discussion

“I planned on having a discussion regarding the budget this meeting, but because of the incident at Silver Eagle I have not had the time to put it together. I plan on making the presentation at the December 1st Council Meeting.”

ADJOURNMENT

At 8:55 P.M. Council Member Earnshaw motioned to adjourn the City Council Meeting. Council Member Evans seconded the motion and all voted for the motion through a roll call vote.

Kent Parry, Mayor

Alan T. Low, City Recorder