

Neighborhood Advisory Committee
July 11, 2017

NAC Members: NCA: Tori Cole, NWDA: Sharon Genasci, Bob Holmstrom

Not Present: NCA: Nick Caleb, Tom Giese, Mary Peveto, NEDC: Aubrey Baldwin, NWDA: Bob Amundson

ESCO Representative: Travis Quarles

Other Attendees: ESCO: Shannon Huggins, Jeremy Pritchett

Travis Quarles called the meeting to order at 10:12 AM.

Main Plant Decommissioning

Travis Quarles provided an update on the decommissioning and pending demolition of Main Plant. Quarles mentioned that recent priorities have consisted of asset removal and an auction to remove equipment from the site. Quarles added that asset removal will continue for the next few months, which will result in some truck traffic in and out of the plant. Quarles mentioned that ESCO held an early assistance meeting with the city of Portland to discuss the requirements of the demolition activities. The meeting was held on June 13, 2017. ESCO discussed the scope of the project and the buildings slated to be demolished. Quarles specified that the Innovation Center and the Administration buildings will remain. Quarles mentioned that ESCO is working with experts in abatement and demolition activities. ESCO is in final negotiations with Northwest Demolition and Dismantling (Northwest). Quarles explained that Northwest is the most accomplished demolition company in the area. Sharon Genasci asked how asbestos will be managed during the demolition. Quarles explained that ESCO has conducted surveys, understands the locations, and that ESCO will obey all applicable laws and regulations.

Bob Holmstrom asked how much asbestos is present in plant equipment. Quarles noted that asbestos is primarily found within building materials, tiles, and roofs, etc. Holmstrom asked if asbestos is present in insulation. Quarles explained that there is not much insulation at the Plant. Quarles further added that asbestos will be removed prior to demolition. Quarles added that ESCO will post updates online as demolition activities progress. The website includes the environmental complaint hotline and a link to send notifications for any issues of concern. Genasci asked if a date is set to begin the demolition. Quarles mentioned that there is not an actual start date but the plan is to begin demolition early in fall 2017. Genasci expressed her concerns about dust generated during demolition activities. Quarles explained that dust minimization was specified in the bid and ESCO intends to perform a clean and controlled demolition. Shannon Huggins asked why Northwest was selected. Quarles explained that Northwest has handled sensitive demolition projects in the area and that they are the most qualified. Holmstrom asked if ESCO plans to conduct monitoring during demolition. Quarles explained that the main concerns are ensuring that airborne dust is not leaving ESCO property. Quarles added that ESCO is still in the asset removal phase and will know more details about the demolition plans before the next NAC meeting.

Current Plant 3 Air Permit Status and Plant Emissions

Quarles explained that there are no updates to report as ESCO has not heard from DEQ regarding the permit renewal. Genasci asked if ESCO is still operating under the same permit. Quarles stated that ESCO is operating under the same permit, and that the renewal process is delayed because DEQ is busy with the rule-making process. Holmstrom pointed out that new permits are displayed on DEQ's website. Quarles mentioned that DEQ may be delaying permit issuance for certain industries until the rule making process is complete. Cole mentioned that the new rules will not be released anytime soon since the legislature didn't approve funding. Quarles explained that the permitting delay doesn't affect ESCO's means of operating under the existing permit. Cole asked if Plant 3 is smaller than Main Plant. Quarles explained that the facility is smaller and is not operating at maximum capacity. Quarles further added that ESCO usually prefers to manufacture parts at other locations than Plant 3 because it's generally cheaper to manufacture elsewhere. Cole noted that the market conditions are flat. Quarles explained that ESCO is seeing some signs of recovery in the markets.

Genasci asked when Plant 3 was constructed. Quarles explained that the plant was built in the early 1960s and underwent a significant overhaul in the 90s with new pouring lines. Cole asked if binders are a source of the odors at Plant 3. Quarles explained that ESCO uses several types of binders, which cause odors when used in the foundry process. Quarles noted that Plant 3 uses a shell binder system, which is a phenol formaldehyde resin. Quarles further added that the odors are caused by the pouring of molten metal in the molds, the baking of the molds, and during the shakeout process, which is a brief release of odors. The dust generated from the processes is captured and controlled, but controlling odors is far more difficult. Genasci asked if Plant 3 uses the same binders as Main Plant. Quarles explained that the binder compositions are different, but they contain some of the same chemicals. Huggins pointed out that ESCO reduced phenol by an estimated 70 percent. Quarles added that the phenol reduction was the result of Project 5 in the GNA. Cole expressed interest in getting a tour of Plant 3. Huggins recommended for anyone wanting a tour of Plant 3 to reach out to Travis Quarles.

Chapman

Quarles explained that the Chapman Study was completed by PSU students and the report was prepared by GCM. Quarles added that the report is incomplete and contains flaws, and that GCM closed doors at around the same time that the report was released. Cole noted that the report has missing data. Quarles contacted Linda George and Mary Peveto to request filling the data gaps. Cole offered to follow-up on the missing data. Holmstrom explained that the study was limited because the person performing the monitoring wasn't funded. GCM designed the monitoring plan and PSU students performed the monitoring. Holmstrom added that the value of additional monitoring is unknown since the existing data set is incomplete.

Communications

The first communication between ESCO and DEQ was the Notice of Approval Application to add research and development capabilities at Plant 3. The second communication was DEQ's approval of this research and development project. Quarles provided a summary of the new research and development processes

at Plant 3. The intention is to speed the process of developing new products to stay competitive in the market. Genasci asked if research and development also includes a change in binders. Quarles explained that research and development at Plant 3 uses the same binders as Main Plant, specifically the same binders used in Upper Core Room and Chain Room. Quarles added that a research Induction furnace has not been used in several years but will be back online for research and development. Quarles provided a map of the research and development processes at Plant 3. Quarles added that the project will reactivate an AOD, which is already included as an emission source in the air permit. Genasci asked if the AOD is equipped with emission controls. Quarles explained that emissions from the AOD are captured and sent to the arc furnace baghouses. Quarles added that the research induction furnace was previously uncontrolled but will now be connected to a baghouse. Holmstrom asked if the additional capture points are routed to existing baghouses. Quarles confirmed that this is correct. Next, Quarles presented a diagram of the finishing area and described the new sand blast booth with an integrated dust collector. Quarles explained that the research and development project is a Type 2 change according to DEQ regulations. Quarles remarked that ESCO did not ask for any emission limit increase to the permit. Quarles added that Plant 3 is better controlled now than in the past. Genasci mentioned that she will add information about the research and development project to the website and monitor any complaints.

The third communication with DEQ was the submittal of the updated Air Emission Control Device Operating Plan (AECODP). The revised AECODP removes air pollution control equipment associated with Main Plant, which is now closed. The fourth communication was the Notice of Construction submittal to inform DEQ that the dip painting line was complete. Holmstrom asked if the dip painting line is operational. Quarles confirmed that it is in operation, and that it is more efficient and represents a net reduction in VOC emissions compared to the previous processes. Genasci asked about the source of scrap at Plant 3. Quarles explained that ESCO purchases only clean scrap from common area suppliers. Quarles further added that scrap is typically plate and doesn't include old cars or appliances. Holmstrom asked if the dip painting line has exposure controls. Quarles explained that the dip painting line uses low VOC paints (with no hazardous air pollutants) and the paint bins are enclosed when not in use.

Trending Report

Quarles mentioned that ESCO received one odor complaint during the second quarter, 2017. The time of the complaint coincided with the timing of Plant 3 production and wind direction so the odors may have originated from ESCO.

GNA Renegotiation Update

Genasci asked for an update regarding GNA renegotiation. Quarles explained that ESCO is still waiting on permit approval from DEQ and more delays are likely due to Cleaner Air Oregon and the rulemaking process. Quarles noted that the permit renewal should be integrated with GNA renegotiation since the Best Work Practices Agreement (BWPA) associated with the GNA should be included in the permit and therefore enforceable. Genasci asked if there is a timeline for permit approval by DEQ. Quarles explained that the timeline is uncertain but the draft rules may be released in the near future. Quarles

added that the primary focus is the pending demolition of Main Plant. Quarles added that asbestos abatement activities might take place concurrently with demolition activities throughout different parts of the plant. Genasci asked if a licensed asbestos professional will be present during the abatement. Quarles mentioned that licensed asbestos personnel will be present. Quarles noted that a majority of the asbestos is found in the roofs and is non-friable. Genasci asked for a timeline for asbestos removal in order to keep the neighbors informed. Cole noted that asbestos presents the biggest potential hazard to the workers removing the asbestos from building materials.

Quarles mentioned that the next meeting is tentatively scheduled for October 10, 2017. Holmstrom mentioned that he will not be in Portland at that time. Cole requested to be added to the email list. Holmstrom mentioned that the population of new residents near Plant 3 is growing. Holmstrom recommended ESCO to focus efforts on reducing odors via material substitutions or new technology. Genasci recommended that a draft agenda be sent out to the group prior to the next meeting. Genasci added that the agenda could include proposed dates for future meetings. Quarles proposed to move the next meeting to October 3, 2017 to allow for more participants.

Public Comment: None present

The NAC meeting adjourned at 11:07 A.M.