

King County Community Meeting – Ardagh Lease Renewal

Tuesday, October 8, 2019

6:10 PM

King County Attendees and Organizers: Grant Lamann (Joe McDermott's Office), Anthony Wright (King County Director of Facilities Management), Greg Ramirez (GCC Chair), Clint Berquist (Director, GCC), Cristina Gonzalez (King County FMD), Robin Schwartz (DRCC), Holly Krejci (Director, GCC), Marty Cortez (Director, GCC), Marianne Clark (Director, GCC)

Greg Ramirez, Chair of the Georgetown Community Council.

Kickoff, introductions and explanation of agenda/process:

30 minutes for Tony to sum up where things currently are with the Ardagh lease

Remainder to hear comments from Duwamish Valley Residents

Several union leaders also showed up uninvited to provide commentary on the importance of jobs provided at the plant. Greg said he will give equal time for everyone who signed up to speak whether or not they are Duwamish Valley Residents.

Anthony Wright Director of Facilities Management- Lease Renewal Process

Has done 100's of leases with the county, this is the first where we have had a public meeting. Seemed appropriate under the circumstances. Tony has been getting a lot of letters saying that he either needed to save the environment or save jobs. If this was a straight up real estate deal, it would have been done already. Crosscut article says he refused comment, but he doesn't think he refused offer. He is here to listen and understand.

Nothing has been decided yet. Complicated Circumstance with a lot of stakeholders.

The glass making plant (furnaces, etc.) is sitting on property owned by the Ardagh corporation, but this 17 acres of land (warehouse, stockpile location, etc) is "critical to Ardagh's operation" according to Ardagh.

This is a Harbor Bond property. Special property bought over 100 years ago. Most of the properties owned by the county do some kind of county business. Financial Investment properties (such as this) were to provide a return on Investment that goes into the general fund. It is the job of FMD to ensure that leases are negotiated that will be beneficial to KC taxpayers.

Decision Criteria being used:

Revenue

Environment

Economy - (Ancillary Jobs, Direct Employment)

Usually the best result is some kind of result where everyone is equally unhappy.

Process is that they sent out for offers. They received several and have narrowed it down to 3 they are considering.

There is a Responsibility Ordinance where they are supposed to look at all of the offers to determine their level of responsibility

If the lease is over 5 years, the authority has to be granted by the King County Council.

He will transmit his recommendation to the county, it then goes to committee, then possibly KC council for an Up or Down vote, then the executive signs it, then the lease gets finalized. There will be an opportunity to review prior to the vote but Council Members will only see the recommendation, not the competing proposals.

Professional brokers are engaged to do analysis and ensure the county is getting the best deal.

Public Comments and Questions

Clint Berquist (GCC)- This plant has been a poor steward of the environment for years with a significant number of pollution violations. They first appeared on my radar a few years ago when during a furnace rebuild, they fought against including even "Reasonable Air Control Technology" as part of that rebuild, let alone "Best Available Air Control Technology". They feel they are grandfathered into more lax environmental standards by virtue of the decades of the polluting they have been allowed to get away with. At very least, the operation should be held to current environmental standards. Also handed Tony: Change.org petition titled, "Help Protect the Duwamish Valley from Industrial Pollution" with about 850 signatures

Printout of research by Troy Abel from Western Washington University summarized in an article titled, "Seattle's Segregated Riskscape"

Printout of InvestigateWest article from 2011 naming operation the #1 polluter in the NW

Printout of polluter data obtained by the Toxic Release Inventory Program for the most recent years on file showing over 2000 pounds of pollutants (Lead compounds and chromium compounds)

John - United Steelworkers President. Went from digging ditches and cleaning houses to working at Ardagh for much better wages (\$30 per hour) for people who don't have the opportunity to go to college

Juan Torres - Works for Ardagh as a machinist. Lots of family works there. Loves his job. Has opened up opportunities for him. Provides a better life for his family.

Derek - President of Local 50M. This plant has helped him get sober and be a better person

Benson Cromwell - Union electrician. Nice guys. Close family. Plant has taught a lot of skills that he wouldn't get anywhere else. Glass plant has meant a lot to him. Close friends. It has been

Katie Garrow - MLK labor. Federation of over 100 unions. Lives in White Center. Provides 350 good union jobs. Almost entirely union shop. Provides glass recycling for the city.

Holly Krejci - Lives in GT for over 16 years breathing all of the toxins. People ask why she doesn't move, she can't afford to move. This discussion is being framed as either for jobs or for environment. We are for jobs AND the environment. Like to move from either/or, this/that. Once you know better, it is upon us all to do better. Not fair to say it is us vs. them.

Jeff - Same sentiment. Manages a union shop. Doesn't want this to be against jobs or against people. Have serious concerns about the environment. Questions for Tony:

Q: How much does the lack of glass recycling impact decision? A: Glass would go into cedar hills landfill until they figure out what to do.

Q: Is there just one bite at the apple when he recommends a proposal? A: It is a complicated process. It isn't renegotiated at the council side. They have rejected leases in the past. They haven't rejected any of his. If they reject this, then they may be able to tweak it, or they could just move on to the next proposal. It just depends.

Marianne Clark - my family has lived here for 106 years. We are not against jobs, not against unions, but we are against pollution.

Larry Brown - President of the Washington State Labor Council. Has worked in SP for a number of years. Thinks that workers will help with better environmental stewardship.

Paulina Lopez (DRCC). Very important as a community that we know the facts. Not against jobs, we are for the health of the community. The Duwamish Valley has been suffering from the impacts of all of this pollution. DRCC has created a fact sheet. Would like to ensure that Ardagh signs a good neighbor agreement. Wants a timeline for Ardagh's improvements

Sasha Davis - Have seen a lot of challenges. If you are in a union, you have a voice in your company. Would like to see the Union members step up to challenge company to be a good neighbor.

Marty Cortez (GCC) - Thanks to everyone for showing up to share your voice. He is from Chicago, his grandpa moved there several years ago to work at a steel mill. Died last year of lung cancer due to that work. Has heard a lot about the economic impact to families, but living in the Duwamish Valley means 13 years less for each person, including his daughter who is in elementary school. If you look at the simple math of 13 fewer years multiplied by 1700 people living here = 350 LIVES.

Aaron Fishbein - If you type glass manufactures + pollution, into a search engine, you don't get any results. If you type in Ardagh and Pollution, you get a lot of returns of Ardagh not meeting their obligations. Nobody is against the unions, we are for Ardagh doing things the right way, but it doesn't appear that they have been to this point.

Sam Farazaino (Equinox Studios) - The people who hold the power in this position are the people causing the problems. That isn't the workers, that is the company and the county. We all have to follow the laws. He is asking the company to do what they need to do, not just hire lawyers to fight against making changes. They need to follow applicable laws. I'd love to see Ardagh continue, but we need to

do it in the right way. The county holds the keys to that. County has a chance to force them to be a good neighbor. If Ardagh is serious, then they can step up.

Justin Howell - Resident of GT, small business owner. We want our region to do well and succeed. Union jobs have done well for him in the past. People who work in GT are neighbors. Hopeful that Labor can work together with the neighbors.

Jess - lives here and works close by. Wouldn't it be great if we could create more jobs?

Q: Has there been an analysis on job creation for other proposals vs. Ardagh? Are these jobs for the community? A: He has asked that, but doesn't have answers he can share.

Rosario Medina - Glass company has been here for 100 years, but in all of these years the county has had time to make more stringent laws. The company can also do better than laws.

Tony - County does not have regulatory authority over their operation. The current agreement was done about 40 years ago. This lease agreement will have some teeth to it. There are gaps in these old leases, gaps.

Kevin Byers - Q: What is the length of term being considered? A: Any lease over 10 years there is a financial stake required equal to the value of the property. This is a very valuable piece of property. All proposals are between 45-55 years. If we go with a shorter lease, we get a bite at the apple sooner, but it is a different type of investment. Considering between 10-50 years. Some financial aspects that would need to be considered

John Sehlhorst - Came in thinking that the solution was to regulate. Sounds like you don't have that authority. A: I'm an engineer, not an attorney. I am not a regulator, but we expect to sign lease instruments / terms to address people's concerns.

Q: When does the current lease expire? A: 2021

Paulina Lopez- Q: Could you clarify when the county will make a decision? Can the community be part of that negotiation? A: Supposed to make the decision by July 2019. late, but making the best decision for all stakeholders. Prefer to have a small team. Don't invite the community or the union to sit at the table. Deal between the company and the county, but here to gather information to provoke questions. Wants to have a signed lease by Feb of next year, but don't want to rush into a bad deal.

Q: There will be a public comment period? Not exactly. There will be a hearing where people can speak.

You have our support in putting teeth into whatever you do. There is a cynicism nationwide about environmental concerns and it seems like there is a cynicism from Ardagh's leadership as well. Want to echo other environmental concerns.

Close with Greg Ramirez. Thank you all coming. Appreciate everyone speaking their truth. Has lived here all his life. Worried for himself and his family's health. Thinks he heard before the meeting that this isn't the only opportunity to hear. My uncle worked there for many years. Wanted to make sure everyone's voices were heard and wants to make sure the right voices are brought to the table to ensure the best course of action.