



City of South Sioux City

Contact: Rod Koch, Mayor

## NEWS MEDIA STATEMENT ADDRESSES COMMUNITY CONCERNS REGARDING BIG OX ENERGY FACILITY

South Sioux City, Neb. (August 20, 2019) – STATEMENT: The City of South Sioux City Mayor, Council, and Administration have always been and always will be committed to the well-being of its citizens. Recently, numerous, false allegations have been levied against city officials by a small, vocal group determined to divide and sow distrust in the community for their attempt to take advantage of an unfortunate situation. In response to the hydrogen sulfide issue that occurred with the Big Ox Energy facility in October of 2016, which was entirely Big Ox's responsibility to address, the city went above and beyond the call of duty to serve its citizens.

There were approximately 66 total residences in the affected area (Red Bird Lane, Le Mesa Drive and Bennet Avenue) of this incident. Of those residences, odors were reported in 35 of them. Remediation was offered to all affected residents by the City and Big Ox Energy to restore any damage to their homes. The affected residents that accepted the offer are currently living in their homes with no issues.

In addition to this offer, in an effort to continue to help those those affected, the city provided for the basic needs of each displaced family during that period of November 2016 through May 2017. Hotel rooms, food, clothing, utilities, and other basic necessities were provided for or reimbursed by, South Sioux City in the amount of approximately \$650,000 dollars in order to provide assistance to the displaced residents including those who now are suing the City. In addition, the City spent approximately \$2.6 Million dollars to perform urgent upgrades of the sewer system including installing a force main pipe that allowed direct conveyance of industrial flows around all the residential areas. The City did receive reimbursement of \$710,000 from Big Ox Energy as part of the remedy of the situation.

Of those 35 affected properties, it appears that 9 of those remain unoccupied, and utility bills suggest that another 6 might be unoccupied or be in very limited use. Those 15 residences represent every single plaintiff in lawsuits against the City. Those who refused help and assistance to fix any damage and decided to file a lawsuit do not appear to be living in the affected homes or have since sold the homes for other parties to fix. As we expected, the court recently granted the city's motion to strike certain allegations made by the group suing the City, including their demand for attorneys' fees, a jury trial and limited the City's liability to 5 million dollars, in lieu of the 35 million they were suing the taxpayers of SSC for.

The city believes strongly that it acted correctly and completely in the best interests of its citizens. The city continues to be very confident that it will be successful regarding the lawsuits that have been filed against them. While we disagree with the characterizations and social media tactics used by a small group of some of our citizens to address this issue, we value their inclusion in our community and respect their right to due process in the court system.

We want these homes occupied and for our community to prosper. It is also important to note that despite this past situation, everyone in our community has a responsibility to follow city codes and ordinances. This includes the people who are part of the litigation against the city. In those instances where someone was ticketed for code violations such as draining raw sewage into the street from using a travel trailer style camper in their yard, necessary permits were not obtained, and dumping raw sewage into the street is never allowed. This is in addition to the numerous complaints the City received from immediate neighbors of those not following City rules.

For proper context, on average the City of South Sioux City issues 15 tickets per week for code violations in all areas of our city. I have just shared with you extremely important facts that up until now have gone unreported in the news media. Our entire community has a right to know these facts and we are counting on you to provide proper context and present the fullness of truth involving these issues. Going forward, we want to challenge our friends in the news media to tell a complete story based on facts, and not just a presentation of quotes based on opinions and emotional slurs aimed against decent public servants. Due to the ongoing litigation we cannot comment any further about the October 2016 situation, but you do have new information that I have just provided to share with your readers and viewers.

You are encouraged to attend our open house public meeting this evening to learn how South Sioux City envisions moving forward with a long term wastewater treatment strategy.