MEETING NOTES

PASADENA CITIZENS' ADVISORY COUNCIL

www.pasadenacac.org

Tuesday, January 28, 2020

First United Methodist Church- The Center

The 271st meeting of the Pasadena Citizens' Advisory Council (PCAC) was held on Tuesday, January 28, 2020 at First United Methodist Church, 1062 Fairmont Parkway. The meeting notes from December 5, 2019 were approved without change. The meeting ground-rules were reviewed and accepted. Facilitator Diane Sheridan reviewed the agenda, which was accepted as proposed.

ATTENDEES italicized

PCAC Members

Royce Measures

Lou Ann Nolan

Ernesto Paredes

Dominick Rezza

Giovanna Searcy

Ellis Orozco

Margie Pena

Leon Searcy

Ruth Askine Diane Barnes, CTHS Charles Beckman Frank Bengochea Selina Bellar Raul Camarillo, Jr. Emilio Carmona Monica De La Portilla Tammy De Los Santos Albert Gonzales Rick Guerrero Ken Jackson Mike Jackson Regina Lindsey, Economic Alliance Houston Port Region Luz Locke Loretta McCarthy

Richard Sims Sue Sims

John Suarez, San Jacinto College Joe Valdivia

Christina Womack, Chamber of Commerce Jack Womack

Support

Diane Sheridan, Facilitator Tiffany Miller, Secretary

Observers or Resources George Alger Phillip Barker Maria Bolanos, Harris Co. Pct.2 Frank Borrego Chad Burke, Economic Alliance Houston Port Region Brenda Chamblee, Chamber of Commerce John Collins Elizabeth Cox, Chamber of Commerce Ninfa Herrera, City of Pasadena Michelle Partin

Brenda Pritchard, City of Pasadena

David Wade, HCOHSEM Dennis Winkler, ECHMA Danielle Woods, TCEQ San Jacinto College Students Francisco Arredondo

> Joseph Bitner Emelly Cristino Mouyaouakk Elmahdi

Gabriel Garcia

luan Garza

Jose Guerra Raul Hernandez

John Larson

Michael Lopez Miguel Posada

Gerardo Ramirez

Randy Romero Antonio Torres

Gerardo Villanueva

CAC Plant Members

Afton Chemical, Lisa Trowbridge for Hari Sundaram Air Products, Rachel Glenn Albemarle, Lisa Fruge

BASF, Wendel Langley Chevron Phillips, Chad Jennings Chevron Pasadena Refinery, Mark

Berlinger, Rajni Yadav

Enterprise Products, Agron Pettiette for Lauren Grosskreuz

Ethyl, Lisa Trowbridge for Antonio

Evonik.

Gulf Coast Authority, Phyllis Frank **INEOS Phenol**

Intercontinental Terminals,

KM Export Terminal, David Koetter KM Liquids Terminal, Alex Rendon LyondellBasell Refinery, Bill Clyburn OxyVinyls, Michael Shirey for

Scott Halbrooks

PCI Nitrogen, Tracey Laughery for

Scott Burkett

Sekisui, Jenna Timtiman for Jeff Thompson

Industry Impacts on the Community: Jobs, Taxes, **Community Relations Programs**

Slides posted at www.pasadenacac.org

Chad Burke, President and CEO of Economic Alliance Houston Port Region, gave an overview of the organization's founding, mission, membership and the impact of those members on the local, state and national economy. His presentation slides are posted on the PCAC website.

Dennis Winkler, Interim Executive Director of East Harris County Manufacturers Association (EHCMA), described the employment picture for the petrochemical industry. In Pasadena area, there are approximately 10,000 directly employed in the petrochemical industry and another 65,000 indirectly employed. The directly employed is split between PCAC plants (~ 2,800), BAYCAP plants (~3,000), LPCAC plant (~3,500) and SEACAP plants.

Rick Guerrero, Manager for Pasadena Economic Development Corporation, shared information on the background of Industrial Districts Agreements (IDAs), how they operate and locations of local IDAs. Most cities with industrial areas have IDAs. Industrial district agreements initially began because cities did not want to have to provide full city services to the plants and plants did not want to pay taxes if not receiving services. City services include police, fire, emergency services, water/sewage, trash, road construction/maintenance, etc. However, Pasadena Independent School District (PISD) is not a part of the IDAs and plants located within PISD's boundaries pay school taxes.

While the length of an IDA varies, 7 to 8 years is a common timeframe. As a part of the IDAs, the plants receive no city services (unless covered under a separate contract); plants pay a fee to the city in lieu of city taxes (based on an agreed upon formula including the appraised/assessed value of the property); and the city cannot annex property within the IDA. Depending on property boundaries, IDAs can either consist of one plant or multiple plants. (This is particularly true if the initial property has been subdivided/sold to other companies.)

Guerrero showed maps with the three industrial districts in Pasadena and noted that approximately 25% of the acreage in city is covered by an IDA. He noted that the majority of the PCAC plants appeared to be in an IDA. (NOTE: Some PCAC plants are located outside of the North Pasadena Industrial District, but plant managers said they may be in a different industrial district.)

- How many jobs are specifically in Pasadena? Burke replied that he didn't have specifics, but Dennis Winkler would be addressing this question in his presentation.
- How do you reconcile wealth/job creation versus areas near the plants that are low economic levels? Things are improving. Winkler stated that EHCMA recognizes the need to reach out to understand the community and engage them to join the petrochemical workforce. A focus of EHCMA is to market and expose petrochemical careers to those typically underserved (minorities, females, etc.)
- Why are some PCAC plants not in an ID? Guerrero did not have that information available, but did mention that some plants are in more than one ID. This situation usually occurs because a plant site maybe located within the city limits of more than one city. For example, some PCAC plants are partly in the Houston Industrial District in Houston's extra-territorial jurisdiction (ETJ), which runs along the ship channel.

In addition to questions, a concern was voiced that plants in industrial districts don't pay their fair share of taxes and that communities closest to plants bear the impacts of living near industry but do not benefit from the IDA. Others commented that industrial districts need to be viewed in the context of overall economic development, where IDAs may attract additional businesses to the community, which creates jobs and benefits the community as a whole.

Facilitator Diane Sheridan briefly discussed information regarding PCAC Plants Community Relations Programs that was shared in the September 2019 meeting. Slides attached.

HOST PLANT INTRODUCTION AND SAFETY MOMENT: LyondellBasell Houston Refinery

Safety Moment: Bill Clyburn, Technical Manager for LyondellBasell Houston Refinery, briefly described their focus on improving hand safety by changing leather gloves to impact and cut resistant models. Some hand injuries continue to occur, perhaps because of a false sense of security provided by the increased protection of the gloves. A key lesson is that there is no better protection than good situational awareness of the task at hand.

Plant Intro: The LyondellBasell Houston Refinery is located within the city limits of Houston and Pasadena and was the first petroleum refinery constructed on the Houston Ship Channel. The site has approximately 1,600 employees and contractors, sits on a 700-acre footprint and has the processing capacity of 278,000 barrels per day of crude oil. Principal products include gasoline, diesel, jet fuel and lube oils. Clyburn briefly described the processes and technologies used at the site and reviewed 2019 achievements and the focus for 2020

UPDATES

Mind Trekkers

San Jacinto College Central Campus is sponsoring the 2020 Adventures in STEM Festival Family night on March 5, 2020 from 6-8 pm in Building 18. Admission is free.

CAC

The 2019 PCAC History of activities will be sent out with the January 2020 meeting notes.

The Program Planning Committee met and drafted a proposed Program based on input from CAC in August. The facilitator reviewed the draft with CAC members, and they adopted the Program Plan for the next year.

EHCMA Pasadena Outreach Group

Phyllis Frank, Treasurer of the Outreach Group, has sent out invoices to each of the PCAC plants and asked that plant representatives help to ensure that the invoices are promptly paid.

Pasadena Industrial Community Network (PICN)

Selina Bellar shared highlights of the work PICN did in 2019.

US Census 2020

Part time work is available please see https://2020census.gov/en/jobs.html for further information. More information about the every-10-years census will be presented at our February 2020 meeting.

FACILITY UPDATE SUMMARY

Acronym List on PCAC website

Plant representatives reviewed highlights of the written reports projected on the screen, and they responded to questions. Members may obtain a set of updates from the facilitator, Diane Sheridan, dbsfacilitator@gmail.com, 281-326-5253.

In a Nutshell:

Updates were received from all 18 plants

3 had reportable environmental incidents (2 at Gulf Coast Authority, 1 each at Chevron Pasadena Refinery and Chevron Phillips)

2 had OSHA recordable injuries (1 each at Gulf Coast Authority and LyondellBasell Houston Refinery)

14 had neither environmental nor safety incidents

15 plants had no environmental incidents:

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|---|---|-----|---------------------------------|--------------------------------|--|--|--|--|--|
| 1 | . Afton Chemical | 7. | Evonik | 13. Oxy Vinyls | | | | | |
| 2 | . Air Products | 8. | INEOS Phenol | PCI Nitrogen | | | | | |
| 3 | . Albemarle | 9. | Intercontinental Terminals | 15. Sekisui | | | | | |
| 4 | BASF | 10. | Kinder Morgan Export Terminal | | | | | | |
| 5 | Enterprise Products | 11. | Kinder Morgan Liquids Terminal | | | | | | |
| 6 | . Ethyl | 12. | LyondellBasell Houston Refinery | | | | | | |

16 plants had no safety incidents:

| 16 plants nad no safety incidents: | | | | | | | | |
|------------------------------------|---|---|--|--|--|--|--|--|
| Afton Chemical | 7. | Enterprise Products | 13. | Kinder Morgan Liquids Terminal | | | | |
| Air Products | 8. | Ethyl | 14. | Oxy Vinyls | | | | |
| Albemarle | 9. | Evonik | 15. | PCI Nitrogen | | | | |
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| Chevron Pasadena Refinery | 11. | Intercontinental Terminals | | | | | | |
| Chevron Phillips | 12. | Kinder Morgan Export Terminal | | | | | | |
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FUTURE PCAC MEETINGS

Meetings are from 6:00 – 8:30 p.m. unless otherwise indicated

Tuesday, February 25, 2020 – Annual Report on Worker Safety in PCAC Plants. Round Robin on Effective Worker Safety Programs.

- PCAC will collect and present OSHA recordable injury and illness data for PCAC plants, covering both employees and contractors.
- The report will contain details about each plant plus summaries showing the totals for all plants and the trends.
- In a round robin, each plant will name one aspect of its safety program that has been effective—then go around again until all ideas have been shared.

PCAC meeting notes 1-28-2020 as mailed

Thursday, March 26, 2020 – Recent and Upcoming Technology to Improve the Safety of Transporting Plant Raw Materials and Products

- PCAC will arrange for an update on technology of the last 5 years and possible improvements in the next 5 years on the safety of transporting raw materials into plants and products out of the plant.
- A speaker will be invited from each of the major modes of transportation: truck, rail, pipeline, and marine shipping.

DATES FOR 2020

Tues. Jan. 28 Tues. Feb. 25 *Thurs*. Mar. 26 Tues. Apr. 28 Tues. May 26 No June or July meetings *Thurs*. Aug. 27 Tues. Sept. 22 Tues. Oct. 27

Thurs. Dec. 3 (delayed due to Thanksgiving)

No December meetings

Input on Industry Jobs, Community Relations and Industrial District Agreements 1-28-2020

Were your questions answered? If not, what do you still want to learn?

- Mostly
- What is the long-term projection for industry for today's youth? Jobs, pay??
- Why are some of the CAC plants not in an industrial district?
- Interesting discussion about Industrial District Fees vs. Pasadena Property tax

Best things you heard tonight.

- How impactful the chemical industry is- good information.
- Job growth
- That the Houston Ship Channel region is the largest petrochemical industry in the world and that it accounts for one-fifth of Texas' GDP (mentioned 2 times)
- The job opportunities that come from the industry (mentioned 2 times)
- Big picture view of economics
- Number of Process Tech Students from San Jacinto College at the meeting
- Positive message for the Process Tech Students from San Jacinto College about the job opportunities and growth in the area.
- Ongoing projects
- Future growth/job outlook
- Job opportunities/pay structure/highly skilled jobs

Things that concerned you.

- Safety Processes in aging plants
- Aging workforce
- Qualified workforce
- Inability to see the big picture and job creation
- Are Pasadena communities being devalued by industry presence? If so, is this because of concern for industry safety/recent incidents?

Suggestions for plants, city, PCAC.

- More involved in the community
- Mention Community outreach programs
- Work safer, lower emissions
- Improve communication
- Educate the public
- Industry lead the initiative
- Be more apparent about which PCAC companies have job openings and what positions are available
- PCAC- more involvement from community, so that when public speaks up, industry responds with accurate information.
- Publicize this meeting