

MOTION BY SUPERVISORS HILDA L. SOLIS AND
JANICE HAHN

July 21, 2020

**Oppose Consideration Of Quemetco's Permit Renewal Until Full Compliance With
All Environmental Laws Has Been Met**

Quemetco, Inc. (Quemetco) is a battery recycling facility which has been in operation since 1972 in the City of Industry. Quemetco crushes and melts 600 tons of used lead-acid batteries per day to reclaim lead and other recyclable materials. The facility also stores hazardous waste, including lead-containing materials. The state of California has enacted a comprehensive statutory and regulatory framework for the generation, handling, treatment, transport and disposal of hazardous waste.

In 2015, prior to the expiration of Quemetco's Department of Toxic Substances Control (DTSC) operating permit, the facility submitted a permit renewal application. DTSC has been reviewing that application since March of 2015. In addition to its DTSC permit renewal application, Quemetco has applied to the South Coast Air Quality Management District (SCAQMD) for a permit modification to significantly increase its operations and to switch from calcined coke to petroleum coke, a more polluting fuel source than it currently uses.

MOTION

SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

HAHN _____

BARGER _____

Quemetco's operations emit lead, arsenic, benzene and other chemicals. Quemetco has repeatedly violated state law in its handling of toxic substances, including lead, endangering the health and safety of their workers and neighboring communities. Quemetco's violations of state environmental laws have resulted in hazardous waste and toxic air pollution being released.

The community near Quemetco has been identified by CalEPA as a "Disadvantaged Community" pursuant to SB 535. The people burdened most by Quemetco are predominantly communities of color. Consequently, there are serious environmental justice concerns raised by the continued and expanded operations of Quemetco.

In November 2018, DTSC sued Quemetco for 29 violations of state hazardous waste laws and regulations. In December 2018, DTSC ordered Quemetco to remove contaminated soil immediately outside its facility, where sampling found high levels of lead. DTSC announced in February 2020, it reached a tentative workplan with Quemetco to undertake this cleanup. While this cleanup has begun, the workplan has not been fully implemented. Until this cleanup has been completed, DTSC should not even consider approval of the permit renewal.

DTSC has acknowledged that further sampling is necessary to completely understand the full magnitude of Quemetco's contamination in surrounding communities. On November 16, 2018, DTSC also issued a Corrective Action Order to Quemetco related to the release of hazardous waste from its facility. On July 18, 2019, DTSC dismissed without prejudice its Corrective Action Order. On February 11, 2020, DTSC and Quemetco entered into a Corrective Action Consent Agreement which requires various

actions including a current conditions report. Further investigation is required to determine the full nature and extent of contamination from Quemetco. The community is waiting for a sampling plan to be developed and implemented by Quemetco and DTSC.

Based on permitting regulations implemented in 2019, DTSC was required to develop a violation score (VSP) for each facility it regulates, including Quemetco. On May 7, 2019, DTSC announced Quemetco's score of 32.67, which made it the 8th worst ranking in California. On December 10, 2019, DTSC revised Quemetco's VSP score upward to 35.38. Scores between 40 and 20 are deemed "conditionally acceptable" per DTSC regulations and require a facility to undertake third-party audits. Quemetco has appealed its VSP score. As a result of that appeal, the VSP score could be raised or lowered. Until the VSP process is complete, including any required actions that must be undertaken as a result of the VSP process, it is premature for DTSC to consider renewal of the operating permit.

In May 2020, DTSC also announced it would be issuing a preliminary decision on Quemetco's request for permit renewal by September 2020. Any decision other than denial of the permit is premature given the pending and unresolved enforcement actions and regulatory investigations regarding Quemetco.

Quemetco has received four Notices of Violations (NOVs) from SCAQMD since July 2017, including two NOVs for exceeding the level of permitted arsenic emissions. In May 2020, SCAQMD entered into a \$600,000 settlement with Quemetco to resolve the outstanding NOVs. SCAQMD provided a short press release announcing the settlement with Quemetco, but it has not held a public meeting to explain the basis of the settlement or how the \$600,000 will be spent.

SCAQMD should hold a public meeting to explain the settlement and how the violations were resolved. Additionally, SCAQMD should consider using a portion of the settlement to benefit the community affected by Quemetco's operations. Finally, it is premature for SCAQMD to consider Quemetco's requested permit to increase its operations, when DTSC is still considering Quemetco's operating permit renewal.

The extent of Quemetco's lead contamination in the community has not been fully assessed or cleaned up. Quemetco continues to have unresolved violations with DTSC. The cleanup ordered by DTSC immediately adjacent to Quemetco recently began in a small part of the clean-up area but remains incomplete. Finally, the DTSC VSP process has not been finalized and based on Quemetco's current score of conditionally acceptable, it is subject to a third-party audit.

Quemetco's operating permit renewal must not be considered until all outstanding issues are resolved and the health impact to the community from Quemetco's historic, current, and proposed future operations has been fully analyzed by DTSC. Finally, no permit renewal should be granted unless Quemetco can demonstrate that: (1) it has implemented enforceable improvements to its facility operations, processes and equipment that will prevent future violations; and (2) there are substantial and overriding benefits to the people of the State of California resulting from the continued operation of the facility.

By opposing consideration of Quemetco's permit renewal until the current violations of law have been remedied and until the extent of the contamination is fully investigated and remedied, the County is supporting constituents directly impacted by Quemetco's operations and pollution.

WE, THEREFORE, MOVE that the Board of Supervisors send a five-signature letter to the Department of Toxic Substances Control (DTSC) that opposes consideration of the renewal of Quemetco's operating permit until:

1. All of Quemetco's unresolved violations of law are remedied;
2. Additional community sampling and cleanup is completed by Quemetco;
3. After DTSC's VSP process concludes, including implementation of third-party audits; and
4. After a rigorous public environmental review process is completed in compliance with the California Environmental Quality Act.

WE FURTHER MOVE that the Board of Supervisors send a five-signature letter to the South Coast Air Quality Management District (SCAQMD) requesting:

1. SCAQMD hold a public meeting be held to explain the settlement to the public, including how the violations were resolved and how the funds will be used, and to take public comment;
2. SCAQMD consider using a portion of the settlement to benefit the community impacted by Quemetco's operations; and
3. SCAQMD halt consideration of Quemetco's permit to expand its throughput until after DTSC decides on Quemetco's request to renew its operating permit.

WE FURTHER MOVE that copies of both letters be sent to Governor Gavin Newsom, CalEPA Director Jared Blumenfeld, and the Los Angeles County Legislative Delegation.

#