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GOVERNMENT CODE § 6103

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA
17 COUNTY OF ALAMEDA

19 **PEOPLE OF THE STATE OF**
CALIFORNIA, ex rel. XAVIER BECERRA
20 **Attorney General of the State of California,**
PEOPLE OF THE STATE OF
21 **CALIFORNIA, ex rel. MEREDITH**
WILLIAMS, Director of the California
22 **Department of Toxic Substances Control,**
PEOPLE OF THE STATE OF
23 **CALIFORNIA, ex rel. NANCY E.**
O'MALLEY, Alameda County District
24 **Attorney,**

Plaintiffs,

25 v.

26 **SCHNITZER STEEL INDUSTRIES, INC.,**
27 **an Oregon Corporation,**

Defendant.

Case No.

**STIPULATION FOR ENTRY OF FINAL
JUDGMENT AND ORDER ON
CONSENT**

(Code of Civ. Proc., § 664.6)

1 Plaintiffs, People of the State of California, ex rel. Xavier Becerra, Attorney General of
2 the State of California (“Attorney General”), People of the State of California, ex rel. Meredith
3 Williams, Director of the California Department of Toxic Substances Control (“DTSC”), and
4 People of the State of California, ex rel. Nancy E. O’Malley, District Attorney of the County of
5 Alameda (“District Attorney”), collectively “the People,” and Defendant, Schnitzer Steel
6 Industries, Inc. (“Schnitzer”) (collectively, “the Parties” or individually, “Party”) enter into this
7 Stipulation for Entry of Final Judgment and Order on Consent (“Stipulation”), and stipulate as
8 follows:

9 **1. THE COMPLAINT AND INTRODUCTION**

10 The People have filed a Complaint for Civil Penalties and Injunctive Relief (“Complaint”) under the California Hazardous Waste Control Law (Health & Saf. Code, § 25100 et seq.) and its
11 implementing regulations (Cal. Code Regs., tit. 22, § 66260.1 et seq.) (collectively, “HWCL”);
12 Fish and Game Code section 5650; the Safe Drinking Water and Toxic Enforcement Act of 1986
13 (“Proposition 65”) (Health & Saf. Code, § 25249.5 et seq.); Nuisance under Health and Safety
14 Code section 41700 et seq. (“Nuisance”); and the California Unfair Competition Law (“UCL”) (Bus. & Prof. Code, § 17200 et seq.) against Schnitzer, which owns and operates the facility
15 located at 1101 Embarcadero West, Oakland, Alameda County, California 94607 (the “Oakland
16 Facility”). Schnitzer’s operations at the Oakland Facility include, but are not limited to,
17 shredding of end-of-life automobiles and appliances and other recyclable metal materials;
18 shearing and other size-reduction processes of recyclable metal materials; preparing and sorting
19 of ferrous and non-ferrous metal recycling feedstock; stockpiling of unprocessed and processed
20 metal materials; and chemical treatment of the residue remaining after completion of metal
21 separation operations.
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23

24 In mid-2012 the District Attorney, in consultation with DTSC and the California
25 Department of Fish and Wildlife, initiated an investigation of the area surrounding the Oakland
26 Facility in response to alleged releases of LIGHT FIBROUS MATERIAL (“LFM”)¹ from the
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28 ¹ Capitalized terms are defined in Section 3, Definitions.

1 Oakland Facility. As set out more fully in the Complaint, the People allege that some portion of
2 the LFM generated during the shredding operations and downstream metal separation processes
3 has the potential to become airborne and migrate off of the Oakland Facility if controls are not
4 implemented to prevent its dispersal. At the time the investigation was initiated, accumulations
5 of LFM were observed on public and private properties and in locations where it was or could be
6 deposited into the waters of the state. The People further allege that testing of LFM samples
7 collected at the Oakland Facility and on properties off-site of the Oakland Facility has shown that
8 the samples typically contain concentrations of certain metals (e.g., lead, zinc, and copper) that
9 exceed California HAZARDOUS WASTE regulatory thresholds for such metals.

10 Upon notice of the investigation, Schnitzer agreed to cooperate with the People and
11 engaged in efforts to inspect for and remove accumulations of LFM observed in off-site areas on
12 public and private property, and began to evaluate additional engineering controls and other
13 measures that could be implemented to minimize the potential for off-site dispersal of this
14 material. Schnitzer has conducted LFM collection operations from the ground surface in the
15 vicinity of the Oakland Facility, including from public and private properties in the
16 commercial/industrial area immediately to the north and east of the Oakland Facility, from
17 municipal storm drains in the area, and from shoreline riprap areas at and adjacent to the Oakland
18 Facility. Schnitzer's collection efforts have removed accumulations of LFM from these areas.
19 Schnitzer has also completed installation of enclosures for the SHREDDER and the JOINT
20 PRODUCTS PLANT, and emission control systems for abatement of particulate emissions from
21 the enclosures (collectively, "EXISTING UPGRADES"). Schnitzer has informed the People that
22 it believes these EXISTING UPGRADES will reduce the potential for future off-site releases,
23 migration, deposition, and accumulation of LFM.

24 On March 17-19, 2015, DTSC conducted an inspection at the Oakland Facility as part of a
25 separate investigation of a shipment of material from a Schnitzer facility located at 2727 South
26 Chestnut Avenue, Fresno, California 93725 (the "Fresno Yard") to the Oakland Facility. DTSC
27 issued a Summary of Violations to Schnitzer on June 1, 2015, and an Inspection Report dated
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1 August 6, 2015 (collectively, “the 2015 SOV”), summarizing the alleged violations identified
2 during the March 17-19, 2015 inspection of the Oakland Facility. As set out more fully in the
3 Complaint, the alleged violations included failure to minimize releases of HAZARDOUS
4 WASTE or HAZARDOUS WASTE constituents from the Oakland Facility. The 2015 SOV also
5 alleged that Schnitzer accepted and stored 550 tons of HAZARDOUS WASTE from an off-site
6 location (the Fresno Yard) and treated that HAZARDOUS WASTE, without a permit or other
7 form of authorization from DTSC, in the JOINT PRODUCTS PLANT at the Oakland Facility.
8 Schnitzer submitted a detailed response to the 2015 SOV, disputing these alleged violations.

9 Based upon the results of source testing required by the Bay Area Air Quality
10 Management District (“Air District”) following completion of the SHREDDER enclosure, the Air
11 District informed Schnitzer in July 2019 that emissions of Volatile Organic Compounds (VOC)
12 from the SHREDDER enclosure stack had been determined to be in violation of Air District
13 Regulation 8, Rule 2-301, which provides that “[a] person shall not discharge into the atmosphere
14 from any miscellaneous operation an emission containing more than 6.8 kg. (15 lbs.) per day and
15 containing a concentration of more than 300 PPM total carbon on a dry basis.” The source testing
16 revealed that total carbon emissions at the stack exceeded the allowable concentration limit
17 specified in the rule. Prior to enclosure of the SHREDDER, these emissions were fugitive in
18 nature. Schnitzer has informed the People that, in October 2018, upon receiving the results of
19 initial source testing of the SHREDDER stack and prior to the Air District’s notice of violation of
20 Regulation 8, Rule 2-301, it applied for the regulatory approvals to install two REGENERATIVE
21 THERMAL OXIDIZERS to the exhaust system of the SHREDDER’s enclosure in order to abate
22 emissions of VOCs from the SHREDDER. Schnitzer represents that installation of the
23 REGENERATIVE THERMAL OXIDIZERS is estimated to result in a 98% reduction of annual
24 VOC emissions from the SHREDDER.

25 **2. AGREEMENT TO SETTLE DISPUTE**

26 The Parties enter into this Stipulation pursuant to a compromise and settlement of disputed
27 claims, and mutually consent to the entry by this Court of the agreed upon separate Final
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1 Judgment and Order on Consent (“Final Judgment”), which is the form attached as Exhibit A.
2 The Parties are each represented by counsel. This Stipulation and the Final Judgment were
3 negotiated in good faith and at arms’ length by the Parties to avoid expensive and protracted
4 litigation regarding the alleged violations of the HWCL, Fish and Game Code, Proposition 65,
5 Nuisance, and the UCL, and to further the public interest.

6 The Parties agree that there has been no adjudication of any fact or law. Schnitzer does
7 not admit any fact, liability, or violation of law, and disputes the matters alleged in the Complaint.

8 **3. DEFINITIONS**

9 Except where otherwise expressly defined in this Stipulation, all terms shall be interpreted
10 consistent with the HWCL.

11 “DAY” or “DAYS” means a calendar day or days.

12 “EFFECTIVE DATE” is the date the Final Judgment is entered by the Court.

13 “EXISTING UPGRADES” means enclosures for the SHREDDER and the JOINT
14 PRODUCTS PLANT, and emission control systems designed for abatement of particulate
15 emissions from the enclosures.

16 “HAZARDOUS” shall have the same meaning as the term is used in California Code of
17 Regulations, title 22, section 66261.3 and sections 66261.20 through 66261.24.

18 “HAZARDOUS WASTE” means hazardous waste as defined in Health and Safety Code
19 section 25117.

20 “JOINT PRODUCTS PLANT” means the processing facility located in the northern
21 portion of the Oakland Facility consisting of a series of size fractionation and separation
22 equipment used to separate non-ferrous metal from the output of a metal SHREDDER that
23 remains after ferrous metal has been removed by magnetic separation.

24 “LIGHT FIBROUS MATERIAL” (“LFM”) means a fibrous mixture of shredded fabric
25 and carpet fibers, entrained metallic particles, and other nonmetallic components often
26 representing the lightest fraction of the material produced by the shredding process at the Oakland
27 Facility.

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1 “REGENERATIVE THERMAL OXIDIZER” means an air pollution control device that
2 uses high temperatures to combust and decompose volatile organic compounds and other
3 hydrocarbon constituents into carbon dioxide and water vapor. As used in this Stipulation,
4 REGENERATIVE THERMAL OXIDIZER shall also mean any equipment associated with its
5 operation, including, but not limited to, acid gas scrubbers.

6 “SHREDDER” means an electrically-driven hammermill located at the Oakland Facility
7 used to reduce end-of-life automobiles and appliances and other metals that are introduced into
8 the SHREDDER into fist-sized or smaller pieces.

9 “SUPPLEMENTAL ENVIRONMENTAL PROJECT” means an environmentally
10 beneficial project that a defendant subject to an enforcement action voluntarily agrees to
11 undertake in settlement of the action to offset a portion of an administrative or civil penalty.

12 “WASTE” or “WASTES” means waste as defined in Health and Safety Code section
13 25124.

14 **4. JURISDICTION AND VENUE**

15 The Parties agree and hereby stipulate that, for purposes of this Stipulation, this Court has
16 subject matter jurisdiction over the matters alleged in the Complaint and personal jurisdiction
17 over Schnitzer, and that venue in this Court is proper under Health and Safety Code section 25183
18 and California Code of Civil Procedure section 393.

19 **5. WAIVER OF HEARING AND TRIAL AND ENTRY OF JUDGMENT**

20 By signing and entering into this Stipulation, Schnitzer waives its right to a hearing or a
21 trial on the matters alleged in the Complaint and to any appeal.

22 **6. APPLICABILITY**

23 Unless otherwise expressly provided herein, the provisions of this Stipulation and the
24 Final Judgment entered thereon shall apply to and be binding on Schnitzer and its directors,
25 officers, agents, employees, representatives, successors, and all persons, as that term is defined in
26 Health and Safety Code section 25118, acting in concert or participating with Schnitzer regarding
27 the Oakland Facility, and the People and DTSC (or any successor agency to DTSC) that may
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1 have responsibility for and jurisdiction over the subject matter of the Final Judgment. Schnitzer
2 shall ensure that its directors, officers, agents, employees, representatives, or other persons or
3 entities acting under or for it with respect to matters included herein comply with the terms of this
4 Stipulation and the Final Judgment.

5 **7. MATTERS COVERED**

6 Except as otherwise provided in this Stipulation, this Stipulation is a full, final, and
7 binding resolution and settlement of “Covered Matters” only, which are defined as the HWCL,
8 Fish and Game Code, Proposition 65, Nuisance, and UCL claims, violations, or causes of action
9 specifically alleged by the People in the Complaint through the date of the filing of the
10 Complaint, based on the factual allegations in the Complaint. The alleged violations identified in
11 the 2015 SOV issued by DTSC to Schnitzer, based on the factual allegations therein, are also
12 Covered Matters, except as provided in Subsections 7.1.e and 7.2, below. Any claim, violation,
13 or cause of action that is not within Covered Matters is a Reserved Claim.

14 **7.1 Reserved Claims**

15 Reserved Claims include, without limitation:

16 a. Any claims under the Comprehensive Environmental Response,
17 Compensation, and Liability Act (42 U.S.C., § 9601 et seq.) or the California Hazardous
18 Substance Account Act (Health & Saf. Code, § 25300 et seq.), including, but not limited to,
19 performance of a remedy or remedial action (as those terms are defined in Health and Safety
20 Code section 25322), removal action (as that term is defined in Health and Safety Code section
21 25323), or a response action (as that term is defined in Health and Safety Code section 25323.3)
22 concerning or arising out of a past or future release (as defined in Health and Safety Code section
23 25320) or threatened release of a hazardous substance (as that term is defined in Health and
24 Safety Code section 25316) at or from the Facility, including, but not limited to, any
25 contamination resulting from past releases that are the subject of the allegations in the Complaint,
26 and recovery of DTSC’s response costs, including costs as described in Health and Safety Code
27 section 25324, subdivision (b), for any release or threatened release of any substance;
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1 b. Any claims or causes of action for cost recovery or performance of any
2 response action, concerning or arising out of past or future releases, threatened releases, spills,
3 leaks, discharges, or disposal of hazardous materials, HAZARDOUS WASTES, and/or hazardous
4 substances including, but not limited to, LFM. This includes, but is not limited to, any
5 enforcement action brought or administrative order issued by DTSC pursuant to Health and
6 Safety Code section 25187 for, among other things, corrective action;

7 c. Any claims by DTSC pursuant to its permitting authority under the
8 HWCL;

9 d. Any other pending or future administrative or civil actions brought by an
10 entity other than the Attorney General, DTSC, or the District Attorney, involving Schnitzer,
11 including, but not limited to:

12 i. Any action brought by the San Francisco Bay Regional Water
13 Quality Control Board under the Clean Water Act (33 U.S.C., § 1251 et seq.) or the Porter
14 Cologne Water Quality Control Act (Wat. Code, § 13000 et seq.);

15 ii. Any action brought by the Air District, the California Air Resources
16 Board, or the United States Environmental Protection Agency (“EPA”) pursuant to their
17 respective regulatory authorities, including but not limited to the Air District’s Rules and
18 Regulations and the Clean Air Act (42 U.S.C. § 7401 et seq.) (“CAA”) and the State
19 Implementation Plan required under the CAA. Such actions include, but are not limited to,
20 alleged violations referenced in the District’s Notice of Violation No. A 57682, dated July 2,
21 2019, and alleged violations referenced in EPA’s Finding and Notice of Violations No, R9-CAA-
22 20-1004, dated January 27, 2020;

23 e. Any alleged violation of law, including, but not limited to, the HWCL,
24 other than those alleged in the Complaint, that have occurred or may in the future occur at or from
25 the Fresno Yard, including but not limited to any claims under state or federal law based on the
26 transport of HAZARDOUS WASTE from the Fresno Yard to the Oakland Facility, and the
27 release or threatened release of HAZARDOUS substances, HAZARDOUS WASTE, or
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1 HAZARDOUS WASTE constituents at and from the Fresno Yard, including those violations that
2 are the subject of Pending Litigation, as set forth in clause (b) of Section 7.2, below;

3 f. Any alleged violation of law based on the facts concerning a fire that
4 occurred at the Oakland Facility on June 2, 2018, and the allegations contained in the Notice of
5 Violations issued by DTSC to Schnitzer on or about June 12, 2018, related to that fire; and

6 g. Any alleged violation of law based on the facts concerning a fire that
7 occurred at the Oakland Facility on June 17, 2020, and the allegations contained in the Summary
8 of Violations issued by DTSC to Schnitzer on or about June 18, 2020, related to the fire.

9 **7.2 Pending Litigation**

10 The Parties reserve all rights and defenses in (a) *West Coast Chapter, Institute of Scrap*
11 *Recycling Industries, Inc., et al. v. California Department of Toxic Substances Control, et al.*,
12 Sacramento County Superior Court case number 34-2019-00269900; (b) *People of the State of*
13 *California, ex rel. Meredith Williams and DTSC v. Schnitzer Fresno, Inc.*, Fresno County
14 Superior Court case number 20CECG01386; and (c) *The Athletics Investment Group LLC v.*
15 *California Department of Toxic Substances Control, et al.*, Alameda County Superior Court case
16 number RG20069917 (collectively “Pending Litigation”). Nothing in this Stipulation or in the
17 Final Judgment is intended, nor shall it be construed, to limit or expand any claims, rights, or
18 defenses available to the parties in the Pending Litigation, to constitute an admission of any fact
19 or law by any party, nor shall it resolve any of the disputed factual or legal issues involved in the
20 Pending Litigation.

21 **7.3 Reservation of Authority of Government Agencies**

22 Except as expressly provided in this Stipulation, nothing in this Stipulation or in the Final
23 Judgment is intended, nor shall it be construed, to preclude the People, or any federal, state, or
24 local agency, department, board, or entity, from exercising its authority or rights under any
25 federal, state, or local law, statute, or regulation. In any subsequent action that may be brought by
26 the People based on any Reserved Claim, Schnitzer agrees that it will not assert that failing to
27 pursue such Reserved Claim as part of this action constitutes claim-splitting, laches, waiver, or is
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1 otherwise inequitable because of the asserted failure. Schnitzer expressly reserves the right to
2 deny any and all liability with respect to any Reserved Claim and reserves the right to assert any
3 and all other defenses to any Reserved Claim.

4 **7.4. Effect of Covered Matters Provisions**

5 The provisions of Paragraph 7 (Covered Matters) are effective on the EFFECTIVE
6 DATE. The continuing effect of Paragraph 7 is expressly conditioned on Schnitzer's full
7 payment of the amounts due under the Final Judgment.

8 **7.5 No Limit to People's Authority to Enforce**

9 The provisions of Paragraph 7 (Covered Matters) do not limit the right and ability of the
10 People to enforce the terms of the Final Judgment.

11 **8. INJUNCTIVE PROVISIONS**

12 Pursuant to the provisions of Health and Safety Code sections 25181, 25249.6, 25249.7,
13 25515.6, 25515.8, and 41513; Fish and Game Code section 5650.1; and Business and Professions
14 Code section 17203, Schnitzer shall comply with the injunctive provisions set forth in Sections
15 8.1 through 8.7 of this Stipulation. Notwithstanding any other provision in this Stipulation,
16 nothing in this Stipulation or the Final Judgment shall relieve Schnitzer from complying with all
17 applicable requirements and standards set forth in chapter 6.5 of division 20 of the Health and
18 Safety Code and the regulations promulgated under that chapter.

19 **8.1 Compliance with the HWCL**

20 Schnitzer shall ensure the following:

21 a. LFM that is collected onsite or offsite of the Oakland Facility by Schnitzer
22 employees or contractors working on behalf of Schnitzer shall be subject to a HAZARDOUS
23 WASTE determination, as required by the HWCL, including, but not limited to, California Code
24 of Regulations, title 22, sections 66260.200 and 66262.11.

25 b. Any WASTES determined to be HAZARDOUS WASTES shall be
26 managed in compliance with all applicable requirements of the HWCL, including, but not limited
27 to, the following provisions:

1 i. Schnitzer shall not accept, treat, store, or cause the unauthorized
2 disposal of HAZARDOUS WASTE generated from any off-site locations, as prohibited by the
3 HWCL, including, but not limited to, Health and Safety Code section 25189, subdivisions (b), (c),
4 (d), and (e); provided, however, that nothing herein shall preclude Schnitzer from accumulating
5 LFM collected from off-site locations at the Oakland Facility pending disposal at an authorized
6 location.

7 ii. Schnitzer shall comply with all applicable generator accumulation
8 requirements in California Code of Regulations, title 22, section 66262.34.

9 iii. Schnitzer shall comply with the HAZARDOUS WASTE
10 manifesting requirements for all HAZARDOUS WASTE that is transported, or submitted for
11 transportation, for offsite handling, treatment, storage, disposal, or any combination thereof, as
12 provided by Health and Safety Code section 25160, subdivision (b)(3), and California Code of
13 Regulations, title 22, section 66262.23.

14 iv. Schnitzer shall use only a registered HAZARDOUS WASTE
15 transporter for the offsite transportation of HAZARDOUS WASTE, as required by Health and
16 Safety Code section 25163, subdivision (a)(1). This provision shall not require Schnitzer to
17 utilize a registered HAZARDOUS WASTE transporter to return LFM collected from off-site
18 locations to the Oakland Facility for disposal at an authorized location.

19 v. Schnitzer shall comply with applicable employee training
20 obligations pertaining to the management of HAZARDOUS WASTE.

21 vi. Schnitzer shall comply with the applicable requirements of
22 California Code of Regulations, title 22, section 66265.31 (duty to operate and maintain a facility
23 in a manner that minimizes the unplanned sudden or non-sudden release of HAZARDOUS
24 WASTE or HAZARDOUS WASTE constituents to air, soil, or surface water which could
25 threaten human health or the environment).

1 **8.2 Maintenance of EXISTING UPGRADES**

2 Schnitzer shall maintain in good working condition all EXISTING UPGRADES and other
3 equipment at the Oakland Facility intended to address releases, migration, deposition, and
4 accumulation of LFM.

5 **8.3 Inspections**

6 a. For a minimum period of six (6) months after the EFFECTIVE DATE,
7 Schnitzer shall implement the *Updated Work Plan for Off-Site LFM Inspection and Cleanup*
8 *Activities in the Commercial /Industrial Area Adjacent to the Schnitzer Steel Oakland Facility*,
9 attached as Exhibit B (the “Work Plan”). The Updated Work Plan shall not require Schnitzer or
10 its consultant to conduct any LFM inspection or cleanup activities that would otherwise be barred
11 by any federal, state or local law or governmental directive, or to enter onto any private property
12 if the owner or occupant of the property denies consent or cannot be reached despite Schnitzer’s
13 reasonable best efforts.

14 b. While Schnitzer is responsible for inspecting only the areas identified in
15 the Work Plan, Schnitzer shall remove visible accumulations of LFM offsite of the Oakland
16 Facility using the methods described in Exhibit B and shall return the collected material to the
17 Oakland Facility to be characterized for disposal at an authorized location. The material shall be
18 characterized pursuant to California Code of Regulations, title 22, section 66262.11, subdivision
19 (b).

20 c. Schnitzer shall manage collected waste that is characterized as
21 HAZARDOUS WASTE in accordance with all applicable Title 22 regulations.

22 d. Schnitzer shall keep a log of the inspections conducted pursuant to
23 subsection (b) above, including the dates and times of the inspections; whether any visible
24 accumulation of LFM was observed; photographs depicting any such accumulation and the area
25 where it was observed; the amount (i.e., volume in gallons) of LFM that was removed; the
26 characteristic(s) of the LFM; and the disposition of the removed LFM. The log shall also specify
27 the manner of transport, name of the transporter, and the name and location of the disposal
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1 facility. On a monthly basis, an electronic copy of the inspection logs shall be sent via e-mail or
2 U.S. mail to the People's representatives identified in Section 11.

3 e. If after any three (3) consecutive month period following the EFFECTIVE
4 DATE, visible accumulations of LFM are no longer observed in the Inspection Areas or a portion
5 thereof, Schnitzer may request a reduction in the frequency of inspections for the remaining three
6 (3) months. The People may grant such reduction to Schnitzer without need for written approval
7 by or order of the Court.

8 **8.4 Compliance with the Fish and Game Code**

9 Schnitzer shall comply with the provisions of Fish and Game Code section 5650,
10 subdivision (a), including but not limited to ensuring that LFM is not deposited on or into storm
11 drains, the Oakland Estuary, or in any other location where it could enter the waters of the State;
12 provided, however, that incidental discharges in compliance with Schnitzer's National Pollutant
13 Discharge Elimination System permit for the Oakland Facility shall not be considered violations
14 of this Stipulation.

15 **8.5 Proposition 65 Warning**

16 a. Warnings to persons who live or work in the areas surrounding the
17 Oakland Facility. In order to comply with the requirements of Proposition 65, Schnitzer has
18 implemented a warning program approved by the People for the purposes of providing persons
19 who live or work in the areas surrounding the Oakland Facility with clear and reasonable
20 warnings that they are being exposed to chemicals known to cause cancer, and birth defects or
21 other reproductive harm. Schnitzer shall continue to provide these warnings as to persons who
22 live or work in the area surrounding the Oakland Facility, pursuant to the following requirements:

23 i. Newspaper warnings, one-quarter page in size, shall be published in
24 the form and content provided in Exhibit C.

25 ii. These warnings shall be placed in the East Bay Times. The
26 warnings shall be placed in the main news or local news sections of the newspaper and shall be
27 published in any electronic version of the paper. The warnings shall not be located in the
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1 classified advertisement section of the newspaper. In the event that the East Bay Times ceases
2 publication or ceases accepting such warnings, the Attorney General and District Attorney and
3 Schnitzer will meet and confer in order to determine an equally effective method of providing
4 warnings to exposed persons.

5 iii. The warnings shall be published quarterly.

6 iv. Schnitzer shall immediately notify the Attorney General and
7 District Attorney at the addresses provided in Section 13 herein of any change in its operations
8 that could materially increase the number of persons who are exposed to listed chemicals from the
9 Oakland Facility. The Attorney General and District Attorney and Schnitzer will then meet and
10 confer in order to determine whether the warning map set forth in Exhibit C must be enlarged or
11 adjusted to reflect the increased exposures.

12 v. Schnitzer may request a reduction or adjustment to the warning
13 map set forth in Exhibit C to reflect reductions in emissions of listed chemicals from the Oakland
14 Facility achieved by the enclosure of the SHREDDER and JOINT PRODUCTS PLANT and
15 implementation of other BMPs. Following receipt of such a request, the Attorney General and
16 District Attorney and Schnitzer will meet and confer in order to determine whether the warning
17 map set forth in Exhibit C should be reduced or adjusted to reflect the reduction in exposures.

18 vi. Schnitzer may, with the consent of the Attorney General and the
19 District Attorney, and approval of the Court, cease providing newspaper warnings required by
20 Section 8.5(a)(ii) if Schnitzer establishes that its release of LFM has been permanently reduced
21 and controlled in such a way that no persons who live or work in the area surrounding the
22 Oakland Facility will be exposed to listed chemicals in the LFM that require a warning under
23 Proposition 65.

24 b. Warnings to Employees and Site Visitors. Schnitzer shall provide
25 warnings to persons who visit or work at the Oakland Facility pursuant to the following
26 requirements:
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1 i. Schnitzer will maintain warning signs at all public and employee
2 entrances to the Oakland Facility. These signs must be no smaller than 18 inches in width by 12
3 inches in height, and must contain the following text in 72 point or larger text size: “**WARNING:**
4 Entering this area can expose you to chemicals known to the State of California to cause cancer
5 and birth defects or other reproductive harm, including lead from metal shredding operations.”
6 The sign must also be provided in any other language used on other signage in the affected area.

7 ii. Schnitzer will provide warnings to its employees regarding their
8 exposure to listed chemicals at the Oakland Facility in a manner that complies with the California
9 Hazard Communication Standard (Cal. Code Regs., title 8, section 5194, as amended) or pursuant
10 to California Code of Regulations, title 22, section 25606, subd. (b) (effective August 31, 2018).

11 **8.6 Air emissions upgrades**

12 a. Schnitzer shall enhance its existing emission control system by installing
13 two REGENERATIVE THERMAL OXIDIZERS to provide abatement of VOC emissions from
14 the SHREDDER. The SHREDDER enclosure installed as part of the EXISTING UPGRADES
15 was designed through application of design criteria set forth in United States Environmental
16 Protection Agency (“USEPA”) Method 204 (40 C.F.R. Part 51, Appendix M, Test Method 204)
17 and shall be maintained in conformance with its design to minimize the enclosure’s natural draft
18 openings. The REGENERATIVE THERMAL OXIDIZERS shall have the following design
19 criteria:

- 20 i. An extraction fan vent system operated at a minimum total air flow rate of
21 120,000 actual cubic feet per minute (ACFM) to maintain sufficient capture of
22 pollutants within the existing enclosure.
23 ii. The air emissions upgrades collectively shall have capacity to process air flow
24 at a rate of at least 140,000 ACFM, and
25 iii. A VOC destruction efficiency of at least 98%.

26 b. Both REGENERATIVE THERMAL OXIDIZERS must be operated
27 simultaneously during all times that the SHREDDER is in operation unless such non-operation is
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1 caused by an event that is beyond the reasonable control of Schnitzer (force majeure event),
2 provided Schnitzer complies with the provisions of this paragraph. Force majeure events include
3 the following: acts of God, enemy or hostile government action, or civil commotion; fires or other
4 casualties; judicial orders, or governmental controls, regulations or restrictions; inability to timely
5 obtain required authorities to construct or other permits where the delay is attributable to the Air
6 District or another permitting agency; the inability to timely obtain necessary labor or materials or
7 to conduct work due to the Covid-19 pandemic; delay in the delivery of equipment that is not
8 attributable in any manner to action or inaction by Schnitzer; and delivery of damaged or off-
9 specification equipment. Financial hardship to Schnitzer, by itself, shall not be considered a force
10 majeure event. Any event caused by Schnitzer's failure to exercise due care shall not be
11 considered a force majeure event. To avoid a determination of default, Schnitzer must provide
12 notice as required by Section 11 within 15 calendar days of its discovery or notification of the
13 force majeure event, and must demonstrate that it has taken or is taking all reasonable action to
14 mitigate any adverse consequences resulting from the non-operation of the REGENERATIVE
15 THERMAL OXIDIZERS. If the PEOPLE agree, Schnitzer shall not be deemed in default for the
16 length of time the REGENERATIVE THERMAL OXIDIZER(S) remain non-operational due to
17 the force majeure event only. Non-operation of the REGENERATIVE THERMAL OXIDIZERS
18 due to Schnitzer's own action or inaction are not deemed force majeure events. If Schnitzer is
19 unable to operate one or both REGENERATIVE THERMAL OXIDIZERS simultaneously due to
20 equipment malfunctions or breakdowns that are beyond Schnitzer's reasonable control, nothing in
21 this Stipulation requires Schnitzer to cease operation of the SHREDDER during the period of
22 time that Schnitzer is diligently pursuing repairs to the REGENERATIVE THERMAL
23 OXIDIZERS pursuant to a plan for timely return to compliance. However, the People retain and
24 may exercise any other lawful enforcement discretion in response to non-operation of the
25 REGENERATIVE THERMAL OXIDIZER(S) caused by equipment malfunctions or breakdowns
26 that are beyond Schnitzer's reasonable control, and Schnitzer does not waive and hereby reserves
27 the right to assert any available defense to any such enforcement action.
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1 c. Schnitzer shall install and maintain a temporary continuous emissions
2 monitoring system (“TCEMS”) for the first 90 days of operation of the REGENERATIVE
3 THERMAL OXIDIZERS or until Schnitzer has established appropriate parameters for
4 parametric monitoring, whichever is later, to monitor VOC emissions and flow rates exiting the
5 REGENERATIVE THERMAL OXIDIZERS and demonstrate compliance with the terms and
6 conditions of the Authority to Construct and Permits to Operate issued by the Bay Area Air
7 Quality Management District for the REGENERATIVE THERMAL OXIDIZERS (collectively,
8 “Air District Permits”). The TCEMS shall meet any applicable USEPA performance
9 specifications under 40 CFR Part 60, Appendix B & F and all other applicable federal regulations,
10 with the exception of specified upstream and downstream distances for the pre-control monitoring
11 location. Critical System Operating Parameters (CSOP), including extraction vent system fan
12 amperage; pressure drops across the venturi scrubber/cyclonic separator system and acid gas
13 scrubbers; and REGENERATIVE THERMAL OXIDIZER operating temperature, shall be
14 measured during TCEMS operation to define CSOP limits which indicate conformance with
15 emission capture and control requirements of this Section and the Air District Permits. Following
16 TCEMS operation, CSOP monitoring will be continuously performed to document compliance
17 with emission capture and control requirements of this Section and the Air District Permits.

18 d. The REGENERATIVE THERMAL OXIDIZERS shall have a temperature
19 monitoring system to continuously monitor the operating temperature as necessary to demonstrate
20 compliance with the VOC destruction requirements set forth in the Air District Permits. The
21 REGENERATIVE THERMAL OXIDIZERS shall also have a data acquisition and handling
22 system (DAHS) to record and maintain all data monitored by the temperature monitoring system.
23 The DAHS will also monitor and record CSOP data.

24 e. Each REGENERATIVE THERMAL OXIDIZER shall have an acid gas
25 control system for the control of acid gases. The acid control systems shall include an acid gas
26 scrubber with a design criteria of 95% to 98% average control efficiency for acid gases.

27 f. Each REGENERATIVE THERMAL OXIDIZER shall be equipped with
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1 an external (primary) low-NOx burner with a flameless natural gas injection (NGI) system. The
2 minimum combustion chamber operating temperature for each REGENERATIVE THERMAL
3 OXIDIZER shall be at least 1600 degrees Fahrenheit (°F).

4 g. Initial compliance testing shall first be completed within ninety (90) days
5 after conclusion of the startup period for the pollutant capture, control, and monitoring systems.
6 Source sampling test ports shall be installed in accordance with 40 CFR Part 60 Appendix A
7 Method 1, with the exception of specified upstream and downstream distances for the pre-control
8 monitoring location. Thereafter, Schnitzer shall perform annual compliance testing in accordance
9 with the terms of the Air District Permits. Thirty (30) days before the execution of each source
10 test, Schnitzer shall submit to the Air District, the California Air Resources Board (“CARB”), and
11 USEPA a detailed compliance test protocol which must be approved by the Air District before
12 each compliance testing event. All compliance testing shall be conducted in accordance with
13 USEPA’s Reference Test Methods including, but not limited to, EPA Reference Methods 1, 2, 3,
14 4, and 25A, or approved Air District test methods, in accordance with the approved compliance
15 test protocol. All monitoring equipment must be installed and all compliance testing data shall be
16 reported consistent with direction from the Air District. The Air District may provide additional
17 direction and requirements for compliance testing. Results of initial compliance testing shall be
18 reported within 60 days of Schnitzer’s receipt of final reports from the source testing contractor,
19 analytical laboratories, and air compliance consultants, and in no event shall be reported beyond
20 120 days of completion of initial compliance testing unless Schnitzer shows good cause why
21 more than 120 days is necessary.

22 h. The REGENERATIVE THERMAL OXIDIZERS shall be installed and
23 become operational by December 31, 2022, subject to the force majeure provisions of Section
24 8.6, paragraph (b). The Parties may agree to an extension of up to six months of the installation
25 and operational deadline without the need for an amendment to the Final Judgment, upon a
26 showing of good cause by Schnitzer for the delay and its need for the extension. Alternatively,
27 Schnitzer may apply to the Court for an extension pursuant to Section 19. Good cause shall
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1 include, but is not limited to, a delay in permitting beyond Schnitzer's control, or a federal, state,
2 or local emergency order that delays work necessary for installation of the REGENERATIVE
3 THERMAL OXIDIZERS.

4 i. Schnitzer shall apply to modify its Air District Permits if necessary to
5 incorporate any final design and installation parameters, operating requirements, and monitoring
6 conditions of this Section into a federally enforceable operating permit.

7 j. Schnitzer shall comply with all federal, state, and local permits and other
8 entitlements related to the construction, operation, and maintenance of the REGENERATIVE
9 THERMAL OXIDIZERS, shall follow good air pollution control practices and maintain the
10 REGENERATIVE THERMAL OXIDIZERS in good working order.

11 **9. MONETARY SETTLEMENT REQUIREMENTS**

12 Schnitzer shall pay four million, one hundred thousand dollars (\$4,100,000) to settle the
13 Covered Matters, which shall be allocated between penalties, the People's costs, and
14 SUPPLEMENTAL ENVIRONMENT PROJECTS, as set forth below.

15 a. **Civil Penalties**

16 Within 30 DAYS of the EFFECTIVE DATE, Schnitzer shall pay one million, four
17 hundred and ninety-six thousand dollars (\$1,496,000) as civil penalties to the People. This
18 penalty amount shall be allocated as follows:

19 i. Eight hundred and ninety-two thousand, nine hundred dollars
20 (\$892,900) shall be paid to DTSC as civil penalty pursuant to the HWCL;

21 ii. Four hundred and twenty-nine thousand, nine hundred dollars
22 (\$429,900) shall be paid to the District Attorney as civil penalty pursuant to Business and
23 Professions Code section 17200;

24 iii. Fifty-six thousand, dollars (\$56,000) shall be paid to the Attorney
25 General as civil penalty pursuant to Business and Professions Code section 17200; and

26 iv. One hundred and seventeen thousand, two hundred dollars
27 (\$117,200) shall be paid pursuant to Health and Safety Code sections 25249.7, subdivision (b)
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1 and 25249.12, seventy-five percent (75%) of which (eighty-seven thousand, nine hundred dollars)
2 (\$87,900) shall be remitted to the California Office of Environmental Health Hazard Assessment
3 (“OEHHA”), and the remaining twenty-five percent (25%) (twenty-nine thousand, three hundred
4 dollars) (\$29,300) shall be paid to the Office of the Attorney General.

5 **b. Reimbursement of Costs of Investigation and Enforcement**

6 Within 30 DAYS of the EFFECTIVE DATE, Schnitzer shall pay five hundred and fifty-
7 four thousand dollars (\$554,000) to the People for reimbursement of attorney’s fees, costs of
8 investigation, and other costs of enforcement, in separate checks as follows. Of this amount,
9 three hundred thousand dollars (\$300,000) shall be paid to the District Attorney; one hundred
10 fifty thousand dollars (\$150,000) shall be paid to the Attorney General; and one hundred and four
11 thousand dollars (\$104,000) shall be paid to the Craig Thompson Environmental Protection
12 Prosecution Fund.

13 **c. Supplemental Environmental Projects**

14 Within 30 DAYS of the EFFECTIVE DATE, in addition to the civil penalty amounts set
15 forth in section 9.a, Schnitzer shall pay two million, fifty thousand dollars (\$2,050,000) as
16 SUPPLEMENTAL ENVIRONMENTAL PROJECTS (“SEPs”). In recognition of the benefits of
17 the SEPs protecting public health and the environment, two million and fifty thousand dollars
18 (\$2,050,000) of the penalty for the violations identified in the Complaint has been suspended
19 pending Schnitzer satisfactorily completing the SEPs. If Schnitzer fails to complete the SEPs
20 within 30 days of the EFFECTIVE DATE, Schnitzer shall pay to the People the balance of the
21 SEPs amount not expended, as civil penalties pursuant to the HWCL and Business and
22 Professions Code section 17200 in the following proportion: 45.8% to DTSC; 37.5% to the
23 District Attorney; and 16.7% to the Attorney General. Upon proof that Schnitzer has completed
24 the SEPs within 30 days of the EFFECTIVE DATE, two million, fifty thousand dollars
25 (\$2,050,000) of the penalty for the violations identified in the Complaint shall be deemed
26 satisfied. Schnitzer’s payment for SEPs shall be divided among the following projects:
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i. West Oakland Environmental Indicators Project

One million, eight hundred and fifty-three thousand, one hundred forty-five dollars (\$1,853,145) to the West Oakland Environmental Indicators Project (“WOEIP”) for: (1) installation and maintenance of mechanical air filtration at the West Oakland Resiliency Hub (a joint project between WOEIP, Pacific Gas & Electric Company, and the City of Oakland to upgrade three City-owned community centers); (2) installation and maintenance of mechanical air filtration at the Marcus Garvey, Slim Jenkins, and St. Mary’s Center housing sites; and (3) the design, installation, and implementation of air quality monitoring in West Oakland. These funds shall be placed and held in a restricted and designated account and may not be co-mingled with other funds. WOEIP shall ensure that these funds are expended for the purposes specified, and commencing one year after the entry of judgment and each year thereafter shall, until the exhaustion of the funds, provide an annual report to the People describing the specific use of the funds and describing the activities completed. The report shall be submitted to the People’s representatives identified in paragraph 11;

ii. Prescott Joseph Center for Community Enhancement

Ninety-three thousand, eight hundred and fifty-five dollars (\$93,855) to the Prescott Joseph Center for Community Enhancement (“PJCCE”) to fund its Breathmobile Program, a mobile pediatric asthma clinic that serves Alameda County and Contra Costa County. These funds shall be placed and held in a restricted and designated account and may not be co-mingled with other funds. PJCCE shall ensure that these funds are expended for the purposes specified, and commencing one year after the entry of judgment and each year thereafter shall, until the exhaustion of the funds, provide an annual report to the People describing the specific use of the funds and describing the activities completed. The report shall be submitted to the People’s representatives identified in paragraph 11; and

iii. Alameda Fish and Game Commission

One hundred and three thousand dollars (\$103,000) to the Alameda Fish and Game Commission (“AFGC”), to be deposited in the Alameda County Fish and Wildlife Propagation

1 Fund and to be used for the protection, conservation, propagation, and preservation of fish and
2 wildlife pursuant to Fish and Game Code Sections 13100 and 13103. These funds shall be placed
3 and held in a restricted and designated account and may not be co-mingled with other funds.
4 AFGC shall ensure that these funds are expended for the purposes specified, and commencing
5 one year after the entry of judgment and each year thereafter shall, until the exhaustion of the
6 funds, provide an annual report to the People describing the specific use of the funds and
7 describing the activities completed. The report shall be submitted to the People's representatives
8 identified in paragraph 11.

9 **d. Form of Payments**

10 Payments required pursuant to this Stipulation and Judgment thereon shall be paid as
11 follows:

12 **i. Payment to DTSC**

13 Payments due to DTSC as set forth in Paragraph 9.a.i, above, shall be made payable to the
14 "California Department of Toxic Substances Control" by cashier's check and bearing the notation
15 "Schnitzer Steel Industries, Inc.," and sent to:

16 Cashier
17 Accounting Office, MS-21 A
18 Department of Toxic Substances Control
19 P.O. Box 806
20 Sacramento, California 95812-0806

21 An electronic (i.e., Adobe PDF) copy of the cashier's check shall be sent by email, at the
22 same time, to the DTSC's representative(s) persons identified in Section 11.

23 **ii. Payment to the Attorney General**

24 Payments due to the Attorney General as set forth in Paragraph 9.a.iii and b, above, shall
25 be payable to the "California Department of Justice – Litigation Deposit Fund," and sent to the
26 attention of Robert Thomas, Legal Analyst, Department of Justice, 1515 Clay St., 20th Floor,
27 Oakland, CA 94612. The check shall bear on its face "Proposition 65 Recoveries Fund" and the
28 Attorney General's internal reference number for this matter (OK2015950014). The money paid
to the Attorney General's Office pursuant to this paragraph shall be administered by the

1 California Department of Justice and shall be used by the Environment Section of the Public
2 Rights Division of the Attorney General’s Office, until all funds are exhausted, for any of the
3 following purposes: (1) implementation of the Attorney General’s authority to protect the
4 environment and natural resources of the State pursuant to Government Code section 12600 et
5 seq. and as Chief Law Officer of the State of California pursuant to Article V, section 13 of the
6 California Constitution; (2) enforcement of laws related to environmental protection, including,
7 but not limited to, chapters 6.5 and 6.95, division 20, of the Health and Safety Code; (3)
8 enforcement of the Unfair Competition Law, Business and Professions Code section 17200 et
9 seq., as it relates to protection of the environment and natural resources of the State of California;
10 and (4) other environmental actions that benefit the State and its citizens as determined by the
11 Attorney General. Such funding may be used for the costs of the Attorney General’s
12 investigation, filing fees and other court costs, payment to expert witnesses and technical
13 consultants, purchase of equipment, laboratory analyses, personnel costs, travel costs, and other
14 costs necessary to pursue environmental actions investigated or initiated by the Attorney General
15 for the benefit of the State of California and its citizens.

16 **iii. Payment to the District Attorney**

17 Payments due to the District Attorney as set forth in paragraph 9.a.ii and b, above, shall be
18 payable to the “Alameda County District Attorney’s Office,” and sent to the attention of Kenneth
19 A. Mifsud, Assistant District Attorney, Alameda County District Attorney's Office Consumer &
20 Environmental Protection Division, 7677 Oakport Street, Suite 650, Oakland, CA 94621-1934.

21 **iv. Payment to Office of Environmental Health Hazard Assessment**

22 Payments due to the Office of Environmental Health Hazard Assessment as set forth in
23 Paragraph 9.a.iv, above, shall be payable to the “Office of Environmental Health Hazard
24 Assessment,” and sent to the attention of Mike Gyurics, Deputy Director, Office of
25 Environmental Health Hazard Assessment, P.O. Box 4010, Sacramento, CA 95812-4010.
26 Reference shall be made to “Proposition 65” in the memo line.
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v. **Payment to WOEIP**

Payments due to the West Oakland Environmental Indicators Project as set forth in Paragraph 9.c.i, above, shall be payable to “the West Oakland Environmental Indicators Project,” and sent to the attention of Brian Beveridge, Co-Director, West Oakland Environmental Indicators Project, 349 Mandela Parkway, Oakland CA, 94607.

vi. **Payment to Prescott-Joseph Center for Community Enhancement**

Payments due to the Prescott-Joseph Center for Community Enhancement as set forth in Paragraph 9.c.ii, above, shall be payable to “the Prescott-Joseph Center for Community Enhancement,” and sent to the attention of Dr. Washington Burns, Executive Director, Prescott-Joseph Center for Community Enhancement, 920 Peralta Street, Oakland, CA 94607.

vii. **Payment to the Alameda County Fish and Game Commission**

Payments due to the Alameda County Fish and Game Commission as set forth in Paragraph 9.c.iii, above, shall be payable to the “Alameda County Fish and Game Commission,” and sent to the attention of Kenneth A. Mifsud, Assistant District Attorney, Alameda County District Attorney's Office Consumer & Environmental Protection Division, 7677 Oakport Street, Suite 650, Oakland, CA 94621-1934.

viii. **Payment to the Craig Thompson Environmental Protection Prosecution Fund.**

Payments due to the Craig Thompson Environmental Protection Prosecution Fund as set forth in Paragraph 9.b, above, shall be payable to the “Craig Thompson Environmental Protection Prosecution Fund,” and sent to the attention of Kenneth A. Mifsud, Assistant District Attorney, Alameda County District Attorney's Office Consumer & Environmental Protection Division, 7677 Oakport Street, Suite 650, Oakland, CA 94621-1934.

ix. **Electronic Copy of Payments**

Schnitzer shall send an electronic (i.e., Adobe PDF) copy of all payments made pursuant to this agreement to Deputy Attorney General Andrew Wiener, at Andrew.Wiener@doj.ca.gov and to Supervising Deputy Attorney General Dennis L. Beck, Jr., at Dennis.Beck@doj.ca.gov.

1 **10. ENFORCEMENT**

2 Any party may, by motion or order to show cause before this Court, enforce the terms and
3 conditions in this Stipulation and the Final Judgment. Where a failure to comply with this
4 Stipulation and the Final Judgment constitutes violations of the HWCL, Fish and Game Code,
5 Proposition 65, Nuisance or the UCL, or other laws independent of this Stipulation and the Final
6 Judgment and/or alleged in the Complaint, the People are not limited to enforcement of this
7 Stipulation and the Final Judgment, but may seek in another action, subject to satisfaction of any
8 procedural requirements, including notice requirements, whatever fines, costs, fees, penalties, or
9 remedies are provided by law for failure to comply with the HWCL, Fish and Game Code,
10 Proposition 65, Nuisance, the UCL, or other laws.

11 **11. NOTICES**

12 All notices under this Stipulation and the Final Judgment shall be in writing and shall be
13 sent to:

14 For the Attorney General

15 Andrew Wiener
16 Deputy Attorney General
17 Office of the Attorney General
18 1515 Clay, Suite 2000
19 P.O. Box 70550
20 Oakland, California 94612-7550
21 Andrew.Wiener@doj.ca.gov

22 For DTSC:

23 Hansen Pang
24 Chief Investigator
25 Office of Criminal Investigations
26 Department of Toxic Substances Control
27 P.O. Box 806
28 Sacramento, California 95812-0806
 Hansen.Pang@dtsc.ca.gov

 Colin Roberts
 Senior Staff Counsel
 Office of Legal Counsel
 Department of Toxic Substances Control
 P.O. Box 806
 Sacramento, California 95812-0806
 Colin.Roberts@dtsc.ca.gov

1 Dennis L. Beck, Jr.
2 Supervising Deputy Attorney General
3 Office of the Attorney General
4 1300 I Street, Suite 125
5 P.O. Box 944244
6 Sacramento, California 94244-2550
7 Dennis.Beck@doj.ca.gov

8 For the District Attorney:

9 Kenneth A. Mifsud
10 Assistant District Attorney
11 Consumer and Environmental Protection Division
12 7677 Oakport Street, Suite 650
13 Oakland, California 94621-1934
14 Ken.Mifsud@acgov.org

15 For Schnitzer Steel Industries, Inc.

16 Schnitzer Steel Industries, Inc.
17 ATTN: General Counsel
18 299 SW Clay Street
19 Portland, Oregon 97201
20 generalcounsel@schn.com

21 and

22 Margaret Rosegay
23 Pillsbury Winthrop Shaw Pittman LLP
24 Four Embarcadero Center, 22nd Floor
25 San Francisco, California 94111-5998
26 Margaret.rosegay@pillsburylaw.com

27 **12. NO WAIVER OF RIGHT TO ENFORCE**

28 The People's non-enforcement of any provision of this Stipulation or the Final Judgment shall neither be deemed a waiver of such provision, nor in any way affect the validity of this Stipulation, the Final Judgment, or the People's enforcement authority. The People's non-enforcement of any such provision of this Stipulation or the Final Judgment shall not preclude it from later enforcing the same or other provisions. All notices, approvals, and decisions of the People under the terms of this Stipulation and the Final Judgment shall be communicated to Schnitzer in writing. No oral advice, guidance, suggestions, or comments by employees or officials of the People or Schnitzer, or people or entities acting on behalf of Schnitzer, regarding

1 matters covered in this Stipulation or the Final Judgment, shall be construed to relieve Schnitzer
2 of its obligations under this Stipulation or the Final Judgment.

3 **13. EFFECT OF STIPULATION AND FINAL JUDGMENT**

4 Nothing in this Stipulation or the Final Judgment shall relieve Schnitzer from the
5 obligation to obtain all necessary permits, entitlements, and authorizations, or from any other
6 obligations it has under law, statute, regulation, ordinance, permitting authority, or other
7 authority. Except as expressly provided in this Stipulation or the Final Judgment, nothing herein
8 is intended nor shall it be construed to preclude the People, or any state, county, or local agency,
9 department, board or entity from exercising its authority under any law, statute, or regulation.
10 Except as expressly provided in this Stipulation or the Final Judgment, Schnitzer retains all of its
11 defenses to the exercise of the aforementioned authority.

12 **14. NO LIABILITY OF THE PEOPLE**

13 The People shall not be liable for any injury or damage to persons or property resulting
14 from acts or omissions by Schnitzer or its agents, servants, employees, representatives, or other
15 persons acting in concert or participating with Schnitzer, in carrying out activities pursuant to this
16 Stipulation or the Final Judgment in this matter, nor shall the People be held as a party to or
17 guarantor of any contract entered into by Schnitzer or its agents, servants, employees,
18 representatives, or other persons acting in concert or participating with Schnitzer, in carrying out
19 the requirements of this Stipulation or the Final Judgment entered by the Court in this matter.

20 **15. FUTURE STATUTORY OR REGULATORY CHANGES**

21 **15.1 Enforcement of Applicable Law**

22 Nothing in this Stipulation or the Final Judgment entered by the Court in this matter shall
23 excuse Schnitzer from meeting requirements imposed by applicable law or by future statutory or
24 regulatory changes in the applicable law. Except with respect to the resolution and settlement of
25 the Covered Claims, nothing in this Stipulation or the Final Judgment is intended nor shall it be
26 construed to affect or limit any authority DTSC may have under existing law to regulate the
27 Oakland Facility or to take any future enforcement related to such authority. Schnitzer expressly
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1 reserves the right to assert any and all defenses to any subsequent enforcement, regulatory or
2 permitting action by the People, except as otherwise provided in this Stipulation.

3 **15.2 Modification of Stipulation or Final Judgment Based on Changed Laws**

4 In the event that future statutory or regulatory changes make Schnitzer's obligations less
5 stringent than those provided for in this Stipulation or the Final Judgment in this matter: (a)
6 Schnitzer may stipulate with the People to modify Schnitzer's obligations to the extent necessary
7 for Schnitzer to comply with such possible future statutory or regulatory changes and submit such
8 stipulation to this Court for review and approval; or (b) Schnitzer may apply to this Court by
9 noticed motion to modify Schnitzer's obligations to the extent necessary for Schnitzer to comply
10 with such possible future statutory or regulatory changes. All terms shall remain in effect unless
11 the Court orders otherwise upon stipulation of the Parties or ruling on Schnitzer's motion.

12 **16. INTEGRATION**

13 This Stipulation constitutes the entire agreement between the Parties with respect to the
14 Covered Matters and may not be amended or supplemented except as provided for in this
15 Stipulation. No oral representations have been made or relied on other than as expressly set forth
16 herein.

17 **17. RETENTION OF JURISDICTION**

18 The Parties agree that the Court has continuing jurisdiction to interpret and enforce the
19 provisions of this Stipulation and the Final Judgment thereon to be entered by this Court.

20 **18. EQUAL AUTHORSHIP**

21 This Stipulation shall be deemed to have been drafted equally by the Parties hereto. The
22 Parties agree that the rule of construction holding that ambiguity is construed against the drafting
23 party shall not apply to the interpretation of this Stipulation.

24 **19. AMENDMENTS TO THIS STIPULATION AND FINAL JUDGMENT**

25 Unless otherwise provided herein, this Stipulation and the Final Judgment may be
26 amended only pursuant to a written agreement signed by all the Parties, followed by written
27 approval by the Court, or by order of the Court.

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1 **20. AUTHORITY TO ENTER STIPULATION**

2 Each signatory to this Stipulation certifies that he or she is fully authorized by the Party he
3 or she represents to enter into this Stipulation, to execute it on behalf of the Party represented, and
4 to legally bind that Party.

5 **21. COUNTERPARTS**

6 This Stipulation may be executed in several counterpart originals, all of which taken
7 together shall constitute an integrated document.

8 **22. ENTRY OF FINAL JUDGMENT PURSUANT TO STIPULATION;
9 TERMINATION**

10 The Parties further stipulate that upon approval of this Stipulation by the Court, the Court
11 may enter Final Judgment in this matter in the form set forth in the attached Exhibit A. If the
12 Court does not approve this Stipulation and the agreed upon Final Judgment in the form and
13 substance proposed in Exhibit A hereto, each Party reserves the right to withdraw both the
14 Stipulation and the proposed Final Judgment, upon written notice to all Parties and the Court.

15 Only after the Final Judgment has been in effect for five (5) years, and Schnitzer has paid
16 any and all amounts due under the Final Judgment, may Schnitzer move the Court (following a
17 forty-five (45) calendar day notice served on the People by overnight mail) to terminate the
18 mandatory injunctive provisions in Section 8 of this Stipulation and the Final Judgment.

19 Schnitzer must make a showing of substantial compliance with the mandatory injunctive terms of
20 this Stipulation and the Final Judgment commencing from the date of entry of the Final Judgment
21 in order to terminate the mandatory injunctive provisions herein. For the purposes of this
22 paragraph, “substantial compliance” requires actual compliance with respect to the substance
23 essential to every reasonable objective of each statutory and regulatory obligation in the Final
24 Judgment. The People’s failure to oppose the motion shall not constitute a waiver or estoppel of
25 the People’s authority to otherwise enforce any violation of law and shall have no evidentiary
26 effect. The Parties agree that the Court may grant Schnitzer’s motion upon determining that the
27 Schnitzer has substantially complied with the provisions of the Final Judgment. In the event the
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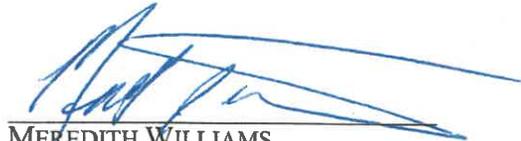
1 mandatory injunctive provisions set forth herein are terminated upon motion of Schnitzer, the
2 termination of those mandatory injunctive provisions of this Stipulation and the Final Judgment
3 shall have no effect on Schnitzer's obligation to comply with any remaining injunctive terms and
4 all applicable requirements imposed by statute, regulation, ordinance, or law.
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IT IS SO STIPULATED.

Dated: February 2, 2021

FOR THE CALIFORNIA DEPARTMENT OF
TOXIC SUBSTANCES CONTROL



MEREDITH WILLIAMS
Director
California Department of Toxic Substances
Control

Dated: _____, 2021

XAVIER BECERRA
Attorney General of California
DENNIS A. RAGEN
Acting Supervising Deputy Attorney
General

ANDREW WIENER
Deputy Attorney General
*Attorneys for Plaintiff People of the State of
California ex rel. Xavier Becerra, Attorney
General*

Dated: February 3, 2021

NANCY E. O'MALLEY
District Attorney of the County of Alameda



KENNETH A. MIFSUD
Assistant District Attorney
*Attorneys for Plaintiff, People of the State of
California*

1 **IT IS SO STIPULATED.**

2 Dated: _____, 2021

FOR THE CALIFORNIA DEPARTMENT OF
TOXIC SUBSTANCES CONTROL

3
4
5 _____
6 MEREDITH WILLIAMS
7 Director
8 California Department of Toxic Substances
9 Control

10 Dated: February 2, 2021

XAVIER BECERRA
Attorney General of California
DENNIS A. RAGEN
Acting Supervising Deputy Attorney
General

11
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15 ANDREW WIENER
16 Deputy Attorney General
17 *Attorneys for Plaintiff People of the State of*
18 *California ex rel. Xavier Becerra, Attorney*
19 *General*

20 Dated: _____, 2021

NANCY E. O'MALLEY
District Attorney of the County of Alameda

21
22 _____
23 KENNETH A. MIFSUD
24 Assistant District Attorney
25 *Attorneys for Plaintiff, People of the State of*
26 *California*

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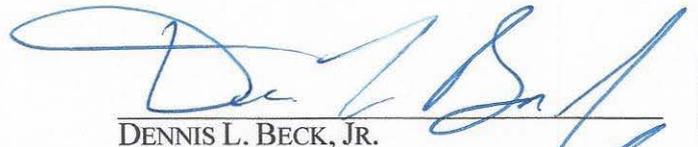
Dated: _____, 2021

PETER B. SABA
Senior Vice President, General Counsel and
Corporate Secretary
Schnitzer Steel Industries, Inc.

APPROVED AS TO FORM.

Dated: Feb. 2, 2021

XAVIER BECERRA
Attorney General of California
DAVID A. ZONANA
Acting Senior Assistant Attorney General



DENNIS L. BECK, JR.
Supervising Deputy Attorney General
*Attorneys for Plaintiff People of the State of
California, ex rel. Meredith Williams,
Director of the Department of Toxic
Substances Control*

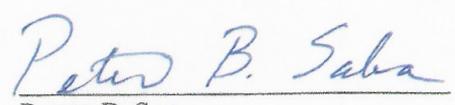
Dated: _____, 2021

PILLSBURY WINTHROP SHAW PITTMAN LLP

MARGARET ROSEGAY
*Attorney for Defendant Schnitzer Steel
Industries, Inc.*

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Dated: 2/2, 2021



PETER B. SABA
Senior Vice President, General Counsel and
Corporate Secretary
Schnitzer Steel Industries, Inc.

APPROVED AS TO FORM.

Dated: _____, 2021

XAVIER BECERRA
Attorney General of California
DAVID A. ZONANA
Acting Senior Assistant Attorney General

DENNIS L. BECK, JR.
Supervising Deputy Attorney General
*Attorneys for Plaintiff People of the State of
California, ex rel. Meredith Williams,
Director of the Department of Toxic
Substances Control*

Dated: Feb. 2, 2021

PILLSBURY WINTHROP SHAW PITTMAN LLP



MARGARET ROSEGAY
*Attorney for Defendant Schnitzer Steel
Industries, Inc.*

EXHIBIT A

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15 Department of Toxic Substances Control*

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E. O'Malley, Alameda County District
Attorney*

*EXEMPT FROM FILING FEES
GOVERNMENT CODE § 6103*

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA
17 COUNTY OF ALAMEDA

19 **PEOPLE OF THE STATE OF
20 CALIFORNIA, ex rel. XAVIER BECERRA
Attorney General of the State of California,
21 PEOPLE OF THE STATE OF
CALIFORNIA, ex rel. MEREDITH
22 WILLIAMS, Director of the California
Department of Toxic Substances Control,
23 PEOPLE OF THE STATE OF
CALIFORNIA, ex rel. NANCY E.
24 O'MALLEY, Alameda County District
Attorney,**

Plaintiffs,

v.

27 **SCHNITZER STEEL INDUSTRIES, INC.,
an Oregon Corporation,**
28 Defendant.

Case No.

**[PROPOSED] FINAL JUDGMENT AND
ORDER ON CONSENT**

(Code of Civ. Proc., § 664.6)

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Having reviewed the Stipulation for Entry of Final Judgment and Order on Consent executed by the People of the State of California, ex rel. Xavier Becerra, Attorney General of the State of California, People of the State of California, ex rel. Meredith Williams, Director of the California Department of Toxic Substances Control, and People of the State of California, ex rel. Nancy E. O’Malley, District Attorney of the County of Alameda, collectively “the People,” and Defendant, Schnitzer Steel Industries, Inc., and good cause appearing herein, the Court enters the Final Judgment and Order on Consent herewith.

IT IS SO ORDERED.

Dated: _____

HONORABLE JUDGE OF THE
ALAMEDA COUNTY SUPERIOR COURT

EXHIBIT B

Updated Work Plan for Off-Site LFM Inspection and Cleanup Activities in the Commercial/Industrial Area Adjacent to the Schnitzer Steel Oakland Facility

Oakland, California

Prepared for

Schnitzer Steel Products Company
1101 Embarcadero West
Oakland, California 94607

Prepared by

Terraphase Engineering Inc.
1404 Franklin Street, Suite 600
Oakland, California 94612

February 2, 2021

Project Number 0055.001.011



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Tables

- 1 LFM Inspection Frequencies (embedded in text)

Figures

- 1 Site Location Map
- 2 LFM Inspection and Cleanup Areas

Appendices

- A Access Request Letter

Acronyms and Abbreviations

C/I	commercial/industrial
HASP	Health and Safety Plan
LFM	light fibrous material
SFBRWQCB	San Francisco Bay Regional Water Quality Control Board
Schnitzer	Schnitzer Steel Industries
Terraphase	Terraphase Engineering Inc.
Facility	Schnitzer Steel Industries' (Schnitzer's) facility located at 1101 Embarcadero West, Oakland California
Port properties	Howard Terminal and the Roundhouse property
Site	Schnitzer Steel Industries' (Schnitzer's) facility located at 1101 Embarcadero West, Oakland California



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Signatures



Peter Zawislanski, PG. CHG
Principal Hydrogeologist

February 2, 2021

Date



Anna Behrens
Associate Scientist

February 2, 2021

Date

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1 Introduction

Inspection and cleanup of light fibrous material (LFM) in the commercial/industrial area (C/I Area) and Port of Oakland-owned (Port) properties adjacent to Schnitzer Steel Industries' (Schnitzer's) facility located at 1101 Embarcadero West, Oakland California ("the Site" or "the Facility"; Figure 1), has been occurring since 2013. LFM inspection and removal activities have been conducted by Terraphase Engineering Inc. (Terraphase) pursuant to work plans submitted to the San Francisco Bay Regional Water Quality Control Board (SFBRWQCB) in 2013; and since 2015, under work plans submitted to the Alameda County District Attorney's office and the Department of Toxic Substances Control. Over the course of this eight-year period, Schnitzer has designed and implemented several major engineering controls at the facility to prevent generation and offsite migration of LFM.

The objective of this work plan is to provide a comprehensive updated document describing inspection and cleanup areas, frequencies, and reporting deliverables for future activities related to off-site LFM inspections and cleanup. All previous work plans are superseded by this document.

1.1 Site Location, Operations, and Conditions

The Facility is located at 1101 Embarcadero West in Oakland, California (Figure 1). The Facility is a scrap-metal recycling facility occupying approximately 26.5 acres of flat-lying land adjacent to the Oakland Inner Harbor waterfront and the Port of Oakland. The Facility is bounded to the south by the Oakland Inner Harbor, to the east and west by the Port of Oakland, and to the north by Embarcadero West and Union Pacific Railroad tracks.

Operations at the Facility include shredding of light iron products including automobiles, appliances, and other recyclable light steel materials; shearing and torch cutting of heavy recyclable steel products; preparation and sorting of ferrous and non-ferrous metal recycling feedstock; temporary storage of finished recycled metal products and treated shredder residue; and maintenance of Facility equipment.

1.2 Characteristics of Light Fibrous Material

LFM, which mainly consists of fabric remnants and other light nonmetallic components, is liberated during shredding and non-ferrous metal recovery activities conducted at the Facility. While the Facility employs extensive engineering controls and many Best Management Practices to control the on- and off-site dispersal of LFM, the material is very light and is susceptible to wind-blown dispersion. There are many materials that have a similar appearance to LFM, such as wood fibers, clothes-dryer lint, polyester pillow and jacket fill, and others. Terraphase staff has extensive experience in distinguishing LFM from these materials. Off-site accumulations of LFM are often mixed or collocated with non-LFM materials, including sediment, debris, trash, vegetation, organic material, etc.

1.3 Project Area

The inspection and cleanup areas include the following:



- Port properties including Howard Terminal, immediately east of the Facility, and the Roundhouse property, immediately west of the Facility (“the Port properties”);
- Publicly accessible portions (primarily sidewalks and street curbs) of the C/I Area roughly bounded by Embarcadero West to the south, Adeline Street to the west, Clay Street to the east, and 5th Street to the north;
- Riprap areas along the Facility’s southern boundary and on adjacent portions of riprap at Howard Terminal and the Roundhouse property; and
- Private properties within the C/I Area (contingent on access authorization from property owners).

These areas are depicted on Figure 2.

2 Inspection and Cleanup Activities

2.1 Frequency of LFM Inspection and Cleanup Activities by Area

Inspection and cleanup frequencies are designed to adequately address potential presence of LFM in the four cleanup areas. The proposed inspection frequencies are presented in the table below and are informed by historical LFM collection data trends. Cleanup activities, if necessary, will be performed based on the findings of each inspection event, within each of the four areas.

Table 1 – LFM Inspection Frequencies

Area	Inspection Frequency	Notes
Port properties	Monthly	Inspections will be conducted monthly.
C/I Public Area	Quarterly	De minimis quantities of LFM currently observed in this area.
Riprap Area	Semiannually	De minimis quantities of LFM currently observed in this area. Activities will be scheduled in approximately April and October, to avoid rainy season when work on the riprap area can be unsafe due to slip hazards.
C/I Private Properties	One-time event in 2021	Private properties in the C/I Area were cleaned previously in 2015-2016, and again in 2017. A substantial reduction in LFM quantity was observed between the 2015-2016 and the 2017 cleanup events. One additional inspection and cleanup event will be conducted at private properties where access is granted.

The frequency of inspections and subsequent cleanup activities will be periodically evaluated given the observed and anticipated decreases in LFM volume in the inspection areas. If data indicate consistent

declining trends in LFM volume, Terraphase may recommend reduction in the frequencies shown in Table 1.

2.2 Preparatory Activities

2.2.1 Permitting and Access

The proposed work generally does not require agency permits because the work is not intrusive below ground surface. If required, City of Oakland permits will be acquired to perform work in the publicly accessible portions of the C/I Area. Terraphase will continue to facilitate access to Howard Terminal and the Roundhouse property through the Port of Oakland. Access to private properties will be coordinated on an individual basis prior to scheduling inspection or cleanup activities. A property owner must provide written access approval for Terraphase to conduct LFM inspection and cleanup on the property. An access request form (Appendix A) will be sent to each property owner previously identified in the C/I Area. Terraphase, on behalf of Schnitzer, will employ reasonable best efforts to contact property owners, but cannot force private property owners to grant access for the work. Terraphase will document properties for which access is denied, or for which contact was unsuccessful.

2.2.2 Health and Safety Plan

A Health and Safety Plan (HASP) will be maintained and updated regularly during ongoing inspection and cleanup work. Health and safety meetings will be conducted in the field. Field work will be monitored according to the HASP to ensure that appropriate health and safety procedures are followed. A hardcopy of the HASP will be kept onsite by the Site Safety Officer and will be made readily available to all workers.

2.2.3 COVID-19 Precautions

To help prevent infection from, or the spread of, the coronavirus (COVID-19), Terraphase staff will follow recommendations from federal, state, and local experts, including mitigation strategies issued by the Centers for Disease Control and Prevention (CDC; <https://www.cdc.gov/coronavirus/2019-ncov/community/index.html>). Precautions may include use of face coverings and social distancing practices during work activities. The HASP will specify necessary precautions and procedures for COVID-19 safety. The HASP is a living document that will be updated regularly to reflect current state and county guidance and requirements.

For work conducted on private properties, COVID-19 precautions and procedures will be discussed with the property owner or authorized agent prior to conducting work to evaluate whether work can be conducted safely.

2.3 Inspection Approach

Inspections will be performed by Terraphase personnel who are trained and experienced in the field identification of LFM and LFM-containing materials. Observations will be noted on field logs and will be



supported by photographic documentation. The location of observed LFM targeted for removal will be identified. Areas exhibiting no identifiable LFM will also be recorded.

2.4 Cleanup Methods

LFM removal activities, if necessary, will be conducted as soon as feasible after completion of the inspection. Visually apparent LFM will be removed using hand tools (rakes, brooms, trowels, shovels), or hand-held vacuum equipment (“shop vacs”). LFM may also be removed from larger paved areas, such as parking lots, using a street sweeper, as appropriate. Measures will be taken to minimize dust generation during the LFM removal and transfer, as needed.

2.5 LFM Waste Disposal

The collected LFM will be transported to the Facility, where it will be consolidated and containerized in roll-off bins or drums, pending disposal, and in accordance with applicable requirements. The waste containers will be properly labeled and will include the following information: description of waste; date generated; contact information; and project name.

In general, the removed material will be disposed of as non-RCRA hazardous waste, based on generator knowledge from previous waste characterization events. However, if the LFM content of the waste is visibly lower than previously observed, the waste may be sampled and submitted for chemical analysis to support waste characterization and profiling in accordance with California Code of Regulations, Title 22, Section 66262.11 (“Hazardous Waste Determination”). Waste will be transported to appropriate waste disposal facilities, in a manner consistent with Department of Transportation regulations. Records will be maintained documenting the manner of transport, name of the transporter, and the name and location of the disposal facility.

3 Documentation and Reporting

LFM inspection and removal activities will be documented in field and photographic logs, which will provide a representative visual “before-and-after” comparison of cleaned areas.

Documentation will be compiled into a quarterly summary report and transmitted to the People on a quarterly basis, or as requested. Reports will include:

- a summary of activities;
- maps showing inspection and cleanup locations;
- field and photographic logs showing pre- and post-cleanup conditions at representative locations;
- log of efforts made by Schnitzer or Terraphase to contact private property owners and obtain access to conduct the work;
- descriptions of LFM and LFM-containing materials observed in inspection and cleanup areas;
- estimates of the volume of generated waste; and

- waste manifests and disposal documentation.

The report may also include recommendations for the modification of inspection frequencies.



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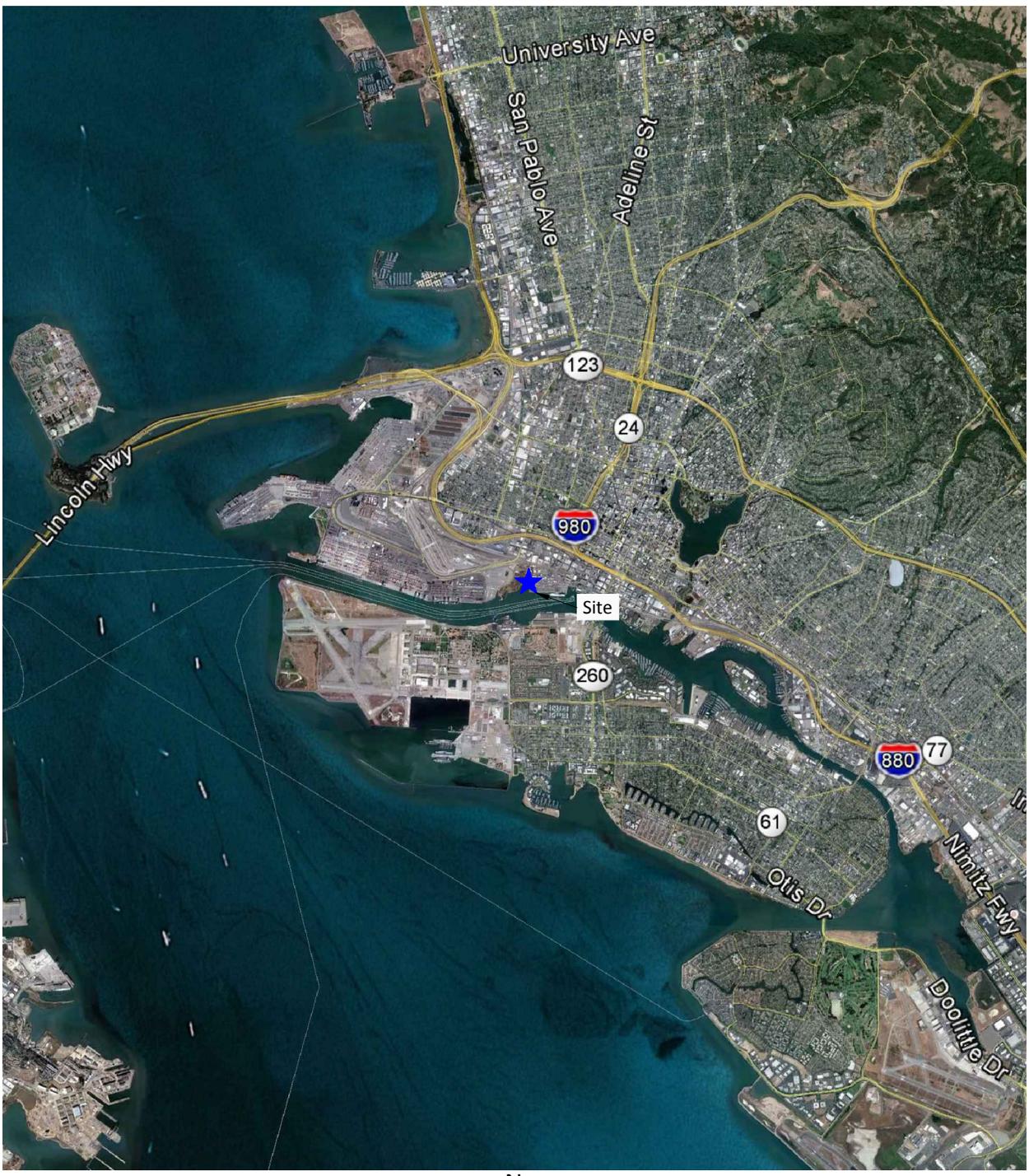
Figures

- 1 Site Location Map
- 2 LFM Inspection and Cleanup Areas



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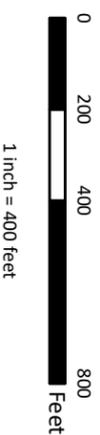
0' 4,000' 8,000' 16,000'

Approximate Scale in Feet

<p>SAFETY FIRST</p>	<p>CLIENT: Schnitzer Steel Products Company</p>	<p>Site Location Map</p> <p>Figure 1</p>
	<p>PROJECT: Oakland, California</p>	
	<p>PROJECT NUMBER: 0055.001.010, 0055.001.011</p>	



Aerial Imagery Source: Nearmap, October 12th, 2020



SAFETY FIRST		
CLIENT:	Schnitzer Steel Products Company	
PROJECT:	Oakland, California	Light Fibrous Material (LFM) Inspection and Cleanup Areas
PROJECT NUMBER:	0055.001.011	

Legend

- Public Commercial/Industrial Area
- Schnitzer Steel Facility
- Private Properties
- Port of Oakland Areas - Howard and Roundhouse Terminals
- Riprap Area

Note
The "Public C/I Area" includes sidewalk and curb areas, but excludes the street / right of way

FIGURE 2

Appendix A

Access Request Letter



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Consent for Access to Property

Property (Physical) Address(es): _____

Property Type (circle): Business Residential Vacant Other

Business Name (if applicable): _____

Owner / Authorized Agent Contact Information:

Name: _____ Work Phone: _____

Mobile Phone: _____ E-mail: _____

Owner's or Authorized Agent's Mailing Address (if different from Property Address above):

Have you observed Light Fibrous Material (LFM) on your property?

There are many materials that have a similar appearance to LFM, such as wood fibers, clothes-dryer lint, polyester pillow and jacket fill, and others. The attached photograph of LFM accumulated on the ground is provided to assist you in evaluating whether LFM may be present on your property.

Yes No

Confirmation of Consent:

I hereby authorize employees of Terraphase Engineering, Inc. and representatives of Schnitzer Steel, Inc. to enter the above-referenced property for the purpose of conducting an inspection of property surfaces for the potential presence of Light Fibrous Material (LFM). If LFM is found to be present during the property inspection, I authorize employees of Terraphase Engineering Inc. and representatives of Schnitzer Steel to enter the above referenced property for the purpose of removing Light Fibrous Material from the property.

Owner or Authorized Agent Signature

Date

To help prevent infection from, or the spread of, the coronavirus (COVID-19), all Terraphase staff will follow the most current recommendations from federal, state, and local experts, including mitigation strategies issued by the Centers for Disease Control and Prevention (CDC; <https://www.cdc.gov/coronavirus/2019-ncov/community/index.html>).

PLEASE RETURN THIS FORM
TO: Pam Gray
Schnitzer Steel, Inc.
1101 Embarcadero West
Oakland, CA 94607
pgray@schn.com



SAFETY FIRST	CLIENT: Schnitzer Steel Products Company	Typical Example of Light Fibrous Material (LFM)	
	PROJECT:		
	PROJECT NUMBER: 0055.001		

EXHIBIT C

PROPOSITION 65 WARNING

WARNING: The area in and around the scrap metal recycling facility operated by Schnitzer Steel Products Company at 1101 Embarcadero West, Oakland, California, 94607, contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm, including lead and other metals.

Scrap metal is transported to and handled at the facility by diesel trucks and other heavy equipment, and various residual materials are generated by the process. Some materials associated with the facility's operations contain Proposition 65 chemicals, including lead and other metals. If you live or work near the facility, or if you visit the area, you may be exposed to chemicals which are known to the State of California to cause cancer and birth defects or other reproductive harm.

This warning is provided pursuant to Proposition 65, California Health & Safety Code § 25249.6 et seq. For additional information on Proposition 65, please visit <http://www.oehha.org/prop65.html>.

