



CITY OF COLTON

INTEROFFICE MEMORANDUM

Office of the City Manager

To: Mark Nuaimi, Assistant City Manager

From: Amanda Rhinehart, Senior Project Manager

Subject: Colton Iron and Metal Update

Date: July 21, 2009

On June 23, Assistant City Manager Mark Nuaimi provided the City Council and Planning Commission a verbal memo pertaining to an update about Colton Iron and Metal (herein "CIM"). This memorandum shall serve as a follow-up to the verbal memorandum presented at the June 23 meeting.

There are several aspects of CIM the City is actively monitoring and when appropriate, actively participating in. They are as follows:

1. Soil Contamination/Remediation- DTSC

The State Department of Toxic Substance Control (herein "DTSC") is the responsible agency for making determinations of soil contamination and determining appropriate remediation actions for identified areas of contamination.

On December 19, 2006, Colton Iron and Metal entered into a Consent Order for initial soil sampling with DTSC based on concerns about potential soil contamination brought forth by the community. The initial sampling Consent Order dealt with 3.5 acres, which constitutes the existing site. CIM initiated a program for remediation on April 23, 2007 and shortly thereafter, DTSC approved a work plan submitted by CIM pursuant to the Consent Order for soil sampling.

Soil sampling on the site began April 30, 2007. On July 3, 2007 DTSC received a report dated July 2, 2007 identifying that among the conclusions set forth in the report were lead concentrations ranging from 1mg/kg to 48,000mg/kg in soil located below the concrete surface of the facility. The report stated that of the 34 surface and 114 total samples collected at the site, and analyzed, only two exceeded the standard for lead; the over-concentrated soil levels were found on the North West corner of the site. As a result of the findings of overconcentration of lead in that area of the site, CIM entered into the Corrective Action Consent Agreement on 07-30-08 with DTSC (document attached for reference purposes).

The Corrective Action Consent Agreement (herein "CACA") obligates CIM to complete a number of actions to address the contamination on the site.

- Initially, CIM was required to develop an Interim Measures Work Plan. The Interim Measures Work Plan was approved, and it is possible that additional soil samples and additional testing took place.
- CIM was required to develop a Facility Investigation Work Plan for review by DTSC. At our meeting on May 27, 2009, CIM reported to City staff that the Facility Investigation Work Plan was going back and forth with DTSC.
- Since that May 27, 2009 meeting, CIM reports that the Facility Investigation Work Plan has been approved by the DTSC and that final samplings should occur towards the end of this month. The initiation of samplings is dependent upon the availability of DTSC staff.
- CIM continues to project soil removal starting by the end of this year.

2. Desired Expansion of Colton Iron and Metal – City of Colton

The City of Colton has jurisdiction over any proposed expansion of operations at CIM. CIM has expressed an interest in expanding westward towards Fogg Street in order to accommodate the business operations. Staff believes that such an expansion will allow for adequate mitigation of current impacts experienced as a result of the existing CIM operations. This expansion effort has been before the City's Design Review Committee (herein "DRC") under Development Application No. 000-648. As part of the staff review of that expansion, a number of conditions have been identified to include: landscaping, road improvements, and other mitigation measures. One such requirement is installation of a 10' high block wall around the perimeter of the operation to shield the neighborhood from the visual impacts of the operation.

Given the downturn in the economy, CIM has slowed their expansion project and expects it to move forward sometime in 2010. However, as part of the remediation work mandated by DTSC, CIM will be removing contaminated soils and fencing. CIM has indicated an interest in delivering the off-site improvements (landscaping & block wall) to accommodate the expansion project as part of the remediation project.

CIM is hoping to avoid construction of what would ultimately become temporary fencing when they know that eventually, the fence will have to be removed to construct the block wall. In an effort to be cost efficient, CIM would like to complete the offsite improvements (such as the landscaping) as part of the remediation. This proposal has been an application that has been before the DRC on two occasions to incorporate the remediation into expansion. The last meeting was October 2008. At that time, the City Manager's office expressed concerns about linking remediation with CIM's expansion efforts.

In the meeting between CIM and the City on May 27, 2009 CIM indicated that given the economic challenges, the expansion plans are put off until 2010. They're continuing moving forward with DTSC on the remediation plan, but they would like to move forward with some of the offsite improvements that will ultimately be required for the expansion. City staff is continuing to evaluate how their remediation efforts comport with the aesthetic/off-site improvements we want and have placed upon them as Conditions of Approval, accommodating

future growth. Ultimately, the expansion project at CIM will accommodate the existing traffic flows to get the trucks off the street and will have in place adequate scales on site to handle both incoming and outgoing traffic.

3. Potential Contamination in the Expansion Area- DTSC

Out of concern about soil quality in CIM's proposed expansion area, DTSC has asked the company to enter into a Voluntary Cleanup Agreement (VCA) which means that CIM would voluntarily agree to do soil cleanup in the proposed expansion area. CIM has agreed to do so (had they not, the City would have mandated such an agreement as a Condition of Approval to the expansion project). Tom Dodson and Associates are on board doing the Initial Study for the Expansion Project.

We have recently been informed by CIM that the VCA is back in the DTSC's hands and the company is waiting for their comments. City staff will continue to remain actively engaged with CIM on this front.

4. Non-Permitted Structures– City of Colton & Scheduled Colton Actions

Colton Fire Department conducted a Business Occupancy Permit inspection in December of 2008 with subsequent inspections following through March 2009. All items noted during this inspection process have been addressed with the exception of one item, and corrected to the satisfaction of this department. The one item is pending verification of code compliance with the minor storage of gasoline in un-protected aboveground storage tanks. Colton Fire has stated that during their site inspections it has been noted that the overall housekeeping and maintenance of the facility has improved dramatically over previous conditions.

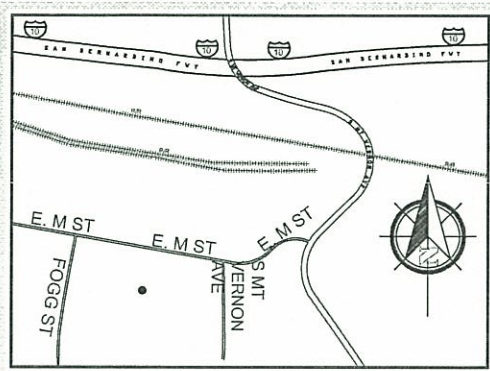
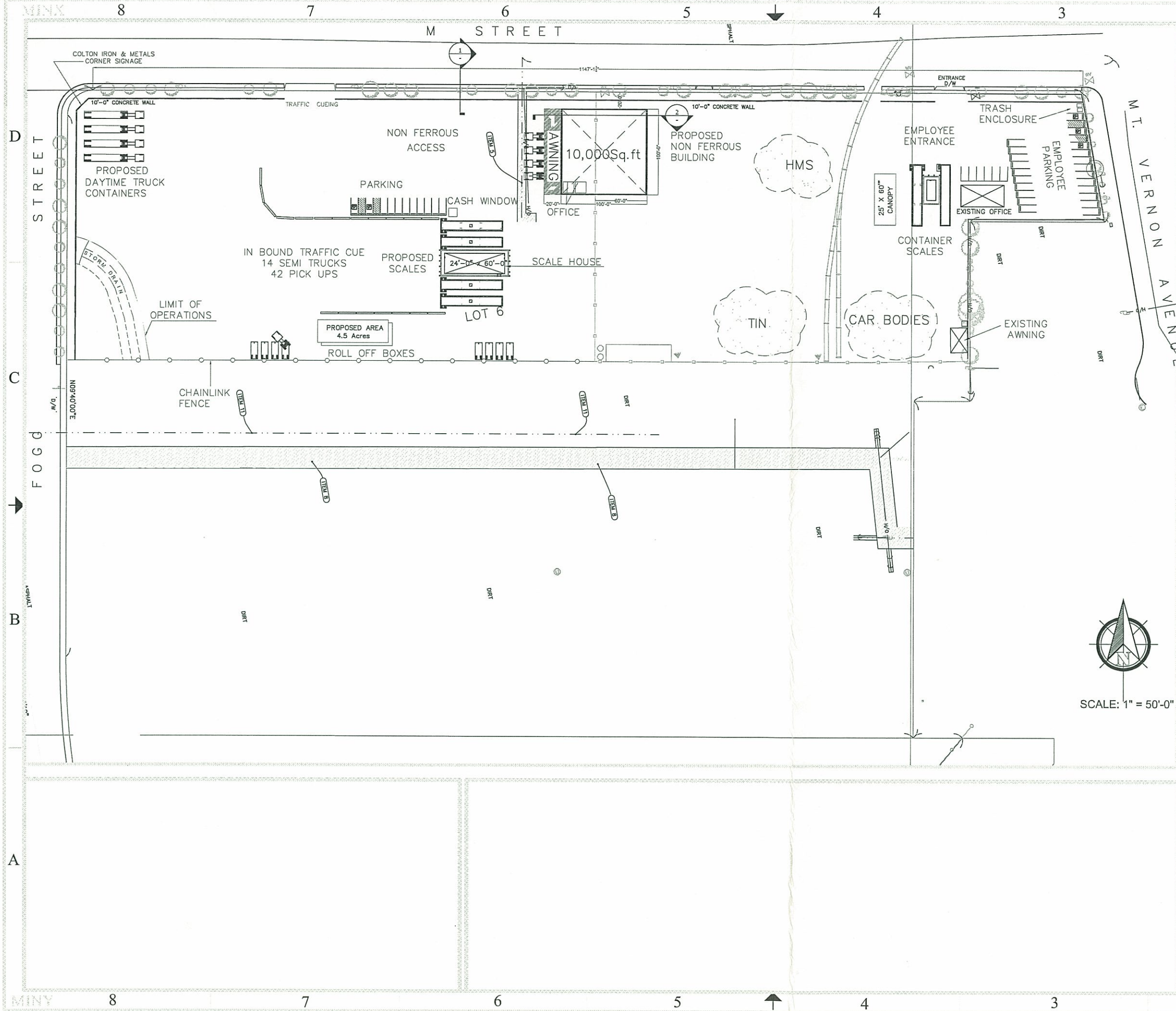
Staff is arranging a site visit with Colton Iron and Metal to physically tour the facility and identify outstanding Code and Safety issues with the facility. On the City staff side, the Fire Department, Code Enforcement, Development Services and City Manager's office will be present for the inspection. Staff is scheduling the visit for the first week of August. CIM has demonstrated a desire to bring those non-permitted facilities into compliance with their expansion project, which they've indicated they're postponing due to poor current economic conditions.

As with any Code Enforcement compliance issue, the City will work actively with CIM to establish a timeline for CIM to bring into compliance their non-permitted structures and embark on any other corrective measures the City may identify subsequent to the site visit. Furthermore, the City and CIM will establish a timeline for completion of the off-site improvements and complete conformance with any outstanding Conditions of Approval that may remain. Staff will continue to bring periodic updates on the progress made at CIM on all of these areas of activity.

Attachments:

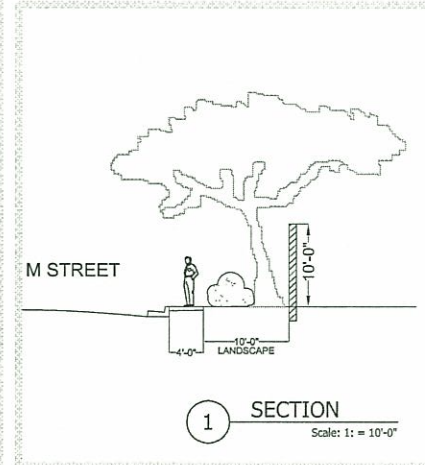
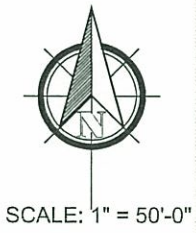
- Exhibit "A" -- CIM Expansion Project Application (DAP-000-648)
- Exhibit "B" -- Executed Corrective Action Consent Agreement

Exhibit "A" – DAP-000-648
Colton Iron & Metal Expansion Application



● FACILITY LOCATION
Colton Iron & Metal
 790 East "M" St
 Colton CA 92324

REVISIONS
 10-01-08
 Reviewed at
 D.R.C. 10-06-08



1 SECTION
 Scale: 1" = 10'-0"
 SCALED FOR A ARCH D SIZE
 24" X 36" LANDSCAPE



SA RECYCLING LLC,
COLTON IRON & METALS
 NON-FERROUS AWNING & LOCKER ROOM
 790 E. M St Colton, Ca 92324

PHASE 3

NO.	DATE	DESCRIPTION	MODIFICATION	DATE

Engineering Conversion Chart

TOLERANCES UNLESS OTHERWISE SPECIFIED: DIMENSIONS & TOLERANCES ARE IN INCHES

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DATE: **October 1, 2008**

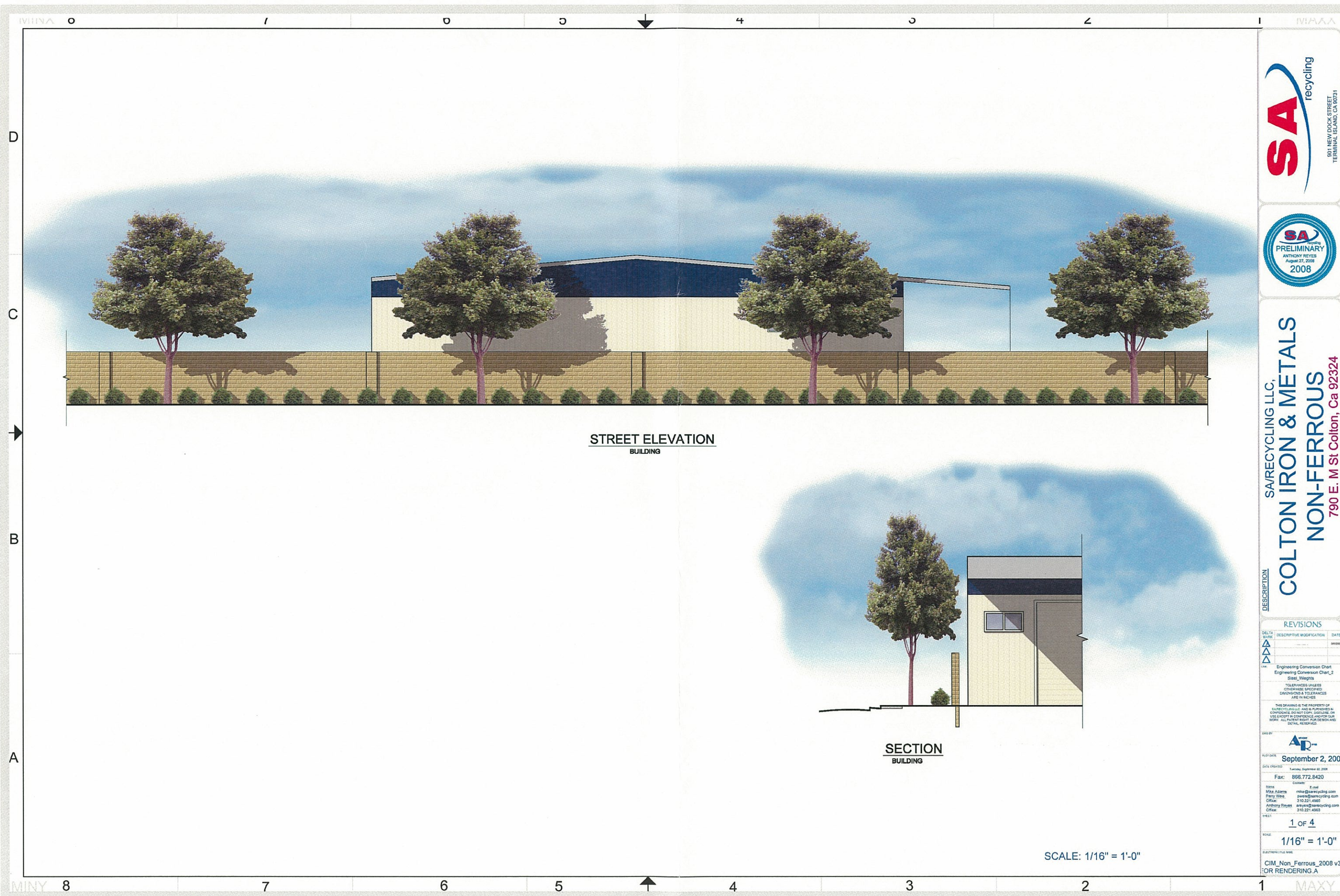
PROJECT: 866.772.8420

SA RECYCLING LLC
 866.772.8420
 714.622.2092
 310.221.4923

1 OF 1

AS SHOWN

CIM_NF_Awning



STREET ELEVATION
BUILDING

SECTION
BUILDING

SCALE: 1/16" = 1'-0"



SA RECYCLING LLC,
COLTON IRON & METALS
NON-FERROUS
790 E. M St Colton, Ca 92324

REVISIONS		
NO.	DESCRIPTION	DATE
1	Engineering Conversion Chart	09/02/08
2	Engineering Conversion Chart_2	
3	Steel Weights	
TOLERANCES UNLESS OTHERWISE SPECIFIED		
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DESIGNED BY:		
PLOT DATE: September 2, 2008		
DATE UPDATED: Tuesday, September 02, 2008		
FAX: 866.772.8420		
CONTACT:		
NAME:	Mike Adams	E-mail: mike@sarrecycling.com
PHONE:	Ferry Hill:	310.221.4965
OFFICE:	Anthony Reyes	310.221.4965
OFFICE:	Anthony Reyes	310.221.4965
SHEET: 1 OF 4		
SCALE: 1/16" = 1'-0"		
ELECTRONIC FILE NAME:		
CIM_Non_Ferrous_2008 v3		
FOR RENDERING.A		



STREET ELEVATION
BUILDING

SECTION
BUILDING

SCALE: 1/16" = 1'-0"



SA RECYCLING LLC,
COLTON IRON & METALS
NON-FERROUS
790 E. M St Colton, Ca 92324

REVISIONS

NO.	DATE	DESCRIPTION	MODIFICATION	DATE
1				9/2/08

Engineering Conversion Chart
Engineering Conversion Chart_2
Steel Weights

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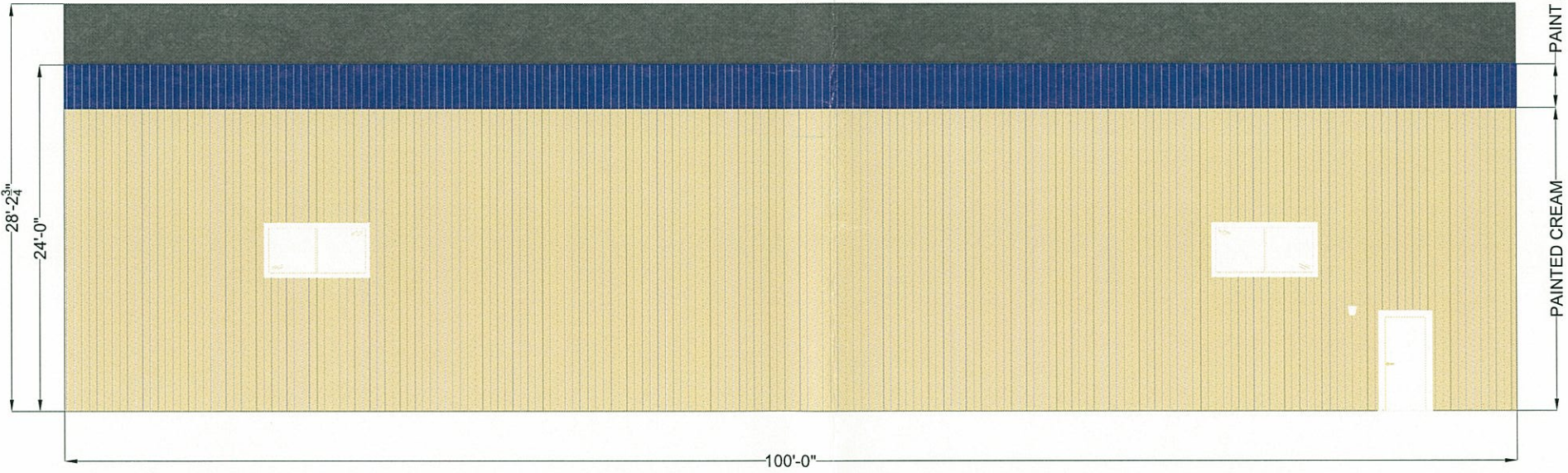
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DATE: September 2, 2008
FILE: August 23, 2008
FAX: 866.772.8420

1 OF 4

SCALE: 1/16" = 1'-0"

CIM_Non_Ferrous_2008_St...
levation.A



2 LEFT ELEVATION
- BUILDING

SCALE: 3/32" = 1'-0"



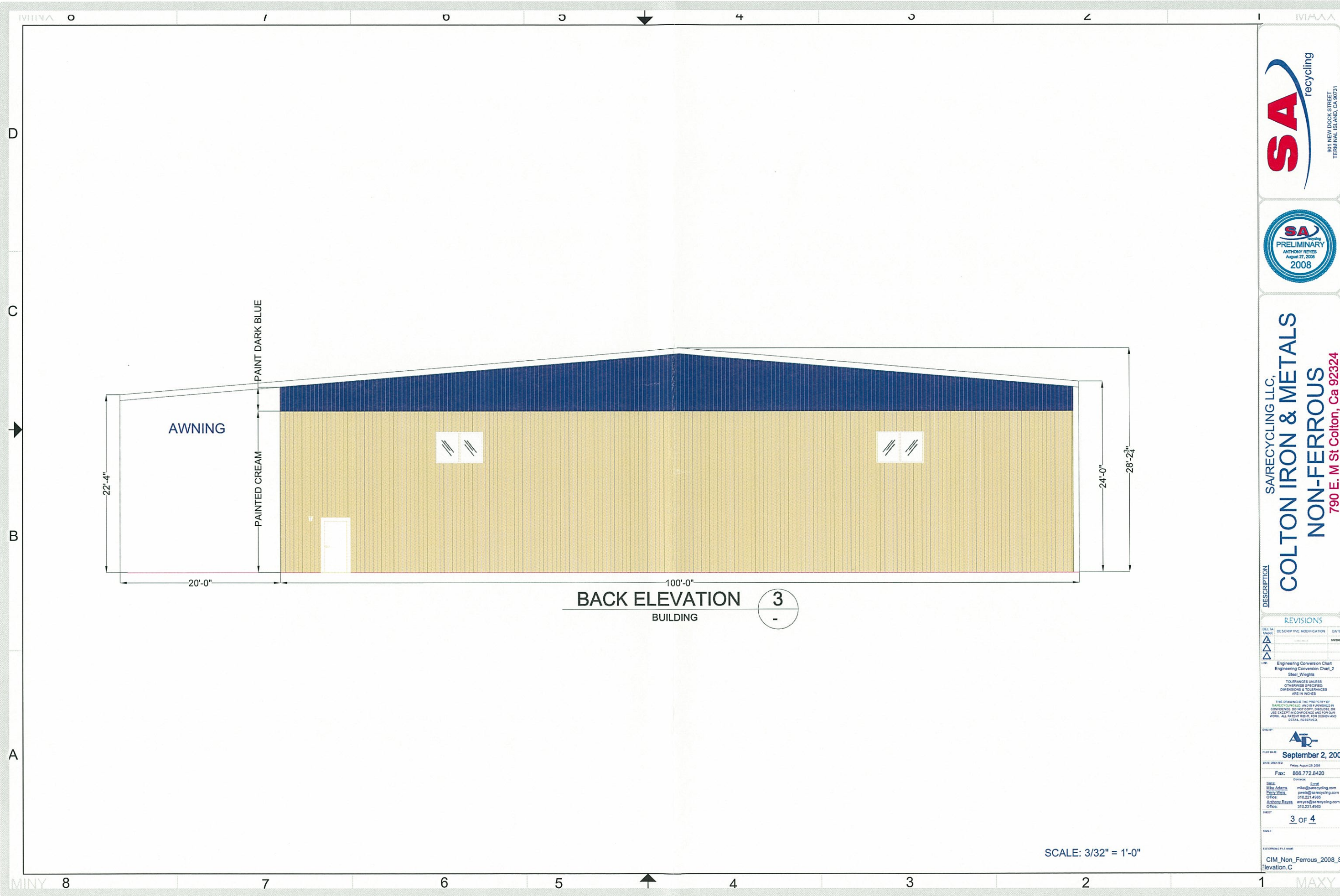
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COLTON IRON & METALS
NON-FERROUS
790 E. M St Colton, Ca 92324

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2	Engineering Conversion Chart_2	
3	Steel Weights	

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DATE CREATED: Friday, August 22, 2008
 FAX: 866.772.8420
 CONTACT: Mike Adams (mike@sarerecycling.com), Anthony Reyes (anre@sarerecycling.com)

SHEET: 2 OF 4
 ELECTRONIC FILE NAME: CIM_Non_Ferrous_2008_Steel_Elevation.B



BACK ELEVATION
BUILDING

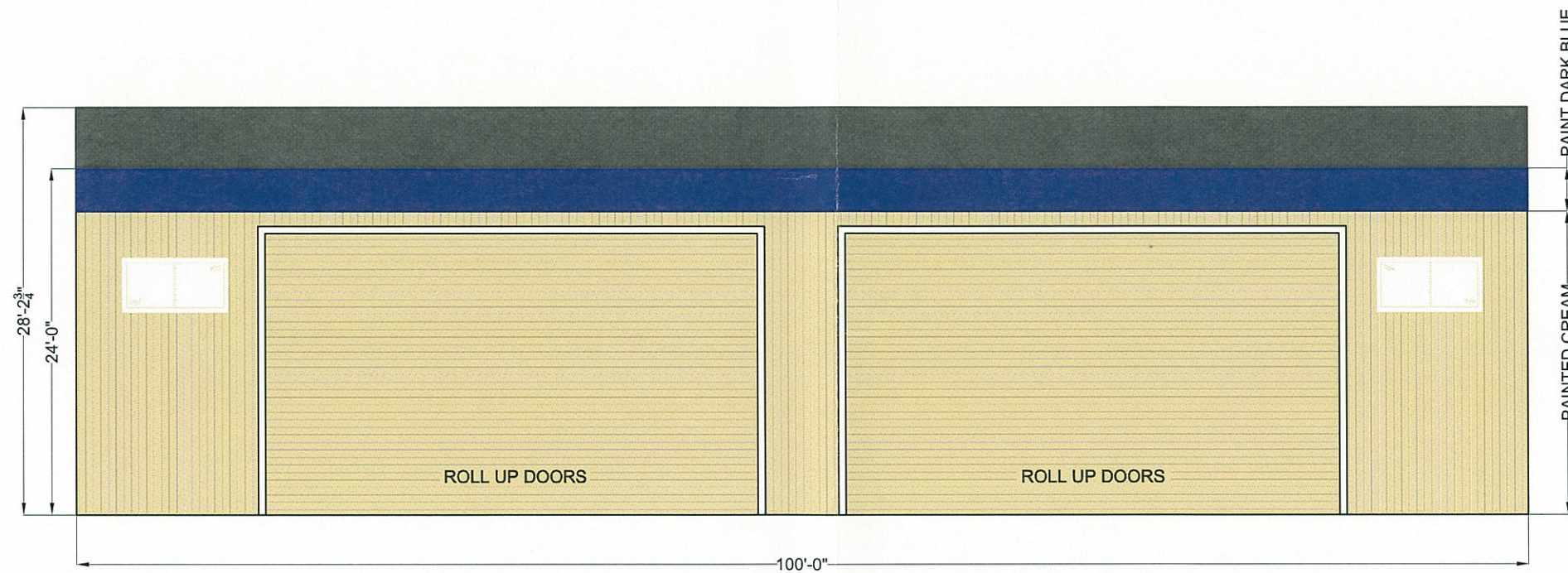
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SCALE: 3/32" = 1'-0"



SA RECYCLING LLC,
COLTON IRON & METALS
NON-FERROUS
790 E. M St Colton, Ca 92324

REVISIONS		
DELTA MARK	DESCRIPTIVE MODIFICATION	DATE
Δ	Engineering Conversion Chart Engineering Conversion Chart_2 Steel_Weights	9/2/08
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<small>DATE CREATED: September 2, 2008</small> <small>DATE: August 28, 2008</small> <small>Fax: 866.772.8420</small> <small>CONTACT: Mike Adams, mike@sa-recycling.com, 310.221.4565</small> <small>CONTACT: Anthony Reyes, areyes@sa-recycling.com, 310.221.4565</small>		
<small>3 OF 4</small>		
<small>CIM_Non_Ferrous_2008_Steel_Weights</small>		



4 RIGHT ELEVATION
BUILDING

SCALE: 3/32" = 1'-0"



SA RECYCLING LLC,
COLTON IRON & METALS
NON-FERROUS
790 E. M St Colton, Ca 92324

REVISIONS

NO.	DESCRIPTION	DATE
1	Engineering Conversion Chart	8/23/08
2	Engineering Conversion Chart_2	
3	Steel Weights	

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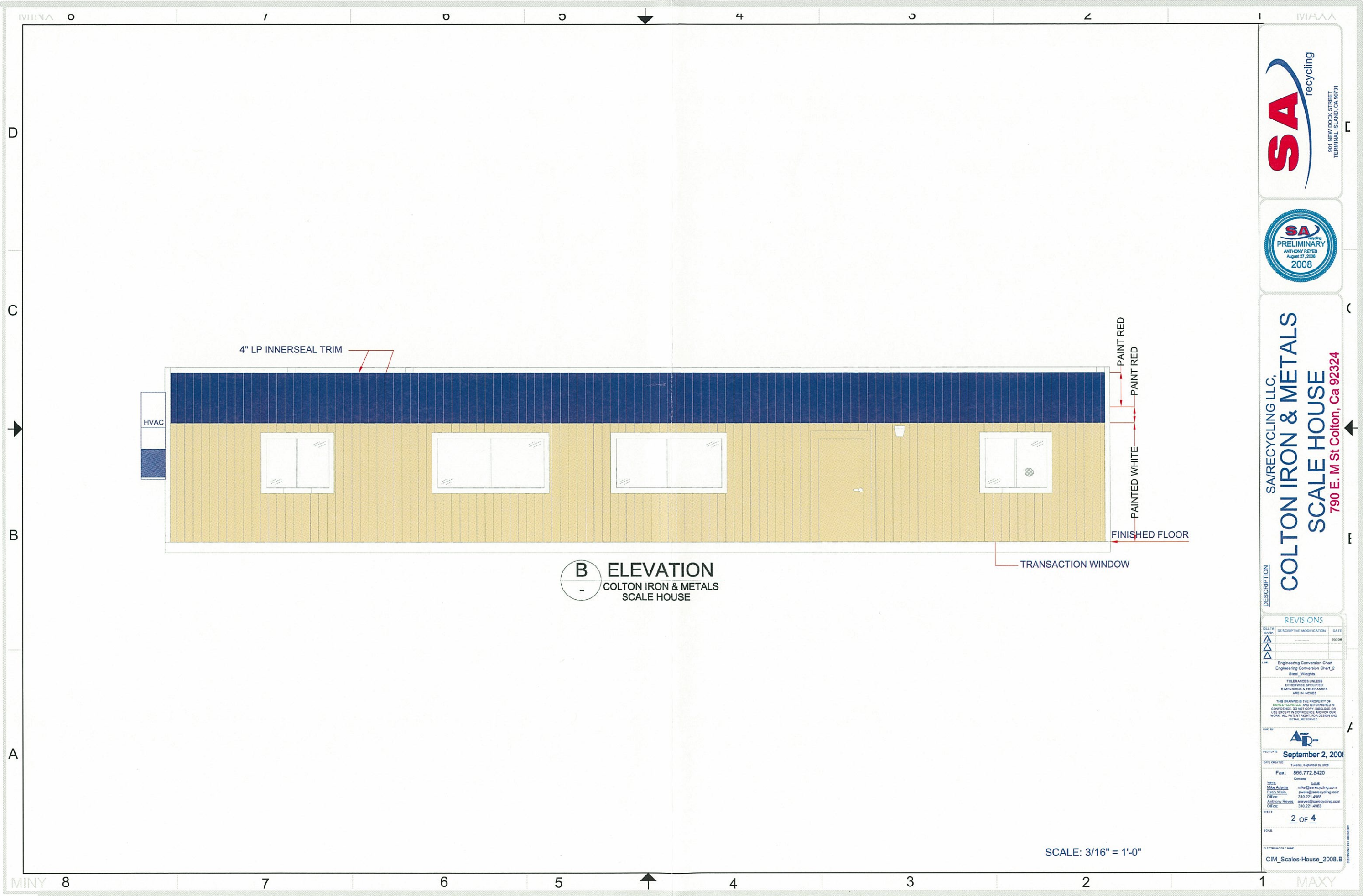
DATE: September 2, 2008

DATE: Friday, August 23, 2008
Fax: 866.772.8420

Mike Adams, mike@sarrecycling.com
Tony Stone, tstone@sarrecycling.com
Office: 310.221.4866
Anthony Reyes, areyes@sarrecycling.com
Office: 310.221.4863

4 OF 4

FILE NAME: CIM_Non_Ferrous_2008_St...
levation.D



B ELEVATION
 - COLTON IRON & METALS
 SCALE HOUSE

SCALE: 3/16" = 1'-0"



SA RECYCLING LLC,
COLTON IRON & METALS
SCALE HOUSE
 790 E. M St Colton, Ca 92324

DESCRIPTION

DATE	DESCRIPTION	DATE
9/2/08	Engineering Conversion Chart	
	Engineering Conversion Chart_2	
	Steel Weights	

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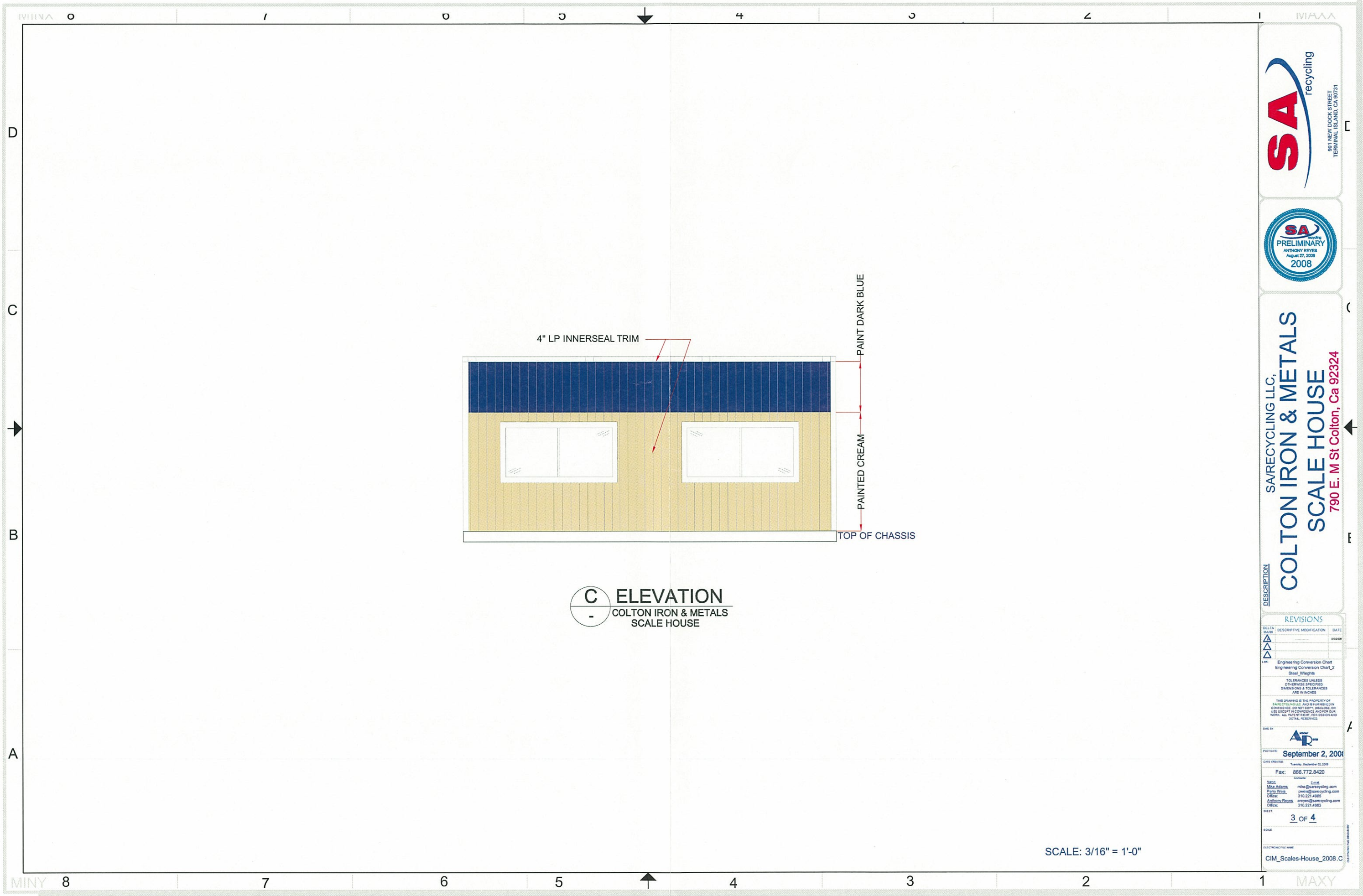
DATE DRAUGHT: **September 2, 2008**
 DATE CHECKED: Tuesday, September 02, 2008
 Fax: 866.772.8420

NAME: Mike Adams, Email: mike@sarerecycling.com
 Office: 310.221.4965

NAME: Anthony Reyes, Email: areyes@sarerecycling.com
 Office: 310.221.4965

SHEET: **2 OF 4**

FILE NAME: CIM_Scales-House_2008.B



C ELEVATION
COLTON IRON & METALS
SCALE HOUSE

SCALE: 3/16" = 1'-0"



SA RECYCLING LLC,
**COLTON IRON & METALS
SCALE HOUSE**
790 E. M St Colton, Ca 92324

REVISIONS		
DATE	DESCRIPTION	DATE

Engineering Conversion Chart
Engineering Conversion Chart_2
Steel Weights

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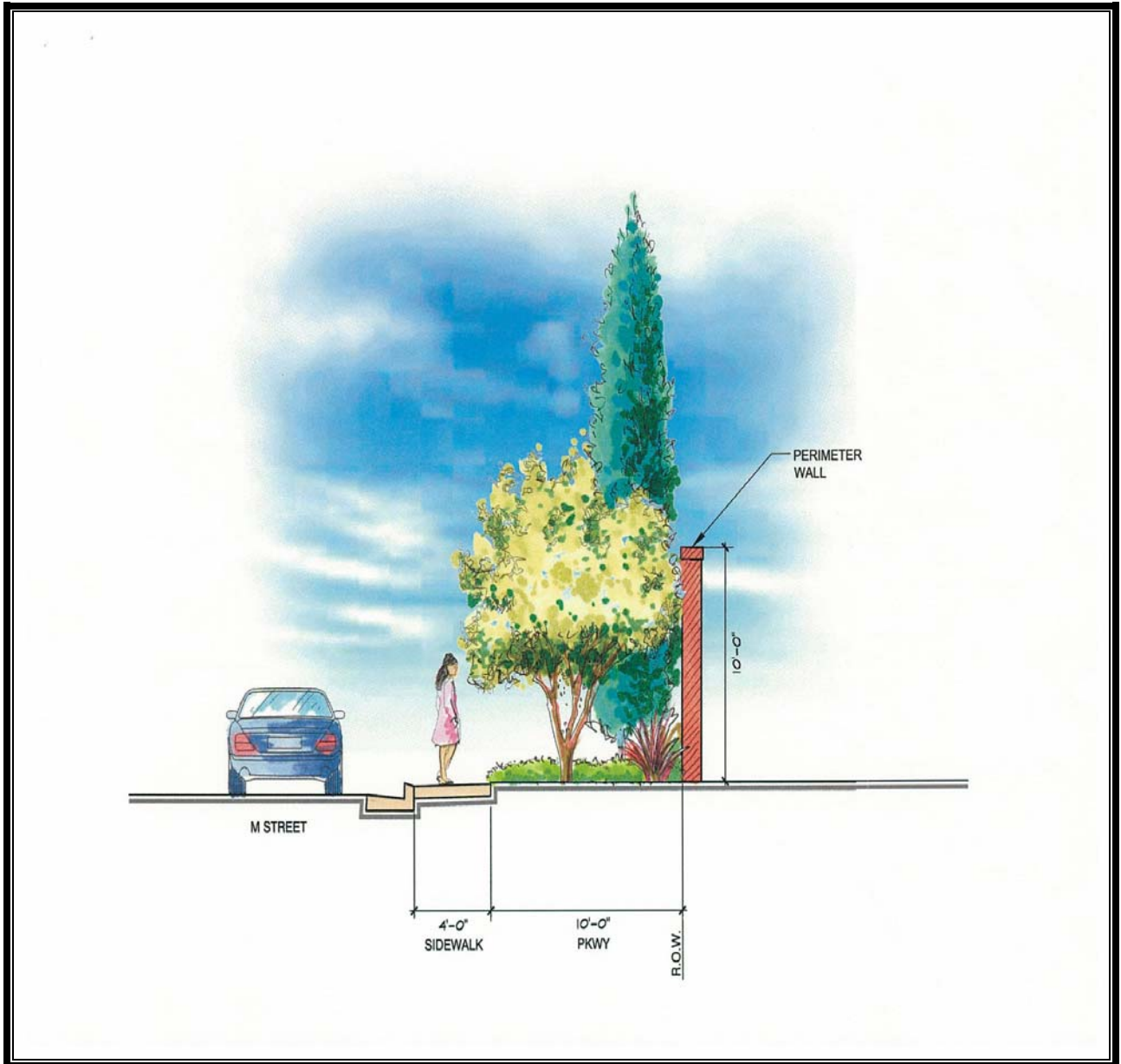
DATE: September 2, 2008
TUESDAY, September 22, 2008
Fax: 866.772.8420

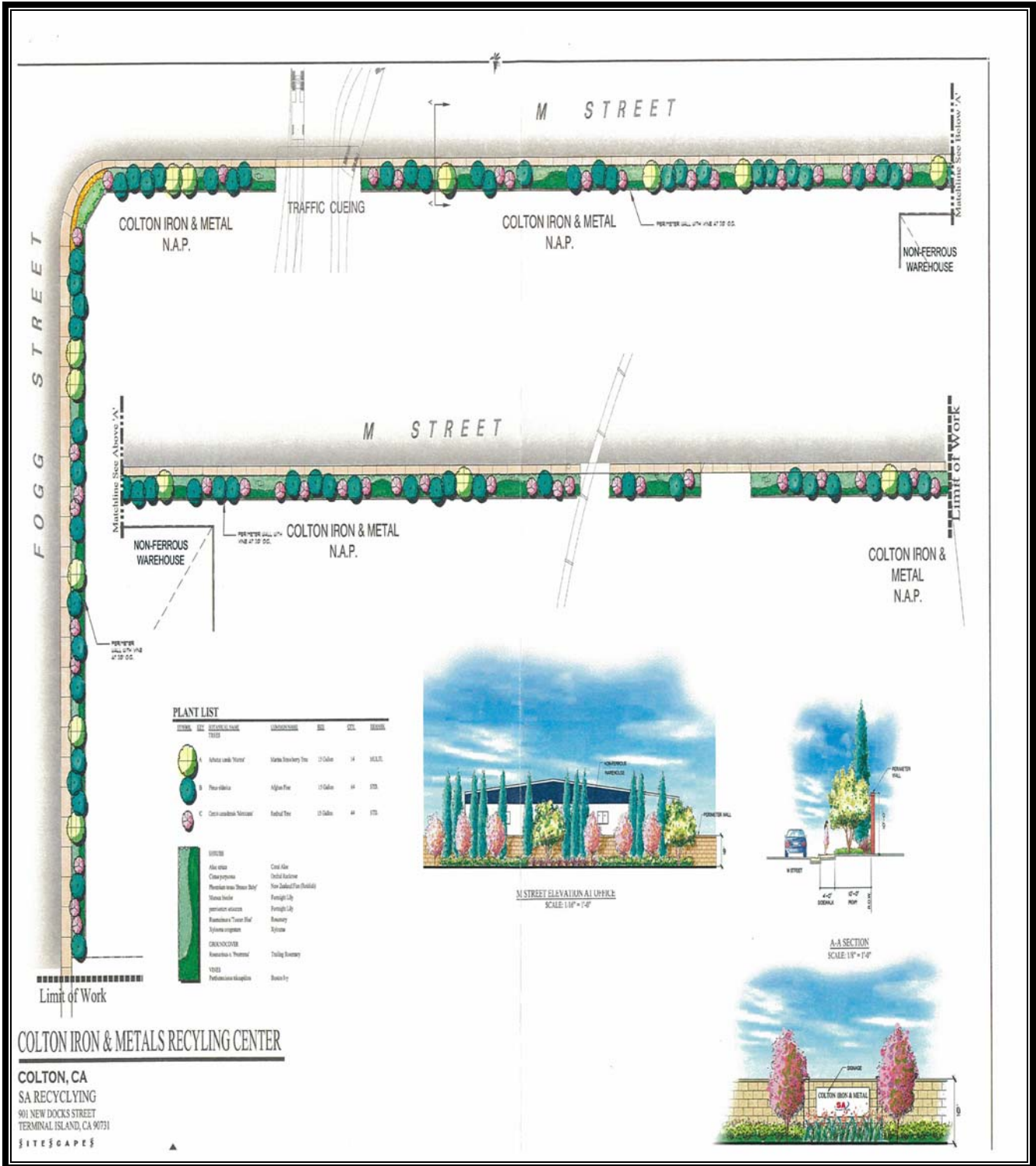
NAME: Mike Adams
Title: Designer
Email: mike@sa-recycling.com
Phone: 310.221.4665
Address: 801 New Dock Street
Office: Terminal Island, CA 90731

3 OF 4

CIM_Scales-House_2008.C

Renderings of Proposed Off-Site Improvements





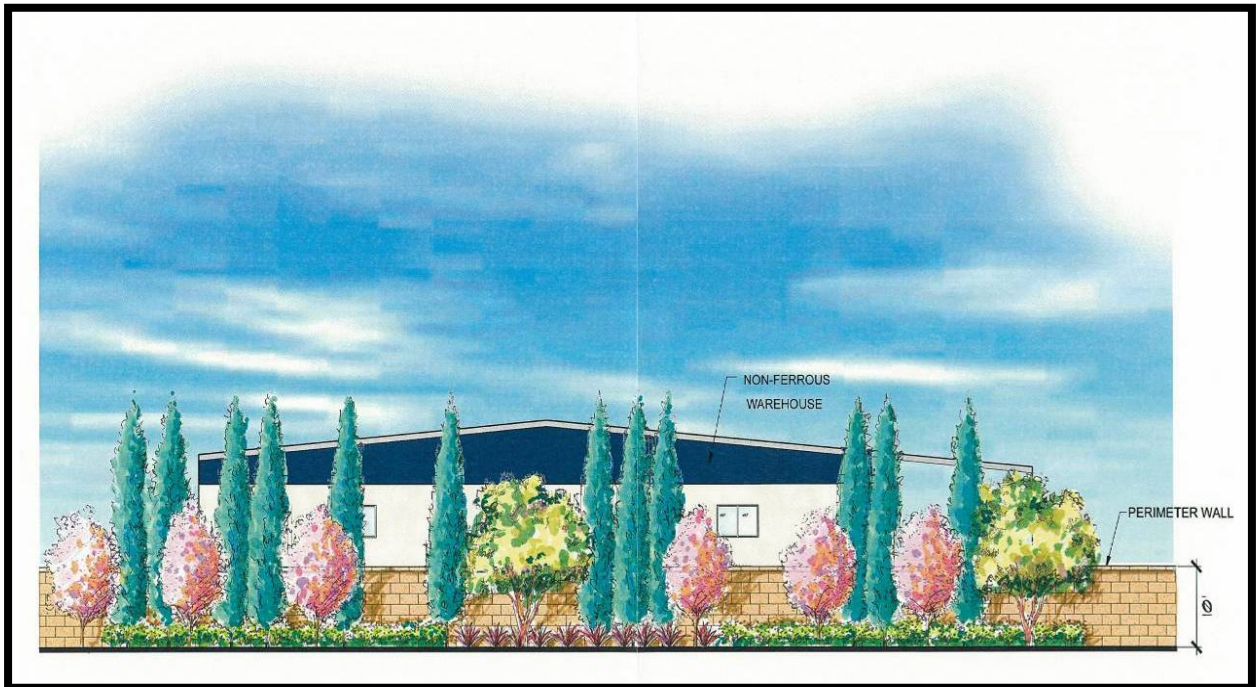




Exhibit "B"
Executed Corrective Action Consent Agreement

STATE OF CALIFORNIA
ENVIRONMENTAL PROTECTION AGENCY
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

IN THE MATTER OF:

Simsmetal West LLC
790 East M Street
Colton, California, 92324
CAL000034992

Respondent.

Docket SRPD: RPDD07/08SCC-4381

CORRECTIVE ACTION
CONSENT AGREEMENT

Health and Safety Code
Section 25187

INTRODUCTION

1. The Department of Toxic Substances Control (DTSC) and Simsmetal West LLC (Respondent) enter into this Corrective Action Consent Agreement (Consent Agreement) and agree as follows:

1.1. Respondent owned a 3.5 acre scrap metal recycling operation that generates hazardous waste, located at 790 East M Street, Colton, California, (Generator).

1.2. On December 19, 2006, the Department and Sims Hugo Neu West dba Colton Iron and Metal, the then owner and operator of the Generator, entered into a Consent Order for Initial Sampling (Consent Order). A true and correct copy of said Consent Order is attached hereto as Exhibit A and is incorporated herein by this reference.

1.3. The subject matter of this Consent Agreement is limited to the 3.5 acre scrap metal recycling facility located at 790 East M Street, Colton, CA. This agreement does not pertain to the undeveloped approximately 36.5 acres adjacent to the Generator.

Simsmetal West LLC

Docket SRPD: RPDD07/08SCC-4381
Corrective Action Consent Agreement

1 4. Subsequent to the execution of the Consent Order, Sims Hugo Neu West dba Colton Iron and Metal changed its name and form of organization and became Simsmetal West LLC dba Colton Iron & Metal.

1 5. By entering into this Consent Agreement with Respondent, DTSC does not waive its rights as to, or release any obligation of, any person or entity except to the extent expressly set forth herein.

1 6. Colton Iron and Metal LLC is the current owner and operator of the Generator.

1 7. Jurisdiction exists pursuant to Health and Safety Code section 25187

1 8. The parties enter into this Consent Agreement to avoid the expense of litigation and to carry out promptly the corrective action described below

1 9. Respondent agrees to implement all DTSC-approved workplans and to undertake all actions required by the terms and conditions of this Consent Agreement, including any portions of this Consent Agreement incorporated by reference.

1 10. Respondent waives any right to request a hearing on this Consent Agreement pursuant to Health and Safety Code section 25187.

FINDINGS OF FACT

2 1. On April 23, 2007, DTSC approved a work plan submitted pursuant to the Consent Order and soil sampling began on April 30, 2007.

2 2. On July 3, 2007, DTSC received the report dated July 2, 2007, that set forth the results of sampling conducted pursuant to the Consent Order. A true and correct copy of said report is attached hereto as Exhibit B and is incorporated herein by this

reference. Among the conclusions set forth in said report are lead concentrations ranging from approximately 1 mg/kg to 48,000 mg/kg in soil located beneath the concrete surface of the Generator. Of the 34 surface and 114 total samples collected at the Generator and analyzed, only two exceeded the CHHSL for lead. The exceedances were surface samples taken from the northwest corner of the Generator.

2.3. Based on the information available, DTSC concludes that further investigation is needed to determine the nature and extent of any releases of hazardous waste constituents within the jurisdiction of Health and Safety Code section 25187 at the Generator that pose a potential threat to human health or the environment.

2.4. The constituents of concern at the Generator are those metals listed in California Code of Regulations, Title 22, and volatile and semi volatile organic compounds

2.5. The Generator is located within ½ mile from industrial and commercial developments and the Santa Ana River

PROJECT COORDINATOR

3. Within 14 days of the effective date of this Consent Agreement, DTSC and Respondent shall each designate a Project Coordinator and shall notify each other in writing of the Project Coordinator selected. Each Project Coordinator shall be responsible for overseeing the implementation of this Consent Agreement and for designating a person to act in his/her absence. All communications between Respondent and DTSC, and all documents, report approvals, and other correspondence concerning the activities performed pursuant to this Consent

Agreement shall be directed through the Project Coordinators. Each party may change its Project Coordinator with at least seven days prior written notice.

WORK TO BE PERFORMED

4. Respondent agrees to perform the work required by this Consent Agreement in accordance with the applicable state and federal laws, their implementing regulations, and the applicable DTSC and the United States Environmental Protection Agency guidance documents.

INTERIM MEASURES (IM)

5.1 Respondent shall evaluate available data and assess the need for interim measures in addition to those specifically required by this Consent Agreement. Interim measures shall be used whenever possible to control or abate immediate threats to human health and/or the environment, and to prevent and/or minimize the spread of contaminants while long-term corrective action alternatives are being evaluated.

5.2. Within 30 days of the effective date of this Consent Agreement, Respondent shall submit to DTSC an Interim Measure Workplan for the removal of contaminated soil identified in 2.2 of this agreement ("IM Workplan"). The IM Workplan is subject to approval by DTSC and shall provide for the performance of all Interim Measures necessary to achieve stabilization at the Generator. The IM Workplan shall be developed in a manner consistent with the Scope of Work for Interim Measures Implementation contained in Attachment 2. DTSC will provide the public with an opportunity to review and comment on the IM Workplan prior to approval.

5.3. If at any time Respondent identifies an immediate or potential threat to

human health and/or the environment, discovers new releases of hazardous waste and/or hazardous waste constituents, or discovers new solid waste management units not previously identified, Respondent shall notify DTSC Project Coordinator orally within 48 hours of discovery and notify DTSC in writing within 10 days of discovery summarizing the findings, including the immediacy and magnitude of the potential threat to human health and/or the environment. Within 30 days of receiving DTSC's written request, Respondent shall submit to DTSC an IM Workplan for approval. The IM Workplan Specifications shall be developed in a manner consistent with the Scope of Work for Interim Measures Implementation contained in as Attachment 2. If DTSC determines that immediate action is required, DTSC Project Coordinator may orally authorize the Respondent to act prior to DTSC's receipt of the IM Workplan.

5.4 If DTSC identifies an immediate or potential threat to human health and/or the environment, discovers new releases of hazardous waste and/or hazardous waste constituents, or discovers new solid waste management units not previously identified, DTSC will notify Respondent in writing. Within 30 days of receiving DTSC's written notification, Respondent shall submit to DTSC for approval an IM Workplan that identifies Interim Measures that will mitigate the threat. The IM Workplan Specifications shall be developed in a manner consistent with the Scope of Work for Interim Measures Implementation contained in as Attachment 2. If DTSC determines that immediate action is required, DTSC Project Coordinator may orally authorize Respondent to act prior to receipt of the IM Workplan.

5.5 All IM Workplans shall ensure that the Interim Measures are designed to

mitigate current or potential threats to human health and/or the environment, and should, to the extent practicable, be consistent with the objectives of, and contribute to the performance of, any remedy which may be required at the Generator

5.6. Concurrent with the submission of an IM Workplan, Respondent shall submit to DTSC a Health and Safety Plan in accordance with the Scope of Work for a Health and Safety Plan contained in Attachment 3

5.7. Concurrent with the submission of an IM Workplan, Respondent shall submit to DTSC for approval a Community Profile in accordance with Attachment 4. Based on the information provided in the Community Profile, if DTSC determines that there is a high level of community concern about the Generator, DTSC may require Respondent to prepare a Public Participation Plan

FACILITY INVESTIGATION (FI)

6.1. Within 60 days of the effective date of this Consent Agreement, Respondent shall submit a Workplan for a Facility Investigation ("FI Workplan") for the Generator. The FI Workplan is subject to approval by DTSC and shall be developed in a manner consistent with the Scope of Work for a Facility Investigation contained in Attachment 1. DTSC will review the FI Workplan and notify Respondent in writing of DTSC's approval or disapproval.

6.2. The FI Workplan shall detail the methodology to: (1) gather data needed to make decisions on interim measures/ stabilization during the early phases of the Facility Investigation; (2) identify and characterize all sources of contamination; (3) define the nature, degree and extent of contamination; (4) define the rate of movement and

direction of contamination flow; (5) characterize the potential pathways of contaminant migration; (6) identify actual or potential human and/or ecological receptors; and (7) support development of alternatives from which a corrective measure will be selected by DTSC. A specific schedule for implementation of all activities shall be included in the FI Workplan.

6.3 Respondent shall submit a FI Report to DTSC for approval in accordance with DTSC-approved FI Workplan schedule. The FI Report shall be developed in a manner consistent with the Scope of Work for a Facility Investigation contained in Attachment 1. If there is a phased investigation, separate FI Reports and a report that summarizes the findings from all phases of the FI must be submitted to DTSC. DTSC will review the FI Report(s) and notify Respondent in writing of DTSC's approval or disapproval.

6.4. Concurrent with the submission of a FI Workplan, Respondent shall submit to DTSC a Health and Safety Plan in accordance with Attachment 3. If Workplans for both an IM and FI are required by this Consent Agreement, Respondent may submit a single Health and Safety Plan that addresses the combined IM and FI activities.

6.5 DTSC may require Respondent to prepare a FI Summary Fact Sheet. If required, Respondent shall submit a FI Summary Fact Sheet to DTSC that summarizes the findings from all phases of the FI. The FI Summary Fact Sheet shall be submitted to DTSC in accordance with the schedule contained in the approved FI Workplan. DTSC will review the FI Summary Fact Sheet and notify Respondent in writing of DTSC's approval or disapproval, including any comments and/or modifications. When DTSC

approves the FI Summary Fact Sheet, Respondent shall mail the approved FI Summary Fact Sheet to all individuals on a mailing list established pursuant to California Code Regulations, title 22, section 66271 9(c)(1)(D), within 15 calendar days of receipt of written approval

RISK ASSESSMENT

7. Based on the information available to DTSC, Respondent may be required to conduct a Risk Assessment to evaluate potential human health risk and ecological risk and to establish site-specific action levels and cleanup standards. If DTSC determines that a Risk Assessment is required, Respondent shall submit to DTSC for approval a Risk Assessment Workplan within 60 days of receipt of DTSC's determination. Respondent shall submit to DTSC for approval a Risk Assessment Report in accordance with DTSC-approved Risk Assessment Workplan schedule.

CORRECTIVE MEASURES STUDY (CMS)

8. If it becomes necessary to perform subsequent phase(s) of work, DTSC and Respondent will negotiate another consent agreement or amend this Consent Agreement to address the additional work. If another consent agreement or an amendment is not reached within 60 days, DTSC reserves its right to issue an order or take any other action provided for by law. DTSC's costs incurred in negotiating the subsequent consent agreement or the amendment are considered costs incurred pursuant to this Consent Agreement and are payable under this Consent Agreement.

8.1. If constituents of concern exceed human health-based or ecologically-based action levels established by the DTSC-approved Risk Assessment Report, or if DTSC

otherwise determines that the contaminant releases pose a potential threat to human health or the environment then: Respondent shall prepare a Corrective Measures Study.

8.2 Within 30 days of DTSC's approval of the FI Report (or Respondent's receipt of a written request from DTSC), Respondent shall submit a CMS Workplan to DTSC. The CMS Workplan is subject to approval by DTSC and shall be developed in a manner consistent with the Scope of Work for a Corrective Measures Study contained in Attachment 5.

8.3. The CMS Workplan shall detail the methodology for developing and evaluating potential corrective measures to remedy any contamination at the Generator. The CMS Workplan shall identify the potential corrective measures, including any innovative technologies that may be used for the containment, treatment, remediation, and/or disposal of contamination.

8.4. Respondent shall prepare treatability studies for all potential corrective measures that involve treatment except where Respondent can demonstrate to DTSC's satisfaction that they are not needed. The CMS Workplan shall include, at a minimum, a summary of the proposed treatability study including a conceptual design, a schedule for submitting a treatability study workplan, or Respondent's justification for not proposing a treatability study.

8.5 Respondent shall submit a CMS Report to DTSC for approval in accordance with DTSC-approved CMS Workplan schedule. The CMS Report shall be developed in a manner consistent with the Scope of Work for a Corrective Measures Study contained

in Attachment 5 DTSC will review the CMS Report and notify Respondent in writing of DTSC's approval or disapproval

REMEDY SELECTION

9.1. If constituents of concern exceed human health-based or ecologically-based action levels established by the DTSC-approved Risk Assessment Report, or if DTSC otherwise determines that the contaminant releases pose a potential threat to human health or the environment then: DTSC will provide the public with an opportunity to review and comment on the final draft of the CMS Report, DTSC's proposed corrective measures for the Generator, and DTSC's justification for selection of such corrective measures. Depending on the level of community concern, DTSC may conduct a public hearing to obtain comments.

9.2. Following the public comment period, DTSC may select final corrective measures or require Respondent to revise the CMS Report and/or perform additional corrective measures studies.

9.3. DTSC will notify Respondent of the final corrective measures selected by DTSC in the Final Decision and Response to Comments. The notification will include DTSC's reasons for selecting the corrective measures.

CORRECTIVE MEASURES IMPLEMENTATION (CMI)

10.1. If constituents of concern exceed human health-based or ecologically-based action levels established by the DTSC-approved Risk Assessment Report, or if DTSC otherwise determines that the contaminant releases pose a potential threat to human health or the environment then: Within 60 days of Respondent's receipt of

notification of DTSC's selection of the corrective measures, Respondent shall submit to DTSC a Corrective Measures Implementation (CMI) Workplan. The CMI Workplan is subject to approval by DTSC and shall be developed in a manner consistent with the Scope of Work for Corrective Measures Implementation contained in Attachment 6.

10.2. Concurrent with the submission of a CMI Workplan, Respondent shall submit to DTSC a Health and Safety Plan in accordance with Attachment 3.

10.3. The CMI program shall be designed to facilitate the design, construction, operation, maintenance, and monitoring of corrective measures at the Generator. In accordance with the schedule contained in the approved CMI Workplan, Respondent shall submit to DTSC the documents listed below, to the extent applicable. These documents shall be developed in a manner consistent with the Scope of Work for Corrective Measures Implementation contained in Attachment 6.

- Operation and Maintenance Plan
- Draft Plans and Specifications
- Final Plans and Specifications
- Construction Workplan
- Construction Completion Report
- Corrective Measures Completion Report

10.4. DTSC will review all required CMI documents and notify Respondent in writing of DTSC's approval or disapproval.

10.5. As directed by DTSC, within 90 days of DTSC's approval of all required CMI documents, Respondent shall establish a financial assurance mechanism for

Corrective Measures Implementation The financial assurance mechanisms may include a performance or surety bond, liability insurance, an escrow performance guarantee account, a trust fund, financial test, or corporate guarantee as described in California Code of Regulations, title 22, section 66265 143 or any other mechanism acceptable to DTSC. The mechanism shall be established to allow DTSC access to the funds to undertake Corrective Measures Implementation tasks if Respondent is unable or unwilling to undertake the required actions.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

11 DTSC must comply with the California Environmental Quality Act (CEQA) insofar as activities required by this Consent Agreement are projects subject to CEQA Respondent shall provide all information necessary to facilitate any CEQA analysis DTSC will make an initial determination regarding the applicability of CEQA If the activities are not exempt from CEQA, DTSC will conduct an Initial Study. Based on the results of the Initial Study, DTSC will determine if a Negative Declaration or an Environmental Impact Report (EIR) should be prepared DTSC will prepare and process any such Negative Declaration However, should DTSC determine that an EIR is necessary, such an EIR would be prepared under a separate agreement between DTSC and Respondent.

DTSC APPROVAL

12.1. Respondent shall revise any workplan, report, specification, or schedule in accordance with DTSC's written comments Respondent shall submit to DTSC any revised documents by the due date specified by DTSC Revised submittals are subject to DTSC's approval or disapproval

12.2 Upon receipt of DTSC's written approval, Respondent shall commence work and implement any approved workplan in accordance with the schedule and provisions contained therein.

12.3 Any DTSC-approved workplan, report, specification, or schedule required under this Consent Agreement shall be deemed incorporated into this Consent Agreement.

12.4 Verbal advice, suggestions, or comments given by DTSC representatives will not constitute an official approval or decision.

SUBMITTALS

13.1. Beginning with the first full month following the effective date of this Consent Agreement, Respondent shall provide DTSC with quarterly progress reports of corrective action activities conducted pursuant to this Consent Agreement. Progress reports are due on the first (1st) day of the first month following the close of each reporting period. The progress reports shall conform to the Scope of Work for Progress Reports contained in Attachment 7. DTSC may adjust the frequency of progress reporting to be consistent with site-specific activities.

13.2. Any report or other document submitted by Respondent pursuant to this Consent Agreement shall be signed and certified by the project coordinator, a responsible corporate officer, or a duly authorized representative.

13.3. The certification required by paragraph 13.2 above, shall be in the following form:

I certify that the information contained in or accompanying this submittal is true, accurate, and complete. As to those portions of this submittal for which I cannot personally verify the accuracy, I certify that this submittal

Simsmetal West LLC

Docket SRPD: RPDD07/08SCC-4381
Corrective Action Consent Agreement

and all attachments were prepared at my direction in accordance with procedures designed to assure that qualified personnel properly gathered and evaluated the information submitted.

Signature:

Name:

Title:

Date:

13.4 Respondent shall provide three copies including an electronic compact disk of all documents, including but not limited to, workplans, reports, and correspondence. Submittals specifically exempted from this copy requirement are all progress reports and correspondence of less than 15 pages, of which one copy is required

13.5 Unless otherwise specified, all reports, correspondence, approvals, disapprovals, notices, or other submissions relating to this Consent Agreement shall be in writing and shall be sent to the current Project Coordinators.

PROPOSED CONTRACTOR/CONSULTANT

14 All work performed pursuant to this Consent Agreement shall be under the direction and supervision of a professional engineer or registered geologist, registered in California, with expertise in hazardous waste site cleanup. Respondent's contractor or consultant shall have the technical expertise sufficient to fulfill his or her responsibilities. Within 14 days of the effective date of this Consent Agreement, Respondent shall notify DTSC Project Coordinator in writing of the name, title, and qualifications of the professional engineer or registered geologist and of any contractors or consultants and their personnel to be used in carrying out the terms of this Consent Agreement

ADDITIONAL WORK

15 DTSC may determine or Respondent may propose that certain tasks, including investigatory work, engineering evaluation, or procedure/methodology modifications are necessary in addition to, or in lieu of, the tasks and deliverables included in any part of DTSC-approved workplans. DTSC shall request in writing that Respondent perform the additional work and shall specify the basis and reasons for DTSC's determination that the additional work is necessary. Within 14 days after the receipt of such determination, Respondent may confer with DTSC to discuss the additional work DTSC has requested. If required by DTSC, Respondent shall submit to DTSC a workplan for the additional work. Such workplan shall be submitted to DTSC within 30 days of receipt of DTSC's determination or according to an alternate schedule established by DTSC. Upon approval of a workplan, Respondent shall implement it in accordance with the provisions and schedule contained therein. The need for, and disputes concerning, additional work are subject to the dispute resolution procedures specified in this Consent Agreement.

QUALITY ASSURANCE

16 1. All sampling and analyses performed by Respondent under this Consent Agreement shall follow applicable DTSC and USEPA guidance for sampling and analysis. Workplans shall contain quality assurance/quality control and chain of custody procedures for all sampling, monitoring, and analytical activities. Any deviations from the approved workplans must be approved by DTSC prior to implementation, must be documented, including reasons for the deviations, and must be reported in the applicable report.

16.2 The names, addresses, and telephone numbers of the California State certified analytical laboratories Respondent proposes to use must be specified in the applicable workplans.

SAMPLING AND DATA/DOCUMENT AVAILABILITY

17.1 Respondent shall submit to DTSC upon request the results of all sampling and/or tests or other data generated by its employees, agents, consultants, or contractors pursuant to this Consent Agreement.

17.2 Respondent shall notify DTSC in writing at least seven days prior to beginning each separate phase of field work approved under any workplan required by this Consent Agreement. If Respondent believes it must commence emergency field activities without delay, Respondent may seek emergency telephone authorization from DTSC Project Coordinator or, if the Project Coordinator is unavailable, his/her Branch Chief, to commence such activities immediately.

17.3 At the request of DTSC, Respondent shall provide or allow DTSC or its authorized representative to take split or duplicate samples of all samples collected by Respondent pursuant to this Consent Agreement. Similarly, at the request of Respondent, DTSC shall allow Respondent or its authorized representative to take split or duplicate samples of all samples collected by DTSC under this Consent Agreement.

ACCESS

18 Subject to the Generator's security and safety procedures, Respondent agrees to provide DTSC and its representatives access at all reasonable times to the Generator and any off-site property to which access is required for implementation of

this Consent Agreement and shall permit such persons to inspect and copy all records, files, photographs, documents, including all sampling and monitoring data, that pertain to work undertaken pursuant to this Consent Agreement and that are within the possession or under the control of Respondent or its contractors or consultants.

RECORD PRESERVATION

19 1. Respondent shall retain, during the pendency of this Consent Agreement and for a minimum of six years after its termination, all data, records, and documents that relate in any way to the performance of this Consent Agreement. Respondent shall notify DTSC in writing 90 days prior to the destruction of any such records, and shall provide DTSC with the opportunity to take possession of any such records. Such written notification shall reference the effective date, caption, and docket number of this Consent Agreement and shall be addressed to:

John Scandura, Performance Manager
Brownfields and Environmental Restoration Program
Department of Toxic Substances Control
5796 Corporate Avenue
Cypress, California 90630

19 2. If Respondent retains or employs any agent, consultant, or contractor for the purpose of carrying out the terms of this Consent Agreement, Respondent will require any such agents, consultants, or contractors to provide Respondent a copy of all documents produced pursuant to this Consent Agreement

19 3. All documents pertaining to this Consent Agreement shall be stored in a central location at the Generator, or at a location otherwise agreed to by the parties, to afford easy access by DTSC and its representatives

DISPUTE RESOLUTION

20.1 The parties agree to use their best efforts to resolve all disputes informally. The parties agree that the procedures contained in this section are the sole administrative procedures for resolving disputes arising under this Consent Agreement. If Respondent fails to follow the procedures contained in this section, it shall have waived its right to further consideration of the disputed issue.

20.2 If Respondent disagrees with any written decision by DTSC pursuant to this Consent Agreement, Respondent's Project Coordinator shall orally notify DTSC's Project Coordinator of the dispute. The Project Coordinators shall attempt to resolve the dispute informally.

20.3 If the Project Coordinators cannot resolve the dispute informally, Respondent may pursue the matter formally by placing its objection in writing. Respondent's written objection must be forwarded to Performance Manager Brownfields and Environmental Restoration, Department of Toxic Substances Control, with a copy to DTSC's Project Coordinator. The written objection must be mailed to the Branch Chief within 14 days of Respondent's receipt of DTSC's written decision. Respondent's written objection must set forth the specific points of the dispute and the basis for Respondent's position.

20.4 DTSC and Respondent shall have 14 days from DTSC's receipt of Respondent's written objection to resolve the dispute through formal discussions. This period may be extended by DTSC for good cause. During such period, Respondent may meet or confer with DTSC to discuss the dispute.

20.5. After the formal discussion period, DTSC will provide Respondent with its written decision on the dispute. DTSC's written decision will reflect any agreements reached during the formal discussion period and be signed by the Performance Manager Brownfields and Environmental Restoration or his/her designee.

20.6. During the pendency of all dispute resolution procedures set forth above, the time periods for completion of work required under this Consent Agreement that are affected by such dispute shall be extended for a period of time not to exceed the actual time taken to resolve the dispute. The existence of a dispute shall not excuse, toll, or suspend any other compliance obligation or deadline required pursuant to this Consent Agreement.

RESERVATION OF RIGHTS

21.1. DTSC reserves all of its statutory and regulatory powers, authorities, rights, and remedies, which may pertain to Respondent's failure to comply with any of the requirements of this Consent Agreement. Respondent reserves all of its statutory and regulatory rights, defenses and remedies, as they may arise under this Consent Agreement. This Consent Agreement shall not be construed as a covenant not to sue, release, waiver, or limitation on any powers, authorities, rights, or remedies, civil or criminal, that DTSC or Respondent may have under any laws, regulations or common law.

21.2. DTSC reserves the right to disapprove of work performed by Respondent pursuant to this Consent Agreement and to request that Respondent perform additional tasks.

21.3 DTSC reserves the right to perform any portion of the work consented to herein or any additional site characterization, feasibility study, and/or remedial actions it deems necessary to protect human health and/or the environment. DTSC may exercise its authority under any applicable state or federal law or regulation to undertake response actions at any time. DTSC reserves its right to seek reimbursement from Respondent for costs incurred by the State of California with respect to such actions. DTSC will notify Respondent in writing as soon as practicable regarding the decision to perform any work described in this section.

21.4. If DTSC determines that activities in compliance or noncompliance with this Consent Agreement have caused or may cause a release of hazardous waste and/or hazardous waste constituents, or a threat to human health and/or the environment, or that Respondent is not capable of undertaking any of the work required, DTSC may order Respondent to stop further implementation of this Consent Agreement for such period of time as DTSC determines may be needed to abate any such release or threat and/or to undertake any action which DTSC determines is necessary to abate such release or threat. The deadlines for any actions required of Respondent under this Consent Agreement affected by the order to stop work shall be extended to take into account DTSC's actions.

21.5 This Consent Agreement is not intended to be nor shall it be construed to be a permit. This Consent Agreement is not a substitute for, and does not preclude DTSC from requiring, any permit, closure plan or post closure plan. The parties acknowledge and agree that DTSC's approval of any workplan, plan, and/or

specification does not constitute a warranty or representation that the workplans, plans, and/or specifications will achieve the required cleanup or performance standards. Compliance by Respondent with the terms of this Consent Agreement shall not relieve Respondent of its obligations to comply with the Health and Safety Code or any other applicable local, state, or federal law or regulation

OTHER CLAIMS

22. Except as provided in this Consent Agreement, nothing in this Consent Agreement shall constitute or be construed as a release by DTSC or Respondent from any claim, cause of action, or demand in law or equity against any person, firm, partnership, or corporation for any liability it may have arising out of or relating in any way to the generation, storage, treatment, handling, transportation, release, or disposal of any hazardous constituents, hazardous substances, hazardous wastes, pollutants, or contaminants found at, taken to, or taken or migrating from the Generator

COMPLIANCE WITH WASTE DISCHARGE REQUIREMENTS

23. Respondent shall comply with all applicable waste discharge requirements issued by the State Water Resources Control Board or a California regional water quality control board

OTHER APPLICABLE LAWS

24. All actions required by this Consent Agreement shall be conducted in accordance with the requirements of all local, state, and federal laws and regulations. Respondent shall obtain or cause its representatives to obtain all permits and approvals necessary under such laws and regulations.

REIMBURSEMENT OF DTSC'S COSTS

25.1 Respondent shall pay DTSC's reasonable costs incurred in the implementation of this Consent Agreement in accordance with Chapter 666 of Division 20 of the Health & Safety Code. Such costs must include DTSC's costs incurred in the preparation and implementation of this Consent Agreement prior to the effective date of this Consent Agreement.

25.2. An estimate of DTSC's costs is attached as Attachment 8 showing the amount of \$70,884. It is understood by the parties that this amount is only a cost estimate for the activities shown on Attachment 8 and it may differ from the actual costs incurred by DTSC in overseeing these activities or in implementing this Consent Agreement. DTSC will provide additional cost estimates to Respondent as the work progresses under the Consent Agreement.

25.3. Respondent shall make an advance payment to DTSC in the amount of \$35,442 within 30 days of the effective date of this Consent Agreement. If the advance payment exceeds DTSC's costs, DTSC will refund the balance within 120 days after the execution of the Acknowledgment of Satisfaction pursuant to Section 27 of this Consent Agreement.

25.4. DTSC will provide Respondent with a billing statement at least quarterly, which will include the name(s) of the employee(s), identification of the activities, the amount of time spent on each activity, and the hourly rate charged. If Respondent does not pay an invoice within 60 days of the date of the billing statement, the amount is subject to interest as provided by Health and Safety Code section 25360.1.

25.5 DTSC will retain all costs records associated with the work performed under this Consent Agreement as required by state law. DTSC will make all documents that support the DTSC's cost determination available for inspection upon request, as provided by the Public Records Act.

25.6 Any dispute concerning DTSC's costs incurred pursuant to this Consent Agreement is subject to the Dispute Resolution provision of this Consent Agreement and the dispute resolution procedures as established pursuant to Health and Safety Code section 25269.2. DTSC reserves its right to recover unpaid costs under applicable state and federal laws.

25.7. All payments shall be made within 30 days of the date of the billing statement by check payable to the Department of Toxic Substances Control and shall be sent to:

Accounting Unit
Department of Toxic Substances Control
P. O. Box 806
Sacramento, California 95812-0806

All checks shall reference the name of the Generator, the Respondent's name and address, and the docket number of this Consent Agreement. Copies of all checks and letters transmitting such checks shall be sent simultaneously to DTSC's Project Coordinator.

MODIFICATION

26.1 This Consent Agreement may be modified by mutual agreement of the parties. Any agreed modification shall be in writing, shall be signed by both parties,

shall have as its effective date the date on which it is signed by all the parties, and shall be deemed incorporated into this Consent Agreement

26.2 Any requests for revision of an approved workplan requirement must be in writing. Such requests must be timely and provide justification for any proposed workplan revision. DTSC has no obligation to approve such requests, but if it does so, such approval will be in writing and signed by the Performance Manager Brownfields and Environmental Restoration, Department of Toxic Substances Control, or his or her designee. Any approved workplan revision shall be incorporated by reference into this Consent Agreement.

TERMINATION AND SATISFACTION

27 The provisions of this Consent Agreement shall be deemed satisfied upon the execution by both parties of an Acknowledgment of Satisfaction (Acknowledgment). DTSC will prepare the Acknowledgment for Respondent's signature. The Acknowledgment will specify that Respondent has demonstrated to the satisfaction of DTSC that the terms of this Consent Agreement including payment of DTSC's costs have been satisfactorily completed. The Acknowledgment will affirm Respondent's continuing obligation to preserve all records after the rest of the Consent Agreement is satisfactorily completed.

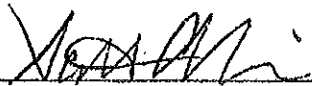
EFFECTIVE DATE

28 The effective date of this Consent Agreement shall be the date on which this Consent Agreement is signed by all the parties. Except as otherwise specified, "days" means calendar days.

SIGNATORIES

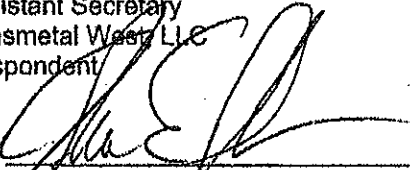
29 Each undersigned representative certifies that he or she is fully authorized to enter into this Consent Agreement

DATE:

BY: _____

Scott Miller
Assistant Secretary
Simsmetal West LLC
Respondent

DATE: 7/30/08

BY: _____

John Scandura, Performance Manager
Brownfields and
Environmental Restoration Program
Department of Toxic Substances Control

ATTACHMENTS

- 1 Scope of Work for a Facility Investigation
- 2 Scope of Work for Interim Measures Implementation
- 3 Scope of Work for a Health and Safety Plan
- 4 Community Profile
- 5 Scope of Work for a Corrective Measures Study
- 6 Scope of Work for Corrective Measures Implementation
- 7 Scope of Work for Progress Reports
- 8 Estimate of DTSC costs

EXHIBITS

- A Consent Order for Initial Sampling
- B Report dated July 2, 2007