IN THE SUPREME COURT OF THE STATE OF NEVADA

MARY LOU MCSWEENEY-WILSON,

Appellant/Petitioner,

vs.

No. 82806

Electronically Filed
Jun 10 2021 05:27 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

District No. 20OC000051E

STOREY COUNTY COMMISSIONERS
AND STERICYCLE, INC.,

Respondents.

_____/

APPELLANT APPENDIX
VOLUME I

MARY LOU MCSWEENEY-WILSON
Attorney At Law, Bar #3329
132 Rue De La Noir
Sparks, Nv. 89434
775-771-8620

Attorney for Appellant

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Assistant District Attorney
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STERICYCLE, INC.
c/o McDonald/Carano
Michael Pagni and Chelsea Latino
100 W. Liberty St.
10th Floor
Reno, Nevada 89501

Attorneys for Respondents

Docket 82806 Document 2021-16771

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2020 SEP 10 PM 3:06

STOREY COUNTY CLERK

COPY

CODE NO.
MARY LOU WILSON
Attorney at Law, Bar Number 3329
2064 Regent Street
Reno, Nevada 89509
775-771-8620
Attorney for Petitioner

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA,

IN AND FOR CARSON CITY

MARY LOU MCSWEENEY-WILSON, ET. AL.,
HOMEOWNERS OF RAINBOW BEND COMMUNITY,
AND STOREY COUNTY RESIDENTS,
Petitioners,

vs.

STOREY COUNTY COMMISSIONERS,

~~CR~~20 OC 00005 1E

Dept. 1

Respondents.

_____/

PETITION FOR DISTRICT COURT REVIEW OF STOREY COUNTY COMMISSIONERS VOTE TO PERMIT STERICYLE'S SPECIAL USE PERMIT, IN VIOLATION OF PUBLIC HEALTH, SAFETY, AND WELFARE

COMES NOW MARY LOU MCSWEENEY-WILSON, et.al., Homeowners of RAINBOW BEND COMMUNITY, and Storey County Residents, petitions this Court for its Review of the Storey County Commissioners Vote, to Permit Stericyle's Special Use Permit in violation of the Public Health, Safety, and Welfare of the community, through its operation of biohazard incinerators.

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Jurisdiction of the district court:

NRS 278.3195 Governing body to adopt ordinance allowing appeal to governing body concerning certain decisions regarding use of land; required contents of ordinance; appeal of decision of governing body to district court.

1. Except as otherwise provided in NRS 278.310, each governing body shall adopt an ordinance providing that any person who is aggrieved by a decision of:

(a) The planning commission, if the governing body has created a planning commission pursuant to NRS 278.030;

(b) The board of adjustment, if the governing body has created a board of adjustment pursuant to NRS 278.270;

(c) A hearing examiner, if the governing body has appointed a hearing examiner pursuant to NRS 278.262; or

(d) Any other person appointed or employed by the governing body who is authorized to make administrative decisions regarding the use of land,

(e) may appeal the decision to the governing body. In a county whose population is 700,000 or more, a person shall be deemed to be aggrieved under an ordinance adopted pursuant to this subsection if the person appeared, either in person, through an authorized representative or in writing, before a person or entity described in paragraphs (a) to (d), inclusive, on the matter which is the subject of the decision.

2. Except as otherwise provided in NRS 278.310, an ordinance adopted pursuant to subsection 1 must set forth, without limitation:

(a) The period within which an appeal must be filed with the governing body.

(b) The procedures pursuant to which the governing body will hear the appeal.

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(c) That the governing body may affirm, modify or reverse a decision.

(d) The period within which the governing body must render its decision except that:

(1) In a county whose population is 700,000 or more, that period must not exceed 45 days.

(2) In a county whose population is less than 700,000, that period must not exceed 60 days.

(e) That the decision of the governing body is a final decision for the purpose of judicial review.

(f) That, in reviewing a decision, the governing body will be guided by the statement of purpose underlying the regulation of the improvement of land expressed in NRS 278.020.

(g) That the governing body may charge the appellant a fee for the filing of an appeal.

3. In addition to the requirements set forth in subsection 2, in a county whose population is 700,000 or more, an ordinance adopted pursuant to subsection 1 must:

(a) Set forth procedures for the consolidation of appeals; and

(b) Prohibit the governing body from granting to an aggrieved person more than two continuances on the same matter, unless the governing body determines, upon good cause shown, that the granting of additional continuances is warranted.

4. Any person who:

(a) Has appealed a decision to the governing body in accordance with an ordinance adopted pursuant to subsection 1; and

(b) Is aggrieved by the decision of the governing body,

(c) may appeal that decision to the district court of the proper county by filing a petition for judicial review within 25 days after the date of filing of notice of the decision with the clerk or secretary of the governing body, as set forth in NRS 278.0235.

5. As used in this section, "person" includes the Armed Forces of the United States or an official component or representative thereof.

NRS 278.0235 Actions against agency: Commencement. No action or proceeding may be commenced for the purpose of seeking judicial relief or review from or with respect to any final action, decision or order of any governing body, commission or board authorized by NRS 278.010 to 278.630, inclusive, unless the action or proceeding is commenced within 25 days after the date of filing of notice of the final action, decision or order with the clerk or secretary of the governing body, commission or board.

Facts, Exhibits, and Arguments in italics, for Review:

Item 21 of the Commission Agenda indicates the following: SUP (special use permit) 2020-021 request by the applicant, Stericycle Inc. to construct and operate a medical and other special waste incinerator facility. The project has the potential to provide generation of excess power, which is considered an "electric or gas power generating plant" which is also subject to a special use permit. The subject property is located at 1655 Milan Drive, Tahoe-Reno Industrial Center, McCarran, Storey County, Nevada, a portion of Assessors Parcel Number (APN) 005-1173.

Commissioner Gilman recused himself from vote and discussion on this item as he holds a pecuniary interest in land that is the subject matter of this item.

Exhibit 1, Commissioner's Agenda from August 18, 2020.

Minutes of the Storey County Board of Commissioner's meeting of August 18, 2020, reflect the following comments and presentation by: Matthew Digesti, Vice President-Government

Affairs for Blockchains LLC, said, "Speaking in opposition to the SUP requested by Stericycle. A detailed opposition has been provided outlining legal reasons why the SUP does not meet standards for approval. At this time, they would like to focus on the issue of safety in Storey County. It is this [Boards] responsibility to protect the health and welfare of County residents, businesses, and thousands of employees working in close proximity to Stericycle's proposed biohazardous site.

Mr. Digesti reviewed other locations where Stericycle's operations were ultimately denied, including in Utah, Arizona, Oakland, and North Las Vegas. Contrary to Stericycle's assertions, substantial negative findings were made and are in the staff report. This company has been all over the Western United States looking to create a most dangerous, known biohazardous service. They have been appropriately challenged or denied everywhere they have been.

Mr. Digesti reviewed several negative issues with Stericycle including, biohazardous pollution, environmental hazards, accidents, fines, and more. In addition, stock prices have declined for five years because the company is harmful and dishonest, among other things. There have been no presentations, no experts, no questions or findings of fact from the County about medical incineration technology for the harmful impact when an accident does happen.

Stericycle did admit to several incidents-the technology is not foolproof. This is not an acceptable risk-it was not to the City of North Las Vegas, Utah, Arizona, or California. What has Stericycle done to make Storey County an acceptable location?

Mr. Digesti feels the commission does not have enough information regarding impacts. And even if they had enough information, they believe approving the SUP is not worth sacrificing Storey County's future." Exhibit 1, pp. 10-11.

Pursuant to the Minutes, the Motion by Vice Chairman Carmona to approve the SUP 2020-21 of Stericycle was approved by action of the commissioners as moved by Vice Chairman Carmona and seconded by Chairman McBride. Exhibit 1, p. 12.

An article in the Storeyteller, a Storey County newspaper, captured the seriousness of allowing Stericycle into Storey County.

Exhibit 2, Storeyteller Article.

Within the article, it reports that California Regulatory Agency Denies Stericycle Renewal Permit for Stericycle Plant. For example, the document indicated that there was a 1.4 million-dollar settlement with the California Department of Toxic Substance Control for violating California's hazardous waste laws in 2017 at a facility in Rancho Cordova. Exhibit 2, p. 1.

"This company has repeatedly failed to comply with California's Hazardous Waste Laws," said California Department of Toxic Substance Control Director, Meredith Williams. According to Williams, "Stericycle compliance history demonstrates a repeating pattern of violation and mismanagement of hazardous waste at the facility, which resulted in three fires and an explosion." Exhibit 2, p. 2.

Stericycle's facility in Tacoma, Washington, is also referenced, where Stericycle was fined 1.9 million-dollars for the mismanagement of hazardous waste, leading to a fire. Stericycle is required to meet strict permit conditions. And, the incident in Washington showed a complete disregard for the safety of their employees and nearby communities, and that is totally unacceptable. Exhibit 2, p. 3.

With the pending closure of the facility in California, and the shuttering of their other facilities across the Western United States, the number of Stericycle trucks round tripping to Storey County will likely explode over the years.

In fact, during the Stericycle presentation during the Commission's meeting, the company assured the volume of trucks would be like 10-15 trucks of biohazardous medical waste per day. Exhibit 2, p. 4.

Jay Carmona, one of two voting commissioners stated, "We live in a world where we generate waste that has to be brought down to the safest levels. I've had cancer twice. I can only imagine the bags of empty chemotherapy treatment that you guys are dealing with, and unfortunately, in today's society, we have to have a place that we can get rid of that stuff. While I don't think we want any more pollution, I think this is one of those necessary evils." Exhibit 2, p. 4.

Argument: Obviously, from Commissioner Carmona's point of view, he failed to consider Storey County residents, livestock, and family pets, who do not want to share in his cancer diagnosis. This arbitrary and capricious attitude violated the very purpose and promises made while he campaigned to protect Storey County's health, safety, and welfare.

We send the commissioners a message, "Put Stericycle elsewhere."

Exhibit 3, Reno Gazette Journal article

The Reno Gazette Journal published August 27, 2020, an article entitled, "Here's Why Stericycle might be the most controversial tenant in Storey County Yet." Within the article, it states, County leaders on August 18th approved the Illinois based companies plan to build a 50,000 square foot medical waste incinerator at the nation's largest industrial park, despite loud objections from neighbors, wild horse advocates, and even the park's largest land owner. At issue is the company's legal and environmental track record throughout the U.S., where it's been accused of everything from price gouging to wage theft to "intentionally igniting hazardous waste."

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Settling such claims has cost Stericycle as much as 377 million over the past several years, according to a Reno Gazette Journal review of public records. Exhibit 3, p. 1.

The article goes on to state that, "Stericycle's long road to Storey County started in Utah in 2014, when the company was hit with a record breaking 2.3 million-dollar fine to settle charges it had exceeded emission limits and falsified air pollution test results. Exhibit 3, p. 2.

After an ill-fated attempt to move its smoke stacks to a more rural county in Western Utah, the company found itself in North Las Vegas, negotiating with officials who have long desperately sought tenants for their own industrial park located deep in the desert northeast of Las Vegas. Exhibit 3, p. 2.

But city staffers feared the project could release some of "the most dangerous chemicals known to man," prompting the company to quickly withdraw its blueprints late last year. Exhibit 3, p. 2.

A report filed by the North Las Vegas planning department uncovered several of Stericycle's expensive dustups with environmental regulators in at least four other states, not to mention a 2018-run-in with the U.S. Environmental Protection Agency, which accused the company of failing to provide an adequate insurance policy for neighbors who might be harmed by its hazardous waste. Exhibit 3, p. 3.

Back in Storey County, Blockchains LLC, now the largest landholder at the Tahoe Reno Industrial Center, compiled an even more thorough, 335-page dossier of Stericycle's alleged misdeeds. This includes an ongoing federal probe into its compliance with anti-corruption laws governing the company's operations in Latin America. Exhibit 3, p. 3.

The document notes that in 2016, Stericycle agreed to pay 28.5 million to settle claims it had artificially inflated prices for its state and federal government customers. Exhibit 3, p. 3.

One year later, the company shelled out 295 million to resolve similar price-hiking allegations outlined in a class-action lawsuit filed by Veterinarians, Dentists, and other small business customers. Exhibit 3, p. 3.

Then, in early 2019, Stericycle spent 45 million to sort out yet another pricing fraud claim filed on behalf of pension fund advisors in Arkansas and Mississippi. Exhibit 3, p. 3.

None of that seemed to bother Storey County commissioners, who needed less than an hour to approve a SUP for the company's planned incinerator site. Exhibit 3, p. 3.

Argument: Obviously, the two commissioners did not give this very dangerous company the necessary thought, deliberation, and consideration necessary before approving Stericycle's SUP (special use permit). Had they acted thoughtfully, this very dangerous company would not have been approved to pollute our skies, water, and mammals in our precious land.

Exhibit 4, Nevada Independent article dated July 29, 2020, writes, "If built, the medical waste disposal at the TRIC (Tahoe Reno Industrial Center) would replace a facility in North Salt Lake, Utah.

The incinerator would receive about *10 to 15 trucks of waste every day from the Western U.S. and Canada*, according to an application for SUP. Exhibit 4, p. 1.

The company indicated in its application that the incinerator facility, which would have a potential to generate electricity, could undergo an expansion in the future. Exhibit 4, p. 1.

Stericycle has faced regulatory scrutiny elsewhere.

In June, the company agreed to pay 2.2 million in penalties, settling compliance issues with Washington environmental regulators, including investigation that found mismanagement led to a fire at a Tacoma waste facility. Exhibit 4, pp. 1-2.

Stericycle's facilities emit chemicals, including carbon monoxide, hydrogen chloride, particulate matter, Sulphur dioxide, mercury, cadmium and lead, according to the company's presentation to the planning board. The Nevada Division of Environmental Protection would be responsible for issuing an air quality permit and for enforcing emissions standards, the permit application said. Exhibit 4, p. 2.

The planning commission, weighing whether to grant Stericycle's SUP to allow the facility postponed its vote. [1]

The debate over the medical incinerator also represents shifting power dynamics around future development at the industrial park, home to the Tesla factory and Amazon warehouse. Exhibit 4, p. 2.

In 2018, Gilman sold most of the remaining land to Blockchains, a company that aims to build a cryptocurrency city at TRI. Blockchains is pushing back against Stericycle because it is the largest landowner at the TRI and with three parcels adjacent to the Stericycle property. Exhibit 4, p. 3.

In a letter to the planning commission, Blockchains said the proposed transportation, storage, and incineration of special waste could have a materially negative impact on Blockchains properties and future development plans that mitigation efforts may not prevent. Exhibit 4, p. 3.

Matthew Digesti, told the commission that it had not provided proper notice of the application, giving Blockchains four days to investigate the project proposal, rather than the

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[1] Interestingly, the Planning Commission did not vote on Stericycle's SUP and it was postponed to August 18, 2020, when the County Commissioner's approved it with two votes from McBride, who gives up his position after the November election, and Carmona, who admitted that Storey County could get "rid of the stuff."

required ten days. He also said county staff had not fully studied the "adverse impacts" of the project on public health and public safety. Exhibit 4, p. 3.

Digesti said, "the proposed use is extremely transformative and it should not be decided upon on a short time frame, with little investigation or analysis surrounding potential adverse impacts." Exhibit 4, p. 3.

Mustangs, frequently seen at the industrial park, could also be harmed by "potential biohazard exposure" a national horse advocacy group argued. Apparently, the increase in traffic in the area if Stericycle's SUP is approved could potentially cause horse collisions. Exhibit 4, p. 3.

Other concerns for the wild horses include the potential biohazard exposure for horses and for personnel working on the fertility control program and the proximity of the incinerator to a key water source for the horses, potentially leading to contamination and disturbance that would deter horses from watering. Exhibit 4, p. 3.

The proposal for the SUP for Stericycle comes after the company spent about three years seeking permission to operate at the Apex Industrial Park in North Las Vegas. The company scuttled its plans at Apex after North Las Vegas Staff recommended denying the company's application, the Las Vegas Sun reported. Staff which initially signaled support, cited concerns about environmental compliance. Exhibit 4, p 4.

If other Western states have denied SUP for Stericycle, including North Las Vegas, because of its potential hazardous dangers to communities and wildlife, why is Storey County ignoring these red flags? The two commissioners that approved this SUP for Stericycle have acted without concern for the surrounding communities, Rainbow Bend and Lockwood Community Corporation, which are only twelve miles away.

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Argument: The idea of ten to fifteen truckloads of biohazardous waste coming into Storey County per day from U.S. and Canada, most likely travelling on I-80, which already experiences grave danger of accidents daily, and the amount of incinerating waste going into our clean air strikes horror in the hearts of our little gem in Rainbow Bend and Lockwood Community, which houses a large percentage of senior citizens, who counted on their commissioners for protection.

Exhibit 5, Utah Department of Environmental Quality Division of Air Quality, Stericycle Settlement Agreement, for the 2013, Notice of Violation, alleging violations of Stericycle's Title V Operating Permit.

This agreement stipulates that Stericycle will pay a total penalty of 2.3 million-dollars, with additional requirements pursuant to the settlement agreement.

Exhibit 6. American Dental Association News article

This article announced a 295 million-dollar settlement reached on behalf of a nation-wide class of Stericycle customers accusing the company of engaging in a price increasing scheme that automatically inflated customers bills up to 18% biannually. The class included more that 246,000 dentists, Veterinarians, and other small business owners across the county.

Exhibit 7, Blockchains Opposition to Special Use Permit of Stericycle

Blockchains put forward it's documents for the two commissioners review during the meeting held on August 18, 2020.

Argument: However, it apparently did not influence the two commissioners, because they voted to approve this very dangerous company. Rather than reiterate what has already been presented, Petitioner will attempt to highlight the most significant concerns herein. It should also be noted that Blockchains did research and submitted close to three-hundred pages of documents supporting their opposition. It boggles the mind that these incredibly disturbing chemical

emissions, disease-causing pollutants, and widespread adverse effects, did not cause pause for these two commissioners before voting to approve Stericycle in our fair lands.

Stericycle has actively misled government agencies in the past.

1. In 2020, Stericycle stipulated to pay a penalty of 2,256,000 to Tacoma, Washington for environmental violations-the WDOE originally fined Stericycle 1,900,000 but Stericycle agreed to pay 300,000 more for post-fire violations, including a cover-up through misleading and incomplete documentation.
2. Stericycle has paid significant fines for environmental violations. In 2018, Stericycle stipulated to a judgment of 1,412,000 and permanent injunction California for environmental violations in Rancho Cordova, California-due to continuing violations of a permanent injunction not to pollute, the California Attorney General filed a lawsuit against Stericycle in February 2020 seeking further enforcement. These violations are recent, and Stericycle has failed to explain why its operations in Storey County would be any different. Vague power point presentations about new and best in class incinerator technology are just words in a presentation, nothing more. Exhibit 7, numbered as pp. 5-6.
3. Stericycle has a history of defrauding governments. In 2016, Stericycle stipulated to a settlement of 28,500,000 in Illinois of a False Claims Act claim brought by whistle blower on behalf of defrauded governments, including Nevada, pertaining to an overpricing scheme. Exhibit 7, number as p. 6.
4. Stericycle has a history of defrauding its customers. In 2017, Stericycle stipulated to a settlement of 295 million in Illinois of a nationwide class action for customer fraud and deceptive business practices pertaining to undisclosed automatic price increases. Additionally, in 2019, Stericycle entered into a stipulated settlement in New Jersey,

totaling 867,800 for deceptive business practices and failure to disclose automatic price increases to customers. Exhibit 7, numbered as p. 6.

5. Stericycle has a history of defrauding its shareholders. In 2019, Stericycle stipulated to a settlement of 45 million in Illinois of a class action for federal securities fraud by stockholders, including pension funds and state retirement systems, pertaining to materially false and misleading statements and failure to disclose the automatic price increases. Exhibit 7, numbered as p. 6.
6. Stericycle has a history of defrauding its employees. In 2018, Stericycle stipulated to a settlement of 2 million dollars in California of a class action for alleged violations of wage and hour loss. Exhibit 7, numbered as p. 6.
7. Additional troubling information is contained in Stericycle's 10-K report filed with the Securities and Exchange Commission on February 28, 2020 revealing: investigation by the Federal Securities Exchange Commission and U.S. Department of Justice of Stericycle for violations of Anticorruption Laws regarding Stericycle's operations in Latin America; The investigation by the Federal Drug Enforcement Agency regarding its facilities in Rancho Cordova, California, and Indianapolis, Indiana; the fine by the Mexican Environmental Enforcement Agency of Stericycle for violations of Stericycle's subsidiary in Tabasco, Mexico. Exhibit 7, numbered as p. 6.

Exhibit 8, Utah Physicians for Healthy Environment's article

This article regarding Stericycle, states that during start-ups, shut downs, and upset conditions, and incinerator completely bypasses their pollution control equipment, emitting raw, concentrated smoke.

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Studies of the industry show that these conditions exist about 10% of the time, and during these conditions the amounts of dioxins released can equal two-years-worth of emissions found during normal conditions.

Small, even brief exposures to toxins, like those from Stericycle, can have profound, lifelong impacts if the exposure occurs during critical stages of ***fetal development***. Exhibit 8, p. 1.

There is no law requiring incineration, including medical waste. 98% of the nations medical waste incinerators in the nation have been closed in the past fifteen years. Exhibit 8, p. 1.

Incineration does not remove toxins and actually creates new ones by merely concentrating and redistributes existing ones. Emissions from incinerators are probably the most toxic type of air pollution and include the ***deadliest compounds known to science***: Dioxins, Furans, Heavy Metals, Radioactive Elements, and even Prions (the highly infective proteins that cause the ***100% fatal human "Mad Cow" disease.*** Because incinerator emissions contain these deadly toxins, large medical studies show increased rates of serious diseases like ***cancer, pregnancy complications, birth defects, and autism-among people who live within several miles of incinerators.*** Exhibit 8, p. 1.

Utah has the highest rates of autism in the nation, double the national average. Widespread suspicion in Foxboro, the closest subdivision to Stericycle that there were high rates of serious diseases including cancer is what prompted the residents to contact the Utah Physicians for a Healthy Environment for help. The state has not done any studies to explore the issue. This is not just a one neighborhood issue. **Emissions from incinerators can travel hundreds of miles.** Residence throughout Salt Lake, Davis, Utah, and Weber counties are undoubtedly being affected. Exhibit 8, p. 2.

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Argument: This article is the most impacting of all the exhibits, since it lays out the potential life-threatening diseases that are caused by emissions of the nature that Stericycle causes.

We ask this Court to rescind the vote of these two commissioners allowing Stericycle's special use permit because of the incredibly harmful pollutants that come from their burning of biohazard waste into the air, which travel hundreds of miles and can affect the whole of the Truckee Meadows, our beautiful tourist attraction and home to hundreds of residents that love our clean air and water and are proud to live in this pristine environment. We have chosen not to live in places like Chicago, Detroit, New York, Los Angeles, and other big cities with polluted air and water. Let us not sacrifice our health for a few dollars. Petitioner begs this Court to rescind the vote that can adversely affect Storey County and the far-reaching counties of this beautiful land.

Stericycle is under criminal investigation by the state and federal government for emitting hundreds of times more dioxins and furans than their permit allows. ***Dioxins are considered the second most toxic man-made substance after plutonium,*** falsifying their records, and packing their incinerator with atypical waste to cheat on their stack tests. Even the best managed incinerators are a health hazard, but Stericycle is more like "worst managed." Exhibit 8, p. 2.

Argument:

MARY LOU WILSON, RESIDENT OF RAINBOW BEND COMMUNITY, et. al, asks this Court to review and rescind the decision made by two Storey County Commissioners on August 18, 2020, permitting the special use permit of STERICYCLE, Biohazardous Medical Waste Disposal, This decision was made without the voice of so many residents who were stuck in their homes during the 2020 Pandemic and unable to voice their opposition to this dangerous company.

Marshall McBride and Jay Carmona's vote passing Stericyle's incinerators of Biohazardous Medical Waste Disposal material will adversely impact the health, safety, and welfare of Wilson and the residences of Rainbow Bend Community, Storey County, Nevada.

Additional residences, livestock, wildlife, including Wild Mustangs, rivers, lakes, and counties will be adversely affected for **hundreds of miles from the Stericyle site**, approved at Tahoe Regional Industrial Park, according to the Utah Physicians article. Exhibit 8.

The special use permit adversely affects the health, safety, and welfare of the neighboring residences of Storey County, to include, Rainbow Bend Community, Lockwood Community Corporation, Virginia City, Virginia City Highlands, Mark Twain, Gold Hill, Mustang, Patrick, Pyramid Lake, Pyramid Lake Indian Reservation, Wadsworth, Nixon, and Truckee River.

If the winds shift, which Stericycle or anyone else, cannot predict, and the investigative study of Utah Physicians article asserts adversely affects neighboring communities, livestock, wildlife, including Wile Mustangs, rivers, lakes, and counties, for **hundreds of miles**.

Therefore, the incineration material that will float through our clean air will adversely affect Washoe, Carson, Douglas, Lyon, Churchill, and Storey Counties.

Petitioners request review and rescinding the decision made by Commissioners, since Petitioners were unaware of the voting on this crucial issue, because many of its residents do not have computers, and have been sheltered since the COVID-19 restrictions, pursuant to the Order of the Governor of the State of Nevada.

Had Petitioners been aware of the health, safety, and welfare, risks to its communities, there would have been an outcry of citizens demanding that the special use permit granted to Stericycle not have been passed by the Commissioners, McBride and Carmona.

Because of the foregoing, it is requested that this Court grant review and rescinding of the Storey County Commissioner's vote approving the Special Use Permit for Stericyle, based upon the potential violation to the health, safety, and welfare, of Storey County and its surrounding areas.

DATED this 10th day of September, 2020.

By: Mary Lou Wilson
MARY LOU WILSON
Attorney At Law, Bar #3329
2064 Regent Street
Reno, Nevada 89509
Attorney for Petitioner

AFFIRMATION PURSUANT TO NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 10th day of September, 2020

By: Mary Lou Wilson
MARY LOU WILSON
Attorney At Law, Bar #3329
2064 Regent Street
Reno, Nevada 89509
Attorney for Petitioner

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CERTIFICATE OF SERVICE

I, Mary Lou Wilson, hereby affirm that on the 10th day of September, I mailed the aforementioned document and sent a hard copy to the following parties at the following addresses through the U.S. Mail:

The Storey County Clerk of the Court
26 S. B Street
Drawer D
Virginia City, Nevada 89440

Ms. Ann Langer
Storey County District Attorney
201 S C St.
Virginia City, Nevada 89440

Commissioners Jay Carmona
and Marshall McBride
P.O. Box 176
26 South B Street
Virginia City, Nevada 89440

Stericyle Biohazardous Medical Waste Disposal
2355 Waukegan Road
Bannockburn, Ill. 60015

Office of the Attorney General
100 North Carson Street
Carson City, Nevada 89701-4717

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Exhibits in Support of Petition

Exhibit 1, Commissioner's Agenda from August 18, 2020

Exhibit 2, Storeyteller Article

Exhibit 3, Reno Gazette Journal article

Exhibit 4, Nevada Independent article

Exhibit 5, Utah Department of Environmental Quality Division of Air Quality, Stericycle Settlement Agreement, for the 2013, Notice of Violation, alleging violations of Stericycle's Title V Operating Permit

Exhibit 6, American Dental Association News article

Exhibit 7, Blockchains Opposition to SUP (special use permit) of Stericycle

Exhibit 8, Utah Physicians for Healthy Environment's article

EXHIBIT 1

EXHIBIT 1

000021

STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, AUGUST 18, 2020 10:00 A.M.

DISTRICT COURTROOM

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

JAY CARMONA
VICE-CHAIRMAN

LANCE GILMAN
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

ROLL CALL via zoom: Chairman McBride, Vice-Chairman Carmona, Commissioner Gilman, County Manager Austin Osborne, Clerk & Treasurer Vanessa Stephens, Deputy District Attorney Keith Loomis, Tourism Director Deny Dotson, Sheriff Gerald Antinoro, Fire Chief Jeff Nevin, Emergency Management Director Joe Curtis, Senior Planner Kathy Canfield, Senior Center Director Stacey York, Human Resources Director Jeanne Greene, Public Works Director Jason Weizrbicki, Recorder Marney Hansen-Martinez, Communications Director Dave Ballard, Community Chest Director Erik Schoen

1. CALL TO ORDER REGULAR MEETING AT 10:00 A.M.
Meeting was called to order by Chairman McBride at 10:00 A.M.

2. PLEDGE OF ALLEGIANCE
Chairman McBride led the Pledge of Allegiance.

3. DISCUSSION/POSSIBLE ACTION: Approval of Agenda for August 18, 2020.
County Manager Austin Osborne requested item 20 be continued to September 15, 2020. Move item 16 following item 17.
Public Comment: None

Motion: I move to approve the Agenda for August 18, 2020, with the changes requested, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

4. DISCUSSION/POSSIBLE ACTION: Approval of the Minutes for July 21, 2020.
Public Comment: None

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Motion: I move to approve the Minutes for July 21, 2020, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

5. CONSENT AGENDA:

I. For possible action, approval of claims in the amount of $912,292.23

II. For possible action, approval of business license first readings:

A. AECOM Design, A Professional Corp. – Professional / 8985 S. Eastern Ave Ste 130 ~ Las Vegas, NV
B. Atlas Land Development, LLC – Contractor / 4363 S. Jumbo Way ~ Carson City, NV
C. Jimmy's LLC – Out of County / 3475 Ormsby Ln. ~ Washoe Valley, NV
D. Road and Highway Builders, LLC – Contractor / 950 E. Mustang Rd. ~ Sparks, NV
E. Tenaska Power Services Co – Out of County / 300 E. John Carpenter Freeway Ste 1100 ~ Irving, TX

Public Comment: None

Motion: I move to approve today's Consent Agenda, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

6. PUBLIC COMMENT (No Action) None

7. DISCUSSION ONLY (No Action - No Public Comment): Committee/Staff Reports

Sheriff Antinoro:

- Long time Storey County resident, Jim Watson, passed away.
- With the start of school, be on the look-out for kids and school buses out and around. There will be extra enforcement in school zones.

Erik Schoen, Community Chest/Library Director:

- This is the last week for the summer program which has been very successful. With the protocol in place, there were no known cases of Covid 19.
- The library was used as another classroom. This will continue through the fall. People with a Storey County library card will be able to access all resources "virtually".
- Early childhood education will continue to be offered throughout the fall – accommodating up to 18. Some part-time and some full time.
- Before and after school programs will be offered to elementary students, Monday through Thursday, and all day on Friday. Looking at staffing to provide the same programs for middle-school students after school. There are capacity issues, they will do the best they can.
- The tech-center in the library will be staffed by a teacher providing support for students accessing on-line school programs.

Deny Dotson, VCTC Director:

- The VCTC is very concerned with the shutdown and effects on revenue, especially from tourism tax and lodging. Mr. Dotson reviewed the figures (note: difficult to hear him via zoom). Some good news there.
- Hard decisions have been made regarding events – there are concerns with the fall.
- A lot of resources will be going to marketing with radio and billboards.

Joe Curtis, Emergency Management Director:

- Only 5 new cases reported in the Quad County area with 22 recoveries.
- Since March 1, there have been 886 cases – 732 recoveries. 139 still active, 15 deaths.
- In 5 months, there have been only 6 cases in Storey County.
- Reminder – there is potential for exposure within 15 minutes at 6 feet distance.
- The Governor's order still stands for 50% of fire rating occupancy – or 50 people total, whichever is less. Social distancing and masking are still in place.
- At the last test site on August 11, 140 tests were given. Two nurses, a representative from Carson City Health, 4 paid Storey County staff, and 3 Jeep Posse volunteers participated.
- Jeep Posse members have been a huge help at all test sites – with set-up/take down of cones and tables and chairs, in decisions regarding flow of traffic and traffic control. They are always available, show up on time, and are committed to assist in the process. Many of the members have completed County-required MIMS, incident command training.
- The next test date is August 28 at the Lockwood Senior Center, 10am to 11am. Test results should be received in 7 to 10 days. People are lining up about one hour before.
- Tests must be conducted for the next 2 ½ years.
- Plans are being made for the "long haul" and for flu vaccinations, as well as Covid vaccinations when available.
- Equipment has been acquired for the test sites, with more that needs to be acquired to take care of the process – the only outside assistance would be nurses to administer the tests.
- Since the beginning of Covid, Emergency Management and Community Relations have been working about 100% on Covid-related processes and issues.

Chairman McBride asked if (the County) is still required to test 2% of its population per month.

Mr. Curtis: We are far exceeding that.

Austin Osborne, County Manager:

- Working with NACO, the District Attorney, and our team on the mechanics of the program for the $200,000 grant to be invested in our communities.
- A "town hall" open-air meeting will be held August 27 in Lockwood, 5pm to 6pm. This will take place north of the Truckee River Bridge in an area where people can drive in and stop. People are asked to wear facemasks.
- Working on a request from the last workshop to post the "capital improvement plan" on the link. It is already posted in the budget. A more "user friendly" version is being created.

Vice Chairman Carmona "applauds" the Town Hall meetings. This is an important time to communicate with the community.

Vanessa Stephens, County Clerk:

- This year every active registered voter will receive a mail-in ballot. In addition, we will have the normal polling place. If a voter chooses to not use the mail-in ballot, they can come and vote on a machine as in the past.
- Everyone is encouraged to make sure voter registration is up-to-date. Contact the Clerk's Office with any questions.

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8. BOARD COMMENT (No Action – No Public Comment)
Vice Chairman Carmona:

- A lot of institutional knowledge has been lost with the passing of Jim Watson.

9. DISCUSSION/POSSIBLE ACTION: Consideration and setting of date for a public hearing on the proposed amended service plan of the TRI GID.

Deputy District Attorney Loomis explained a requirement for amending the service plan is that the Board set a date for a public hearing. Notice must be published. The date being considered is September 15, 2020.

Public Comment: None

Motion: I, Jay Carmona, move to set the 15th day of September 2020, 10:30 AM, as the date for a public hearing to consider possible approval of an amended service plan for the TRI GID, and authorize the clerk to publish notice of the hearing and to notify interested parties of the public hearing, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

10. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of 2nd reading for General Home-Based Business License for Highland Arms, internet firearm sales. Applicants are Calvin, Pamela, and Jacob Willey, 2538 Cartwright Rd., Reno, NV 89521.

Sheriff Antinoro said applicants' background has been reviewed – they are pending Federal firearms license approval contingent on County granting business license. The business will primarily be internet and gun-show based. Applicants are connected with a tree service and a long-time gun shop in Reno. There is nothing prohibiting them from having this license.
Public Comment: None

Motion: I, Jay Carmona, motion to approve the 2nd reading for General Home-Based Business License for Highland Arms, internet firearm sales. Applicants are Calvin, Pamela, and Jacob Willey, 2538 Cartwright Rd., Reno, NV 89521e, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

11. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of 2nd reading for General Home-Based Business License for Silver State Firearms, 1399 Highland Spur, VC Highlands, NV 89521. Applicants are: David Cooley and Tony Midmore.

Sheriff Antinoro: Applicants are pending Federal Firearms License approval contingent on issuance of County's business license. Applicants will primarily be manufacturing custom firearms. Nothing in their background prohibits this license.
Public Comment: None

Motion: I, Jay Carmona, motion to approve the 2nd reading for General Home-Based Business License for Silver State Firearms, 1399 Highland Spur, VC Highlands, NV 89521. Applicants are: David Cooley and Tony Midmore, **Action:** Approve, **Moved by:** Vice Chairman Carmona

Seconded by: Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

12. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of 2nd reading for General Business License. Out of county Petroleum Distributor, Senergy Petroleum, 464 Andrews St, Ste. 1, North Las Vegas, NV 89081.

Sheriff Antinoro explained Senergy Petroleum will not have an office in Storey County, however they will provide goods and services through local distributors. Nothing was found to preclude them from this license.
Public Comment: None

Motion: I, Jay Carmona, motion to approve the 2nd reading for General Business License. Out of county Petroleum Distributor, Senergy Petroleum, 464 Andrews St, Ste. 1, North Las Vegas, NV 89081, **Moved by:** Vice Chairman Carmona **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

13. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of 2nd reading for General Business License for Tahoe House Hotel & Bar. 162 S C St., Virginia City, NV 89440. Applicant is Paul Hoyle, Lark Lane Hospitality.

Sheriff Antinoro: Background has been completed on this applicant. Mr. Hoyle has a history in the hotel industry and will make a good addition to the community.
Public Comment: None

Motion: I, Jay Carmona, motion to approve 2nd reading for General Business License for Tahoe House Hotel & Bar. 162 S C St., Virginia City, NV 89440. Applicant is Paul Hoyle, Lark Lane Hospitality, **Moved by:** Vice Chairman Carmona **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

14. RECESS TO CONVENE AS THE STOREY COUNTY LIQUOR BOARD

15. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of 2nd reading for Liquor License for Tahoe House Hotel & Bar. 162 S C St., Virginia City, NV 89440. Applicant is Paul Hoyle, Lark Lane Hospitality.

Sheriff Antinoro: There is nothing that would preclude Mr. Hoyle from holding a liquor license. He has 20+ years in the hospitality industry based on the reports.

Chairman McBride disclosed he holds a liquor license on C Street, not in proximity to this hotel. Voting on this issue one way or the other would have no affect on this license.
Public Comment: None

Motion: I, Jay Carmona, motion to approve the 2nd reading for Liquor License for Tahoe House Hotel & Bar. 162 S C St., Virginia City, NV 89440. Applicant is Paul Hoyle, Lark Lane Hospitality, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

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17. RECESS TO RECONVENE AS THE STOREY COUNTY BOARD OF COUNTY COMMISSIONERS

16. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of five-year contract with Lenslock for obtaining body cameras to replace the VieVu cameras for a cost of approximately $20,000.00 per year.

Sheriff Antinoro: Some years ago, a contract with VieVu was entered into for body cameras mandated by the Legislature. VieVu has new owners. There have been issues in keeping the cameras "up and running" and looking at (VieVu), the price goes up significantly to renew the contract and up-grade cameras. Lenslock has a very reliable product, which (the Sheriff) has been testing the last few months, with a very good price. In discussion with the District Attorney's Office, it is probably cheaper to pay off the existing contract with VieVu due to their failure to uphold their end of the contract.

Chairman McBride: It was an "unfunded" mandate, right?

Sheriff Antinoro: At the time, there was an option to initiate a surcharge on the telephone system to be used for payment of the cameras. The Commission opted not to do that. This is an option moving forward, but he doesn't think anyone wants any increases in taxes or surcharges.

Chairman McBride: Isn't this is a significant increase as opposed to VieVu?

Sheriff Antinoro: It is a significant increase, however it is the most cost effective contract. The company who bought VieVu was quite higher. As this is mandated across the country, there are not a lot of options. This is about the best price.

Deputy District Attorney Loomis: He has looked over the contract and the provisions for termination. The contract could be terminated for "breach" – but the breach standards are very vague. He advised the Sheriff to pay the termination fee, which isn't that high – establishing the breach would be harder. Among other items, the contract with Lenslock has significant limited liability which is not unusual. It is not the greatest, but a contract we have to live with.
Public Comment: None

Motion: I, Jay Carmona, motion to approve the 1st reading for the approval of the 1st reading for cancelling the VieVu camera system and replacing with LensLock camera system, **Action:** Approve, **Moved by:** Vice Chairman Carmona,

Commissioner Gilman asked the Sheriff how he evaluates the (current) camera system and its value to the community. Sometimes these things are not as effective as we would like.

Sheriff Antinoro: Agrees they are not as effective as they would like them to be. He said he testified against them at the Legislature because they really don't accomplish what was intended. They do provide insight in the event of ending up in court on a case. This was implemented because of allegations of police misconduct, shootings, or things of that nature – which have not been an issue in Storey County. It's not uncommon that a camera gets pulled off in a scuffle – you don't necessarily get a good image. The same if someone is being chased because of the way the camera bounces.

around. A camera in the patrol vehicle versus on the body would be his preference. It was found that the cameras being replaced were not very durable. These (new cameras) have a stronger mounting unit and controls keeping them on. They are not what they could be - we are stuck unless the Legislature changes something.

Commissioner Gilman commented they rarely "roll something back". In watching the news, they (cameras) do not seem to be very effective.

Seconded by: Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

21. DISCUSSION/POSSIBLE ACTION: Special Use Permit 2020-021 request by the applicant Stericycle, Inc., to construct and operate a medical and other special waste incinerator facility. The project has the potential to provide generation of excess power, which is considered an "electric or gas power generating plant" which is also subject to a special use permit. The subject property is located at 1655 Milan Drive, Tahoe-Reno Industrial Center, McCarran, Storey County, Nevada, a portion of Assessor's Parcel Number (APN) 005-111-73.

Commissioner Gilman recused himself from vote and discussion on this item as he holds a pecuniary interest in land that is the subject matter of this item.

Senior Planner Kathy Canfield: This application is for a Special Use Permit - a medical waste facility in the Tahoe-Reno Industrial Center. The project is in I-2, heavy industrial zoning, with an I-S overlay. Ms. Canfield described the building - all activities will take place within the building. Applicant is required to obtain permits from Nevada Division of Environmental Protection (NDEP) who regulates emission standards and is permitting authority for air quality.

This project was discussed at the last Planning Commission meeting. Four items of correspondence opposing the project have been received. All items are on the website. The Planning Commission voted 5 to 1 for approval, with one recusal. Staff recommends approval.

Dominic Culotta, Executive Vice President and Chief Engineer of Stericycle introduced the Stericycle team and presented an overview of Stericycle's operations. The plant will be built on a 20-acre parcel on Milan Drive, zoned for heavy industrial with an I-S (Special Industrial Zone) overlay. Approximately 5 acres will be developed for the facility and parking. The rest will be a buffer zone to minimize impact on wildlife and neighbors. Operations will be contained within the 50,000 square foot facility.

Mr. Culotta reviewed the operation of the incinerators which are small compared to large municipal waste incinerators. Traffic impact will be small, with only 10 to 15 trailers expected per day. Construction will support many jobs. The facility will process certain types of medical waste designated for incineration as a best practice.

Mr. Culotta explained the focus on safety which includes enhanced training programs. There is a committee dedicated to health and safety. He addressed issues raised about the Stericycle facility in Utah, as well as in North Las Vegas. A letter has been submitted outlining legal reasons why this is not relevant to the law. A violation at North Salt Lake City, mentioned by those opposed to the

facility in Storey County, occurred nine years ago and is the only citation for emission violation in the history of its operation. That facility remains in full operation, in compliance, with a permit through 2022. He discussed concerns with the proposed North Las Vegas facility. That application was withdrawn prior to approval or denial due to a lack of readily available access to water and other utilities.

Mr. Culotta reviewed reasons Stericycle decided on the TRI location for its new facility, including infrastructure, logistics, and the Master Plan. He presented a diagram showing the "state of the art" incineration process that will be installed including an air pollution abatement system. Concerns regarding effect on the environment have been heard. (Stericycle) is subject to stringent federal and state air regulations and follow a proven air pollution control process. The new incinerator will be subject to the most stringent emission standards in any incinerator category. Testing is required by the EPA – with samples and analysis submitted by a third party.

They have reached out to the American Wildhorse Campaign and will hold quarterly meetings throughout this process and believe they will make a positive contribution to the safety and well-being of wild horses.

Stericycle is committed to supporting these missions and participating with business owners of TRI. In addition, they service businesses in Storey, surrounding districts, and counties. This includes doctors, offices, labs, airports, retail, all branches of military, Federal, State, and local governments – as well as others. Mr. Culotta thanked the Board for the opportunity to present this item.

Chairman McBride: What were the negative findings by the Planning Commission in North Las Vegas that were leading to denial of (Stericycle's) SUP?

Dale Rich of Stericycle: The same type of rhetoric and documents being brought forward now may have influenced the decision process. There was not an actual hearing – there was no vote and the application was pulled based on lack of infrastructure.

Selin Hoboy: They were originally approved for the facility in the North Las Vegas situation. Two years later when obtaining a special use permit there was some political opposition in North Las Vegas. Similar information in terms of history at other facilities and the North Salt Lake situation was brought forward. As part of their package, that information was submitted as part of their concerns from a safety perspective. That is why they moved to deny the permit. At the same time, (Stericycle) looked at what was happening in that area and made the decision that the facility would not fit within their time-period and withdrew the application.

Chairman McBride: Special Use Permits are inherent to concern and criticism – that's why they're special use permits. Has Stericycle purchased the property where they plan on building? What is the estimated cost of the facility- how much will you be into it when built out?

Mr. Culotta: They have entered into a contract to purchase the land. Approximately $40 million - $14 million could be local. The planning phase and design are underway. When finalized, they can be more cost specific.

Chair McBride: Will the facility be equipped with new equipment or used from other facilities?

Mr. Culotta: The plan is for new equipment.

Mr. Rich: It will be all new with systems based on the latest technology advances.

Chair McBride: New equipment is usually cleaner and more efficient. Will rules be utilized that are put in place by the Treasury Department taking advantage of Storey County as an "opportunity zone"?

Ms. Hoboy responded they are looking at those opportunities – however they wanted to get through this process, then look at the next step and options.

Chair McBride: Will (Stericycle) be asking the Governor's Department of Economic Development for tax abatements?

Ms. Hoboy: They will be looking at what economic opportunities there are within the State. At this point, they have not planned for those – inaudible and plan on funding those themselves. Inaudible. With the potential equipment they are proposing as a "waste energy facility", there might be some options there.

Chair McBride: These questions are asked because we like to have businesses, especially high-tech, move into the industrial park. It doesn't appear (Stericycle) will have a big impact on services, but we like to make sure everyone is paying their fair share.

Vice Chairman Carmona asked how many employees would be working at the facility when it's "up and running".

Mr. Culotta: Approximately 30 employees when it's fully in operation. New technology is very automated. Some others will be coming and going.

Vice Chair Carmona asked Mr. Culotta to explain what would be coming out of the "stack" – would it be equal to emissions from a diesel truck?

Dale Rich: The facility is considered a minor source. Emissions would be fairly low and deminimus- compare it to about 10 trucks driving down the highway.

Vice Chair Carmona: If this is considered a low impact, what would be considered a high impact?

Mr. Rich: High impact would be a very large facility – power plants, manufacturing facilities with enormous emission potential. Our emissions are very low when compared to very large plants.

Vice Chair Carmona: The reality is this is a world where waste is generated that has to be brought down to the safest levels. There has to be place to get rid of this stuff. There will be real time monitoring of the stacks so if there is an issue or failure– what would be the procedure?

Mr. Rich: Emissions will be monitored based on permit conditions per Nevada and EPA regulations. "Site specific" operating parameters will be monitored continuously and recorded. There are 000030

"safety's" built in to the facility to stop the process of waste – a "lock-out" condition. Before operation begins, very extensive initial performance testing is done. The parameters established during testing must be complied with at all times. They will continuously "self-report" to NDEP - the regulatory agency. Reports are sent out detailing any deviations. Violations that would occur are reported by Stericycle.

Vice Chair Carmona assumes (Stericycle) would be working with Storey County Emergency Management and if there was an issue (the County) would be notified so the situation could be handled on this end.

Chair McBride asked how many Federal and State "oversight" agencies do you report to or are overseen by?

Ms. Hoboy: Approximately 10 to 15 agencies. There may be a permit for wastewater. We will need Federal and State OSHA permits, as well as permits from Department of Transportation, Nevada Bureau of Air Quality, and Title 5 Air Permit. We are preparing for any additional solid waste permits from the State and any other County permits as needed.

Public Comment:
Greg Hendricks, American Wild Horse Campaign: He is relaying appreciation to Stericycle Management Group for openness and willingness to discuss wild horse mitigation impact relating to this facility, its construction, and operation. Their openness is most appreciated. Discussions will continue on a quarterly basis. A commitment letter to continue mitigation discussions has been received. American Wild Horse Connection has been involved in rescue and discussion regarding that – we thank (Stericycle) for that. It's great to see a company look at situations prior to build so that appropriate actions and mitigation are built in – reducing impact on the wild horses.

Mathew Digesti, Vice President-Government Affairs for Blockchains LLC: Speaking in opposition to the Special Use Permit requested by Stericycle. A detailed opposition has been provided outlining legal reasons why the SUP does not meet standards for approval. At this time, they would like to focus on the issue of safety in Storey County. It is this (Board's) responsibility to protect the health and welfare of County residents, businesses, and thousands of employees working in close proximity to Stericycle's proposed bio-hazardous site.

Mr. Digesti reviewed other locations where Stericycle's operations were ultimately denied, including in Utah, Arizona, Oakland, and North Las Vegas. Contrary to Stericycle assertions, substantial negative findings were made and are in the staff report. This company has been all over the western United States looking to create a most dangerous, known bio-hazardous service. They have been appropriately challenged or denied everywhere they've been.

Mr. Digesti reviewed various negative issues with Stericyle -including, bio-hazardous pollution, environmental hazards, accidents, fines, and more. In addition, stock prices have declined for five years because the company is harmful and dishonest, among other things. There have been no presentations, no experts, no questions or findings of fact from the County about medical incineration technology or the harmful impact when an accident does happen.

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Stericycle did admit to several accidents – the technology is not foolproof. This is not an acceptable risk – it was not to the City of North Las Vegas, Utah, Arizona, or California. What has Stericycle done to make Storey County an acceptable location?

Mr. Digesti feels the Commission does not have enough information regarding impacts. And even if they had enough information, they believe approving the SUP is not worth sacrificing Storey County's future.

Sam Toll: Echos what Mr. Digesti has said and expressed disapproval at the Planning Commission. He is skeptical of "self-reporting" – whether mining income for taxes, or emissions from this proposed facility. His "backyard" is as far away from this facility as you can get. By approving this type of business, the bar is set for other businesses to come in with hazardous materials. With almost a dozen of these types if businesses in the County, it sets a dangerous precedent. Mr. Toll agrees with what's happening at the industrial park and is encouraged by the diversity of businesses. This kind of business does not belong near Lockwood and Rainbow Bend. Mr. Toll explained how OSHA was turned away from investigating a dangerous machine at Tesla. He encouraged the Commissioners to reject this Special Use Permit.

Philip Hilton: Has there been any environmental study/studies? Getting environmental waste in and out of the area – has there been a study of traffic impacts? I-80 corridor is prone to accidents, especially in winter. What would the impact be if there was a spill on the highway?

Vice Chairman Carmona: Thinks they said about 15 trucks per day.

Chairman McBride: Yes, 10 to 15 trucks per day. (The County) has a hazmat team and we work with Washoe County. The Fire Department is properly trained and equipped to handle any hazmat accident that would occur – whether with this company or anyone else on the I-80 corridor.

Vice Chairman Carmona: Unless there are other questions or concerns that haven't been addressed that would cause putting this off for two weeks, he is confident with answers received. Accusations have been made which he has not seen much evidence in support. He feels they have met all requirements for the heavy industrial zone agreed to 10 years ago with the Master Plan amendment. He is ready to move forward unless there are other concerns raised that have not been addressed.

Chairman McBride: Has confidence in the Planning Commission and Planning staff. He does respect the one dissenting vote on the Commission. He does not, however, see anything that would deter going forward with this.

Ms. Canfield read the Findings of Fact:

> This approval is for Special Use Permit 2020-021, a request by the applicant Stericycle, Inc., to construct and operate a medical and other special waste incinerator facility. The project has the potential to provide generation of excess power, which is considered an "electric or gas power generating plant" which is also subject to a special use permit. The subject property is located at 1655 Milan Drive, Tahoe-Reno Industrial Center, McCarran, Storey County, Nevada, a portion of Assessor's Parcel Number (APN) 005-111-73.

The Special Use Permit conforms to the 2016 Storey County Master Plan for the McCarran planning area in which the subject property is located. A discussion supporting this finding for the Special Use Permit is provided in Section 2.E of this staff report and the contents thereof are cited in an approval of this Special Use Permit.

The subject property is located within an existing industrial neighborhood in the McCarran area of Storey County. The zoning is based on the 1999 Storey County Zoning Ordinance which identifies this property as I-2 Heavy Industrial. The proposed facility is defined as a "recycling facilities and operations involving use, recovery or residue of hazardous materials and/or wastes" and has an incinerator and has the potential to provide an "electric or gas power generating plant" and requires a Special Use Permit.

Granting of the Special Use Permit, with the conditions of approval listed in Section 4 of this report, will not under the circumstances of the particular case adversely affect to a material degree the health or safety of persons/property in the neighborhood of the subject property. The project is expected to meet the safety and health requirements for the subject area. The use will also be subject to building and fire plan review in order to ensure compliance with federal, state and other codes.

The Special Use Permit will not impose substantial adverse impacts or safety hazards on the abutting properties or the surrounding area, and it will comply with all federal, state and county regulations.

The conditions under the Special Use Permit do not conflict with the minimum requirements in the 1999 Storey County Zoning Ordinance Sections 17.37 I-2 Heavy Industrial and 17.62 Special Uses.

Granting of the Special Use Permit will not, under the circumstances of the particular case, adversely affect to a material degree the health or safety of persons working in the neighborhood or area of the subject property and will not be materially detrimental to the public welfare or materially injurious to property improvements in the neighborhood or area of the subject property.

Granting of the Special Use Permit would not be incompatible with or detrimental to the surrounding area.

Motion: In accordance with the recommendation by staff and the Planning Commission, the Findings of Fact under Sesction 3.A of this report, and other findings deemed appropriate by the Board of County Commissioners, and in compliance with the conditions of approval, I, Jay Carmona, move to approve of Special Use Permit 2020-21, to construct and operate a medical and other special waste incinerator facility. The project has the potential to provide generation of excess power, which is considered and electric or gas power generating plant which is also subject to a special use permit. The subject property is located at 1655 Milan Drive, Tahoe-Reno Industrial Center, McCarran, Storey County, Nevada, a portion of Assessor's Parcel Number (APN) 005-111-73, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

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19. DISCUSSION /FOR POSSIBLE ACTION: Special Use Permit 2020-026 is a request to allow for construction of a 110-foot high public service communication facility associated with the existing Storey County sewer treatment plant. The project includes a tower, equipment shelters and other associated equipment. The tower will be located on the property associated with the Storey County Wastewater Treatment Plant at 1001 Six Mile Canyon Road, Virginia City, Storey County, Nevada and being a portion of Assessor's Parcel Number (APN) 001-311-04.

Senior Planner Kathy Canfield explained this Special Use Permit is for a tower to house public service equipment at the wastewater treatment plant. This will allow for wireless communication at the plant along with providing public service for that area of town that currently has limited coverage. The Planning Commission voted 6-0 for approval and is currently in review with the Historic Commission.

Commissioner Gilman said this is something that has been needed for the health and safety of those in the area.
Public Comment: None

Ms. Canfield read the Findings of Fact:

This approval is for Special Use Permit 2020-026 to allow for construction of a 110-foot high public service communication facility associated with the existing Storey County sewer treatment plant. The project includes a tower, equipment shelters and other associated equipment. The tower will be located on the property associated with the Storey County Wastewater Treatment Plant at 1001 Six Mile Canyon Road, Virginia City, Storey County, Nevada and being a portion of Assessor's Parcel Number (APN) 001-311-04.

The Special Use Permit conforms to the 2016 Storey County Master Plan for the Public Facilities designated area in which the subject property is located. A discussion supporting this finding for the Special Use Permit is provided in Section 2.D of this staff report and the contents thereof are cited in an approval of this Special Use Permit. The Special Use Permit complies with the general purpose, goals, objectives, and standards of the county master plan, the zoning ordinance and any other plan, program, map or ordinance adopted, or under consideration pursuant to the official notice by the county.

The proposal location, size, height, operations, and other significant features will be compatible with and will not cause substantial negative impact on adjacent land uses, or will perform a function or provide a service that is essential to the surrounding land uses, community, and neighborhood.

The Special Use Permit will result in no substantial or undue adverse effect on adjacent property, the character of the neighborhood, traffic conditions, parking, public improvements, public sites or right-of-way, or other matters affecting the public health, safety, and general welfare, either as they now exist or as they may in the future be developed as a result of the implementation of the provisions and policies of the county master plan, this title, and any other plans, program, map or ordinance adopted or under consideration pursuant to an official notice, by the county, or other governmental agency having jurisdiction to guide growth and development.

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The proposed use in the proposed area will be adequately served by and will impose no undue burden on any of the improvements, facilities, utilities, or services provided by the county or other governmental agency having jurisdiction in the county.

The Special Use Permit, with the recommended conditions of approval, complies with the requirements of Chapters 17.03.150 – Special Use Permit, 17.12 – General Provisions, and 17.32 - Forestry Zone.

The proposed project is an accessory use to the existing Storey County sewage treatment plant, and therefore is consistent with the land acquisition requirements of Patent 27-2014-0006.

Motion: In accordance with the recommendation by staff and the Planning Commission, the Findings of Fact under Section 3.A of this report, and other findings deemed appropriate by the Board of County Commissioners, and in compliance with the conditions of approval, I, Jay Carmona, move to approve Special Use Permit 2020-026 to allow for construction of a 110-foot high public service communication facility associated with the existing Storey County sewer treatment plant. The project includes a tower, equipment shelters and other associated equipment. The tower will be located on the property associated with the Storey County Wastewater Treatment Plant at 1001 Six Mile Canyon Road, Virginia City, Storey County, Nevada and being a portion of Assessor's Parcel Number (APN) 001-311-04, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

18. DISCUSSION/POSSIBLE ACTION: Special Use Permit Amendment 2017-020-A1-2020 by applicant Asia Union Electronic Chemicals – Reno, Inc. (AUECC). The applicant requests an amendment to Special Use Permit (SUP) Number 217-020 to modify the language associated with Conditions of Approval C, D, S, T and BB which relate to chemical and substance inventory, outdoor loading/unloading, water/fog deluge systems, bulk product loading/unloading, filling stations, training requirements, outdoor chemical storage, security footage storage and release reporting requirements. The subject property is located at 1400 Waltham Way, APN 004-091-81, McCarran, Storey County, Nevada.

Ms. Canfield explained this is an amendment to the previously issued Special Use Permit, modifying language in 5 of 33 conditions of approval in the original Special Use Permit. At the time of approval, AUECC was an unique business and was given a very detailed review resulting in very detailed conditions of approval. AUECC has since gone to other agencies with similar review processes – some of the (County's) very detailed conditions of approval do not allow the other agencies flexibility to put in their best practices. The recommendation is to modify language to make it more flexible for AUECC to meet requirements of other agencies and the County's SUP by taking out some very specific technical language. None of this changes any safety requirements of the project. Planning Commission voted 7-0 for approval.

Danielle Knight, Environmental Health and Safety Manager at AUECC, introduced several members of the AUECC team. Ms. Knight reviewed AUECC's operations – refining chemistry to a level of ultra-pure chemicals used in semi-conductors to manufacture computer chips. The 2017 Special Use Permit was their first permit obtained. They are now ready for production and would like to revise that permit to insure it matches all other regulatory requirements and includes all stipulations needed for them to conduct business.

Ms. Knight explained changes needed to be made to the original SUP. Including the list of chemicals required to be on site for day to day operations that are not in the original SUP. Also, clarification of items to be moved by forklifts. Some highly technical items could be misconstrued to apply to all their products. They are clarifying language to differentiate what technology applies to what chemicals. The changes have been assessed by a third-party consultant.

Commissioner Gilman: This is a wonderful company – they have invested millions to move forward in the process. It's very proper to be clarifying the SUP language.
Public Comment: None

Ms. Canfield read the Findings of Fact:

This approval is for Special Use Permit Amendment 2017-020-A1-2020 by applicant Asia Union Electronic Chemicals – Reno, Inc. (AUECC). The applicant requests an amendment to Special Use Permit (SUP) Number 217-020 to modify the language associated with Conditions of Approval C, D, S, T and BB which relate to chemical and substance inventory, outdoor loading/unloading, water/fog deluge systems, bulk product loading/unloading, filling stations, training requirements, outdoor chemical storage, security footage storage and release reporting requirements. The subject property is located at 1400 Waltham Way, APN 004-091-81, McCarran, Storey County, Nevada.

The Amended Special Use Permit 2017-020-A1-2020 conforms to the 2016 Storey County Master Plan for the McCarran planning area in which the subject property is located.

Granting of the Amended Special Use Permit 2017-020-A1-2020 modifying Conditions of Approval C, D, S, T and BB, will not under the circumstances of the particular case adversely affect to a material degree the health or safety of persons/property in the neighborhood of the subject property and will not be materially detrimental to the public welfare or materially injurious to property improvements in the neighborhood or area of the subject property.

The Amended Special Use Permit 2017-020-A1-2020 modifying Conditions of Approval C, D, S, T and BB will not impose substantial adverse impacts or safety hazards on the abutting properties or the surrounding area, and it will comply with all federal, state and county regulations.

The conditions under the Amended Special Use Permit 2017-020-A1-2020 modifying Conditions of Approval C, D, S, T and BB do not conflict with the minimum requirements in the Storey County Zoning Ordinance.

Motion: In accordance with the recommendation by staff and the Planning Commission, the Findings of Fact under Section 5.A of this report, and other findings deemed appropriate by the Board of County Commissioners, and in compliance with the conditions of approval, I, Jay Carmona, move to approve Special Use Permit Amendment 2017-020-A1-2020 to modify the language associated with Conditions of Approval C, D, S, T and BB which relate to chemical and substance inventory, outdoor loading/unloading, water/fog deluge systems, bulk product loading/unloading, filling stations, training requirements, outdoor chemical storage, security footage storage and release reporting requirements. The subject property is located at 1400 Waltham Way, APN 004-091-81

McCarran, Storey County, Nevada, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3

20. DISCUSSION/ FOR POSSIBLE ACTION: First reading of Bill 118, Ordinance 20-307, text amendments to Storey County Code Title 17 Zoning Districts CR Commercial-Residential ; C Commercial; R1 Single-Family; R2 Multi-Family Residential; E Estate; F Forestry; A Agriculture; I1 Light Industrial and I2 Heavy Industrial; NR Natural Resources and SPR Special Planning Review zones. Additions, modifications, elimination and clarifications including the listed land uses minimum floor area, setbacks, minimum parcel area, distance between buildings and home enterprises are proposed.

Continued to September 15, 2020.

22. DISCUSSION/ FOR POSSIBLE ACTION: Approval of business license second readings:
A. Adelita's Tamales – Food Truck / 917 Desert Breeze Way ~ Fernley, NV
B. Denmark Commerce Park Owner's Assoc. – Non-Profit / 1485 La Briana Ave ~ Reno, NV
C. G3 Solar, LLC – Contractor / 272 W 200 N. #200 ~ Lindon, UT
D. Hammond Homes and Construction LLC – Contractor / 1780 Lattin Road ~ Fallon, NV
E. Holder Construction Group LLC – In-County Contractor / 2555 USA PKWY ~ McCarran, NV
F. QA Group, LLC – Out-of-County / 3400 E. Third Ave ~ Foster City, CA
G. Iconic Concrete LLC – Contractor / 2740 Beach River Dr ~ Reno, NV
H. Two Rivers Demolition, Inc. – Contractor/2620 Mercantile Dr. ~ Rancho Cordova, CA

County Manager Osborne: Community Development recommends approval of Items A through H.

Public Comment: None

Motion: I, Jay Carmona, motion to approve the Second Reading of Business Licenses A. through H., **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3

23. PUBLIC COMMENT (No Action) None

24. ADJOURNMENT OF ALL ACTIVE AND RECESSED BOARDS ON THE AGENDA
The meeting was adjourned by the Chair at 12:01 PM

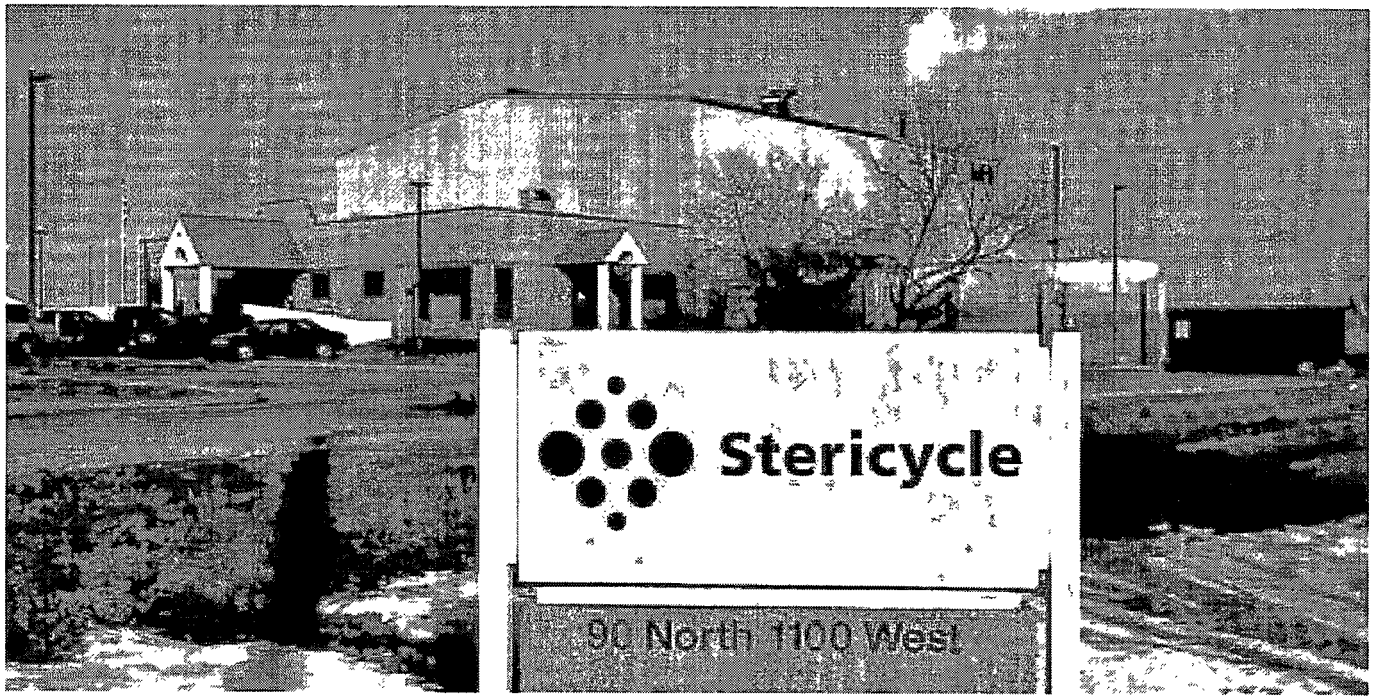
Respectfully submitted,

By:_____
Vanessa Stephens Clerk-Treasurer

000037

EXHIBIT 2

EXHIBIT 2



Keith Johnson | Salt Lake Tribune File Photo Stericycle, located in North Salt Lake, is a hazardous medical waste disposal company. Photographed January 21, 2014.

CALIFORNIA AGENCY DENIES STERICYCLE PERMIT CITING DECADES OF MISMANAGEMENT AND SAFETY VIOLATIONS

Sam Toll 1 week ago News 686 Views

California Regulatory Agency Denies Stericycle Renewal Permit For Stericycle Plant

As he wrapped up his comments before voting to approve the Stericycle Special Use Permit, Commissioner Jay Carmona said "I personally am confident with the answers I have received (from Stericycle). There have been some accusations made (about Stericycle) which I haven't seen much evidence to support."

Presumably, some of those "accusations" came from Blockchains, Inc. by way of Matthew Digesti who prepared a lengthy 335-page document **(which can be read here)** outlining concerns they have with Stericycle as a neighbor.

It's tough to see evidence of Stericycle's checkered past if you don't look. If you do look, the stuff you find might make your skin crawl.

Or not...

California Evidence Converts Accusations Into Facts

One of the "accusations" made by Digesti was a fact referencing the $1.4 million settlement with the California Department of Toxic Substance Control (DTSC) for violating California's hazardous waste laws in 2017 at a facility in Rancho Cordova.

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More facts surrounding Stericycle's conduct surfaced yesterday when DTSC issued a press release in which they announce they have denied Stericycle's renewal application permit to operate that same Rancho Cordova facility.

The facility, operated by General Environmental Management (GEM), a company that Stericycle purchased in 2014 and continued to operate under the GEM banner, was denied permission to continue hazardous waste incinerator operations in Sacramento County.

The facility handles bio-hazardous materials and other toxic waste. The facility is similar to the one approved by the Storey County Planning Commission and County Commissioners earlier this month.

> *"This company has repeatedly failed to comply with California's hazardous waste laws," said DTSC Director Meredith Williams. "Today's decision demonstrates that DTSC will take any and all action necessary to protect the public and our environment from toxic harm."*

According to Williams, "(GEM/Stericycle's) compliance history demonstrates a repeating pattern of violations and mismanagement of hazardous waste at the facility, which resulted in three fires and an explosion".

Williams continued, "DTSC considered GEM's operations history over the last 10 years, which included more than 70 violations, one explosion, and three fires at the facility. In an October 2018 civil settlement, DTSC required GEM to pay more than $1.4 million in penalties for multiple violations, including those resulting from a fire in 2017 where employees intentionally ignited hazardous waste containing naphthalene, a flammable substance.

There were also two earlier fires and an explosion at the facility involving improperly mixing incompatible hazardous waste. The settlement prohibited GEM and Stericycle from handling reactive waste and required them to adequately train employees handling hazardous waste, among other conditions. GEM and Stericycle have been unable to demonstrate compliance with those requirements. GEM and Stericycle's history of noncompliance, along with an inability to meet the terms of the settlement which were imposed to prevent future instances of noncompliance, formed the basis of DTSC's decision to deny the permit application."

In taking this action, the State of California confirms the "accusation" made by Blockchains with facts discovered during their investigation of Stericycle's dangerous safety and management practices.

In looking into this matter, I came across a document (**which you can read here**) that outlined Stericycle's disregard for Californians living near the facility and the employees working there.

It could be very concerning.

Or not...

New and Improved

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One of the things we heard about during the Stericycle presentations at both meetings was the idea that Stericycle's freshly minted Executive Vice President and Chief Engineer Dominic Culotta and the members of the new and improved executive management team represent a reboot of the company's leadership and culture.

This new team, we are assured, has over the past 18 months charted a new course for the company and is taking aggressive steps to move in a new and improved direction.

However, the facts, for those properly motivated to unearth them, may suggest otherwise.

In their findings, DTCS said: "DTSC cannot confirm the validity of the comment or the assumption that the new appointees will result in improvement. DTSC made the decision to deny the Permit Application based on the past ten years of operation in conditions dangerous to public health, safety, and the environment."

Stericycle's facility in Tacoma Washington is also referenced in the document. Stericycle was fined $1.9 million for the mismanagement of hazardous waste leading to a fire: "*They are required by law to meet strict permit conditions. This incident shows a complete disregard for the safety of their employees and nearby communities, and that's totally unacceptable".*

From the statements in the document, one might conclude the efforts of the new management team have yet to bear fruit and turn the company around making them a positive corporate citizen.

Or not...

Coming soon to an industrial park near Lockwood. But not near Jay Carmona or Marshall McBride's homes.

10-15 Trucks A Day?

With the pending closure of this facility in California and the shuttering of other facilities across the western United States, the number of Stericycle trucks round-tripping to Storey County and the Land of the Merry TRICsters will likely explode over the years. During the Stericycle presentation, we were assured the volume of trucks would be light, perhaps 10-15 trucks a day.

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While the truck traffic at Stericycle all month might equal the number of trucks in and out of Walmart's facility during a single day, the toxic and bio-hazardous waste, human body parts, and plain old gick they bring will likely exceed what they are currently estimating.

Perhaps by a factor of a whole bunch.

Or not...

A Necessary Evil

Storey County Commissioner Jay Carmona told residents, "We live in a world where we generate waste that has to be brought down to the safest levels. I've had cancer twice. I can only imagine the bags of empty chemotherapy treatment that you guys are dealing with, and unfortunately, in today's society, we have to have a place that we can get rid of that stuff. While I don't think we want any more pollution, ***I think this is one of those necessary evils***".

Carmona asked what the equivalent emissions would be in terms of a diesel engine. The Stericycle employee answered "about ten semi-trucks". While that might be true, I doubt the trucks are capable of producing what the North Las Vegas referred to as "some of the most dangerous chemicals known to man" by burning diesel fuel.

What will ultimately come out of those smokestacks is years away and very much unknown. They could be, as Storey County Commission hopeful Clay Mitchell describes "depending on who you are talking to, those emissions are potentially Armageddon, or they are basically harmless".

The emissions could be basically harmless.

Or not...

Not An Isolated Incident

What occurred in Rancho Cordova (where I have friends, former clients, and former employees) is not an isolated incident. This has happened in Washington, Utah, and elsewhere.

These types of corporate behavior makes you wonder how the guy tasked with vetting the company for TRIC (Kris Thompson), the Storey County Planning Commission, and the Board of Commissioners missed all this stuff.

Anyone spending a few hours on the internet could discover thousands and thousands of pages documenting Stericycle's less than stellar behavior.

Or not...

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What Can Be Done?

That remains to be seen. As the **Salt Lake Tribune reported last year,** getting rid of Storey County's newest "necessary evil" could be a whole lot harder than letting them in.

But it didn't have to be…

I will report on what can be done should residents wish to fight Stericycle from setting up incinerators here in **The Richest Place On Earth.**

Stay Tuned

Disclosure. I spoke against the Special Use Permit at both the Planning and Commission meetings. I am running for Storey County Commission and vow to have Residents come before Special Interests.

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EXHIBIT 3 .

EXHIBIT 3

reno gazette journal

POLITICS

Here's why Stericycle might be the most controversial tenant in Storey County yet

Stericycle's environmental record has some residents worried about toxic air pollution. Backers say it's about doing business.

James DeHaven Reno Gazette Journal

Published 5:01 p.m. PT Aug. 27, 2020 | **Updated 7:00 a.m. PT Aug. 30, 2020**

Storey County's sprawling Tahoe Reno Industrial Center is no stranger to controversial corporate tenants, though few have riled up residents quite like Stericycle.

County leaders on Aug. 18 approved the Illinois-based company's plan to build a 50,000-square-foot medical waste incinerator at the nation's largest industrial park, despite loud objections from neighbors, wild horse advocates and even the park's largest landowner.

At issue is the company's legal and environmental track record throughout the U.S., where it's been accused of everything from price gouging and wage theft to "intentionally igniting hazardous waste."

Settling such claims has cost Stericycle as much as $377 million over the past several years, according to a Reno Gazette Journal review of public records.

More: Ignoring search warrants and pulling strings: How Tesla avoided a full OSHA inspection

But it did not cost them a spot at the industrial center, much to the dismay of some locals who say the move was meant to line the pockets of the park's already wealthy developer: High-powered brothel owner and Storey County Commissioner Lance Gilman.

"There's such a tremendous conflict of interest going on there and I'm just amazed nothing's been done about it," said Lockwood resident Phillip Hilton, who's running to unseat Gilman in November. "Watching that meeting I was just stunned. I thought, 'my god, this can't be legal.'

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"Lance Gilman recuses himself every session because he's making money on the deal."

Gilman, who abstained from the vote to approve the project, did not return requests for comment. Stericycle, too, could not be reached.

Kris Thompson, Gilman's longtime lieutenant and a Storey County planning commissioner, also abstained from a preliminary vote on Stericycle's proposal.

But Thompson has not shied away from defending the company on social media, penning lengthy Facebook posts attacking Hilton and other Stericycle critics who he accuses of trying to "kill the golden goose" built by Gilman.

Thompson declined to say how much money he and his boss stand to make from the deal. He said Stericycle's blueprints were thoroughly vetted by county planners and that their operations will be closely overseen by the Nevada Division of Environmental Protection.

Related: Tahoe Reno Industrial Center spends $140K to remove Storey County sheriff

The market has also vouched for the company, Thompson told the RGJ.

"Lance had me vet this company before we started negotiating and the things that stood out to us were that they're a massive company, I think $3 billion in sales," he said. "Their stock price has gone from $40 to $60 on Wall Street, which tells you the big trading houses feel comfortable with this company.

"Has anyone ever been hurt by this company? Has anyone ever been injured? I think the answer is no, at least as far we understand."

'The most dangerous chemicals known to man'

Stericycle's long road to Storey County started in Utah in 2014, when the company was hit with a record-breaking $2.3 million fine to settle charges it had exceeded emission limits and falsified air pollution test results.

After an ill-fated attempt to move its smokestacks to a more rural county in Western Utah, the company found itself in North Las Vegas, negotiating with officials who have long desperately sought tenants for their own industrial park located deep in the desert northeast of Las Vegas.

But city staffers feared the project could release some of "the most dangerous chemicals known to man," prompting the company to quietly withdraw its blueprints late last year.

A report filed by the North Las Vegas planning department uncovered several of Stericycle's expensive dustups with environmental regulators in at least four other states, not to mention a 2018 run-in with the U.S. Environmental Protection Agency, which accused the company of failing to provide an adequate insurance policy for neighbors who might be harmed by its hazardous waste.

Back in Storey County, Blockchains LLC, now the largest landholder at the Tahoe Reno Industrial Center, compiled an even more thorough, 335-page dossier of Stericycle's alleged misdeeds. That includes an ongoing federal probe into its compliance with anti-corruption laws governing the company's operations in Latin America.

The document notes that in 2016, Stericycle agreed to pay $28.5 million to settle claims it had artificially inflated prices for its state and federal government customers.

One year later, the company shelled out $295 million to resolve similar price-hiking allegations outlined in a class-action lawsuit filed by veterinarians, dentists and other small business customers.

Then, in early 2019, Stericycle spent $45 million to sort out yet another pricing fraud claim filed on behalf of pension fund investors in Arkansas and Mississippi.

'Necessary evils'

None of that seemed to bother Storey County commissioners, who needed less than an hour to approve a special use permit for the company's planned incinerator site.

Dominic Culotta, Stericycle's executive vice president and chief engineer, sought to reassure county leaders that the company had cleaned up its act.

"Stericycle is committed to safety and the environment and our team," Culotta said. "We've implemented a multipronged program over the past 18 months that includes a centralized, global focus on safety, enhanced training programs and a shift to behavior-based safety culture."

The company earlier filed a 9-page response to future neighbor Blockchains' copious concerns about the project, telling commissioners those misgivings were "legally irrelevant and must be disregarded by the county." Stericycle attorneys pointed out that under the law, zoning decisions are supposed to focus on the appropriateness of a proposed land use, not the qualifications of its owner.

Blockchains, itself no stranger to public scrutiny, said the county's duty to protect residents should outweigh any such concerns about the legality of denying Stericycle's permit.

"This company has bounced around the western United States looking to create one of the most dangerous biohazard services known to man, and they've been appropriately challenged and denied everywhere they've been," said Blockchains lobbyist Matthew Digesti. "Why? A never-ending track record, and culture, of failure."

Ultimately, commissioners sided with Stericycle, even if some didn't sound excited about it.

"The reality is we live in a world where we generate waste," said Commissioner Jay Carmona. "Unfortunately, in today's society, we have to have a place to get rid of that stuff. ... So I think this is one of those necessary evils."

The golden goose

Stericycle faced an even tougher crowd online, where Storey County residents took to private Facebook groups to slam the company before and after the vote earlier in August.

Phillip Hilton, the Lockwood resident looking to take Lance Gilman's seat on the county board, led the digital charge alongside Storey Teller Publisher Sam Toll.

Toll, once the target of a failed defamation suit filed by Gilman, largely reiterated the same objections he raised during the Stericycle hearing: That the incinerator project would "set a dangerous precedent" at the county's famed business park, especially in the wake of Nevada regulators' headline-grabbing failure to investigate alleged workplace safety violations at Tesla.

Toll's remarks prompted a searing response from Gilman's right-hand man Thompson, who recused himself from a planning commission vote on Stericycle's application, but had no problem sharing his opinions about the company in Facebook posts aimed at Hilton and Toll.

"Mr. Hilton said his post was an 'alert,'" Thompson wrote two days after the vote. "Here's the real alert: Companies can leave just as fast as they came. Many of the companies came here because they left other places where they had (to) deal with attitudes like Mr. Hilton and Sam Toll.

"Industrial development is a contact sport. Texas, Arizona, New Mexico and many other states woo companies with all kinds of goodies. It doesn't take much for these companies to

decide to go to greener pastures. I can assure that attitudes (like) those expressed in Mr. Hilton's post, and Sam Toll will drive companies out of here, and kill the golden goose."

Thompson later asked Toll if he'd ever been convicted of a felony or served jail time, an apparent reference to Toll's 1997 arrest on charges of growing marijuana in Placer County, Calif.

Toll readily admitted to the misdemeanor conviction in a subsequent Facebook post, but didn't back away from his criticism of Stericycle or Thompson, who he referred to as "Gilman's attack chihuahua."

"The commissioners and planning commission acknowledge that much of the monitoring of the emissions will be done by Stericycle itself," Toll wrote. "This should concern everyone up and downwind from the smokestacks.

"Contrary to the nonsense that spews from Kris Thompson's lips, I energetically support safe, responsible companies at TRIC. This company is neither safe nor responsible."

Representatives for Stericycle said the company's planned incinerator in Storey County will take up around 5 acres on a 20-acre plot zoned for heavy industrial use.

If built, the $40 million facility is expected to process between 10 to 15 truckloads of waste per day. The company said the project will support "many jobs."

James DeHaven is the politics reporter for the Reno Gazette Journal. He covers campaigns, the Nevada Legislature and everything in between. Support his work by subscribing to RGJ.com right here.

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EXHIBIT 4

EXHIBIT 4

PROPOSAL TO BUILD MEDICAL WASTE INCINERATOR AT INDUSTRIAL PARK FACES OPPOSITION

DANIEL ROTHBERG

JULY 29TH, 2020 - 2:00AM

A medical waste disposal company with a record of environmental compliance issues is facing pushback over a proposal to build an incinerator at the Tahoe Reno Industrial Center outside of Reno.

The industrial center's largest landowner, Blockchains, and horse advocates told a Storey County Planning Commission earlier this month that Stericycle's proposal to build a regional medical waste incinerator raised environmental concerns at the sprawling industrial park.

Stericycle, a publicly traded company that specializes in medical waste, is looking to build a roughly 50,000 squre-foot facility at the Northern Nevada industrial center.

- If built, the medical waste disposal at the Tahoe Reno Industrial Center would replace a facility in North Salt Lake, Utah. The incinerator would receive about 10 to 15 trucks of waste every day from the Western U.S. and Canada, according to an application for a special use permit.

- The company indicated in its application that the incinerator facility, which would have the potential to generate electricity, could undergo an expansion in the future.

Blockchains raised concerns about its track record in Utah, where regulators levied a $2.3 million fine against the company. The fine, the largest in state history, was part of an agreement to settle allegations that the company exceeded emission limits and misreported test results.

- Stericycle has faced regulatory scrutiny elsewhere. In June, the company agreed to pay $2.2 million in penalties, settling compliance issues with Washington

environmental regulators, including an investigation that found mismanagement led to a fire at a Tacoma waste facility.

Despite wariness over the company's checkered track record on environmental compliance across the West, Stericycle representatives told the planning commissioners that its incinerator facilities must follow strict air quality regulations and operate below allowable emission limits.

"We appreciate the concerns that have been raised during the development process and we are working closely with regulators, elected officials, neighboring businesses, and community groups to address their questions," the company said in an emailed statement. "As a dedicated corporate citizen and neighbor, we are committed to ensuring the safety of our facility."

The project would also create skilled jobs in western Nevada, Stericycle said.

"At a time when the local economy is struggling with employment and economic losses due to the pandemic, we are proud to bring meaningful work opportunities to the county," the statement said."

- Stericycle's facilities emit chemicals, including carbon monoxide, hydrogen chloride, particulate matter, sulphur dioxide, mercury, cadmium and lead, according to the company's presentation to the planning board. The Nevada Division of Environmental Protection would be responsible for issuing an air quality permit and for enforcing emission standards, the permit application said.

- The planning commission, weighing whether to grant Stericycle's application for a special use permit to allow the facility, postponed its vote. The next meeting is slated for early August.

- The debate over the medical incinerator also represents shifting power dynamics around future development at the industrial park, home to the Tesla Gigafactory and an Amazon warehouse.

The deal to bring the company to the park was negotiated by the broker for the industrial park's master developer, Storey County Commissioner Lance Gilman, who

is also a real estate agent. For years, Gilman and the development company controlled much of the park's operations.

But in 2018, they sold most of their remaining land to Blockchains, a company that aims to build a cryptocurrency city at the park. Blockchains is pushing back against the Stericycle bid, as the largest landowner at the industrial park and with three parcels adjacent to Stericycle's property.

In a letter to the planning commission, Blockchains said the 'proposed transportation, storage, and incineration of special waste could have a materially negative impact on Blockchains' properties and future development plans that mitigation efforts may not prevent."

Matthew Digesti, Blockchains' vice president for government affairs and strategic initiatives, told the commission that it had not provided proper notice of the application, giving Blockchains four days to investigate the project proposal, rather than the required 10 days. He also said county staff had not fully studied the "adverse impacts" of the project on public health and public safety.

He said "the proposed use is extremely transformative and it should not be decided upon, on a short time frame, with little investigation or analysis surrounding potential adverse impacts."

Mustangs, frequently seen at the industrial park, could also be harmed by "potential biohazard exposure," a national horse advocacy group argued. Suzanne Roy, who leads the American Wild Horse Campaign, said she also worried the project would increase traffic in an area where the group has received multiple reports of horse collisions.

Roy said the group plans to talk to the company about its concerns.

"These concerns include potential biohazard exposure for horses and for personnel working on the fertility control program at [industrial center] and proximity of the incinerator to a key water source for the horses, potentially leading to contamination and disturbance that would deter horses from watering," Roy said in an emailed statement on Monday.

The proposal comes after the company spent about three years seeking permission to operate at the Apex Industrial Park in North Las Vegas. The company scuttled its plans at Apex after North Las Vegas staff recommended denying the company's application, the *Las Vegas Sun* reported. Staff, which initially signaled support, cited concerns about environmental compliance.

Selin Hoboy, the company's vice president of government affairs and compliance, said that the company has not had compliance issues in Utah since the violations were uncovered in 2011.

She also said the company has undergone a "significant change in leadership" over the past 18 months, and Stericycle's new leadership has "embraced and enforced compliance and safety."

"We really feel like this is a good fit for us, and we look forward to the opportunity to be in the community there," Hoboy said at the Storey County Planning Commission meeting on July 16.

Hoboy said Stericycle withdrew its application in North Las Vegas because of infrastructure constraints at the Apex Industrial Park, echoing a longtime complaint from other developers.

Storey County Planning Commissioner Kris Thompson, who works for the master developer, read a disclosure at the beginning of the meeting, recusing himself from the matter. In addition to negotiating the land sale, the park's developer often helps with obtaining permits, setting up a conflict for Thompson, as a planning commissioner, and Gilman, as a county commissioner.

As a member of the public, Thompson offered public comment on the incinerator, noting that some manufacturing and processing companies at the park already require air quality permits.

In an email Monday, Thompson added that the industrial center vetted the project. Given that the company has operated for three decades and in multiple countries, Thompson added that its record was strong. He said incidents were "pretty rare, few and far between occurrences."

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"And as far as I know," he wrote, "there have been zero catastrophic environmental incidents by this company which is a very good track record for any company in

business three decades dealing with sensitive materials and working with health care facilities all over the world."

Although the Tesla Gigafactory and distribution warehouses receive frequent media attention, the industrial park is already home to several facilities that deal with hazardous materials.

In late November, AquaMetals, a company exploring lead recycling technology, reported a fire at their facility in the industrial park. Another company, Asia Union Electronic Chemical Corporation, received a special use permit from the county to use hazardous chemicals as part of its operations.

Update: This story was corrected on Aug. 18, 2020 at 4:04 p.m. An earlier draft included a typo indicating that Stericycle's facility would be about 50,000 acre-feet, a unit used in allocating water. The planned facility will be about 50,000 square-feet.

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- *Blockchains - $35,000.00*
- *Lance Gilman - $15,000.00*

IndyFest 2020

Sat., Oct. 3rd

Sen. Dallas Harris Sen. Ben Kieckhefer Assmb. Alexis Hansen Assmb. Daniele Monroe-Moreno

EXHIBIT 5

EXHIBIT 5

000056

Utah Department of Environmental Quality
Division of Air Quality
Fact Sheet

November 2014

Stericycle Settlement Agreement

The Division of Air Quality (DAQ) and Stericycle have reached a Settlement Agreement for DAQ's 2013 Notice of Violation (NOV) alleging violations of Stericycle's Title V Operating Permit. This Agreement stipulates that Stericycle will pay a total penalty of $2.3 million dollars and move its North Salt Lake facility to Tooele County within three years of receipt of the necessary construction permits. The Agreement requires Board approval before becoming final.

Background

In May 2013, DAQ issued an NOV to Stericycle for violations occurring between 2011 and 2013. These violations included:

- Emissions exceeding the permit limits for dioxin and furan
- Emissions exceeding the permit limits for nitrogen oxides (NOx) on multiple occasions
- Failure to report these emission exceedances to DAQ in a requisite time frame
- Failure to maintain normal operating conditions during a stack test
- Failure to include the test results demonstrating these emission exceedances in the requisite annual and semi-annual monitoring reports

In August 2013, DAQ amended the NOV to explicitly cover each day of the NOx violations. Stericycle was able to demonstrate compliance with emission limits in April 2013 and has subsequently upgraded its air pollution control equipment to meet stricter federal standards for medical waste incinerators. These upgrades include:

- Installation of a selective non-catalytic reduction (SNCR) unit to reduce NOx emissions
- Replacement of an electrostatic precipitator with a baghouse
- Replacement of existing emergency diesel generator with a new generator that can better handle loss of power and minimize bypass events

000057

Contact

Harold Burge
hburge@utah.gov
801-536-4129

NOV Web Page

deq.utah.gov/businesses/S/Stericycle/novintro.htm

DEQ Social Media Access

Blog

http://dequtah.blogspot.com/

Facebook

https://www.facebook.com/utahdeq

Pinterest

https://www.pinterest.com/utahdeq/

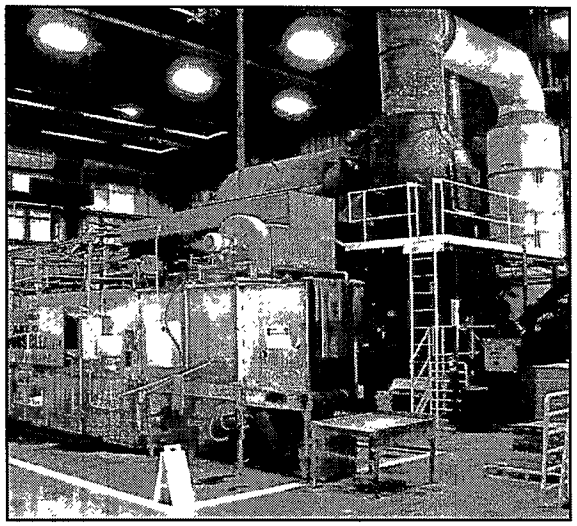
Twiter

https://twitter.com/UtahDEQ

YouTube

https://www.youtube.com/user/UtahDEQ

Settlement Agreement



Settlement discussions have been ongoing between DAQ and Stericycle since the NOV was originally issued. DEQ and Stericycle reached a Settlement Agreement on November 25, 2014. The terms of the agreement are as follows:

- Stericycle shall pay a total stipulated penalty of $2,322.536.00.
  - The company shall pay half of this penalty ($1,161, 268.00) to the state's General Fund within 30 days.
  - The remaining half of the penalty shall be credited as a Supplemental Environmental Project (SEP) when Stericycle permanently ceases operations at its current North Salt Lake location.
- Stericycle shall relocate its medical waste incinerator to a new location in Tooele County no later than three years after the company receives the following documents:
  - final, non-appealable permits from DEQ
  - final, non-appealable permits from local governments
  - Governor's approval required under state statute
- Stericycle shall submit all permit applications necessary to relocate the facility within 90 days of a signed agreement.
  - Sixty days after Stericycle receives all Necessary Approvals to Construct, the company will provide a construction schedule to the Division of Air Quality (DAQ).
  - Every 90 days thereafter, Stericycle will provide DAQ with a report on construction progress.
- Within three years to the date that Stericycle obtains all Necessary Approvals to Construct, Stericycle's Title V Operating Permit (February 19, 2009) and its Title V renewal and Approval Order (August 12, 2014) will become null and void, and Stericycle will permanently shut down operations at its North Salt Lake facility.

The Agreement resolves all claims under the NOV. Nothing in the Agreement precludes DAQ from seeking penalties for violations of the Agreement or future violations of state or federal air pollution laws and regulations.

EXHIBIT 6

EXHIBIT 6

000059

ADA American Dental Association®
America's leading advocate for oral health

ADANews

Current Issue

$295 million settlement reached in Stericycle class action

October 27, 2017

By Kelly Soderlund

A $295 million settlement has been reached on behalf of a nationwide class of Stericycle customers, following a class-action lawsuit accusing the company of engaging in a price-increasing scheme that automatically inflated customers' bills up to 18 percent biannually, according to a news release from Hagens Berman, the Chicago-based law firm that represented the class.

The U.S. District Court for the Northern District of Illinois on Oct. 26 granted preliminary approval for the settlement. The fairness hearing for final approval is scheduled for Feb. 21, 2018.

The class included more than 246,000 dentists, veterinarians and other small business owners across the country. After the settlement receives final approval, Hagens Berman will make information available for dentists and others who have contracted with Stericycle on how to check their eligibility for the settlement and any other next steps. The ADA News will also provide information and coverage.

In July 2016, the ADA News detailed reports from dentists nationwide who felt aggravated and deceived at how the Lake Forest, Illinois-based medical waste disposal company was doing business. These dentists reported escalating fees that were not explicitly stated in their original contracts and contracts that automatically renewed with only a small window to cancel before it re-upped for several more years.

Under the settlement agreement, Stericycle will discontinue the pricing practices at the core of the lawsuit within 60 days of preliminary approval by the court. Stericycle's compliance with the settlement terms will be monitored for three years by a retired federal district judge.

The settlement agreement affects Stericycle customers that had flat-fee Steri-Safe or variable transactional medical waste disposal contracts with Stericycle and were subjected to the disputed price increases, which the lawsuit states were as much as 18 percent, twice per year.

These small businesses affected by the price increases were identified by Stericycle as "small quantity" customers. When these SQ customers called to complain about the price increases, according to the lawsuit, they were given false reasons for the price increases by Stericycle's customer service representatives. According to the suit, those accounts made up 97 percent of Stericycle's customers worldwide.

In 2013, an investigation of Stericycle's billing software found Steri-Safe customers' price increases were programmed to occur regularly as often as every six months, which plaintiffs alleged was contrary to the contract terms that Stericycle had agreed to, according to court documents.

The contracts state that increases can occur only when "operational changes" are implemented "to comply with documented changes in the law" or to "address cost escalation." According to the complaint, Stericycle's billing software automatically boosted customers' rates, regardless of any actual increases in Stericycle's costs, according to court documents.

To learn more about the class-action lawsuit against Stericycle, visit hbsslaw.com/cases/stericycle.

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EXHIBIT 7

EXHIBIT 7

000062

BEFORE THE BOARD OF COMMISSIONERS OF STOREY COUNTY
MEETING DATE: AUGUST 18, 2020

BLOCKCHAINS LLC'S UPDATED OPPOSITION TO STERICYCLE INC.'S APPLICATION FOR SPECIAL USE PERMIT 2020-021 FOR REVIEW BY THE BOARD OF COMMISSIONERS OF STOREY COUNTY

Matthew Digesti
Vice President of Government Affairs and Strategic Initiatives
Blockchains, LLC

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I. INTRODUCTION.

Blockchains, LLC ("**Blockchains**") submits to the Board of Commissioners of Storey County ("**Storey County Commission**") this Updated Opposition to the Special Use Permit 2020-021 request ("**SUP Request**") by Stericycle, Inc. ("**Stericycle**") to construct and operate a medical waste incinerator in Tahoe Regional Industrial Center ("**TRIC**") in McCarran, Nevada.

Blockchains previously submitted an extensive Opposition to the SUP Request to the Storey County Planning Commission ("**PC Opposition**") outlining, among other serious matters, Stericycle's nationwide environmental violations, deceptive business practices, consumer and corporate fraud, and class action settlements. The purpose of this Updated Opposition is not to repeat the arguments in the PC Opposition, but instead, to succinctly demonstrate that the character and credibility of Stericycle strongly counsels the Storey County Commission to deny the SUP Request.

Stericycle's business practices have resulted in harmful pollution emissions, accidents, lawsuits, environmental violations, fines, fraud, resident protests, government agencies shutting down incinerator operations, campaigns from health experts to ban Stericycle from the state of Utah, a recommendation by the North Las Vegas Planning Commission Staff to deny a similar SUP request due to the inherent danger Stericycle posed to the industrial park, and even a chapter in a book outlining its polluting abuses in Arizona.

The Storey County Commission should not rely on Stericycle's self-serving promises of new technology and different leadership. Representations that it will do better this time should not be accepted at face value nor should they be adequate to approve an SUP Request for such an extreme and potentially dangerous use. Stericycle has zero track record of delivering on any promises of safety or good corporate citizenship to any community in which it has operated.

Blockchains encourages the Storey County Commission to ask Stericycle the hard questions surrounding its character, its credibility, the utter lack of transparency to the Storey County Planning Commission, and the risks its medical incinerator poses. These discussions are critical to the Storey County Commission weighing facts against whether Storey County residents, businesses, employees, and the wild horse population should be exposed to some of the worst pollutants known to man by a company with an incredibly disturbing record of failure. This decision represents a turning point for the future of Storey County. If the SUP Request is approved and one or more accidents were to occur, the future of Storey County will be impacted in significant and potentially irreversible, ways.

II. STERICYCLE'S MISREPRESENTATIONS, HALF-TRUTHS AND LACK OF CANDOR TO PLANNING COMMISSION.

A. Stericycle has Failed to Disclose the Real Facts Surrounding the Closure of the North Salt Lake Medical Waste Incinerator.

Stericycle's long and winding journey to Storey County began at its medical waste incinerator in North Salt Lake, Utah. After the Utah Division of Air Quality ("**UDAQ**") issued a Notice of Violation in 2013 alleging excessive emissions of dioxins and other hazardous pollutants *and falsification of emission data*, Stericycle agreed to an Administrative Settlement to pay a record penalty of $2,322.536 on November 25, 2014. Under the Settlement, Stericycle paid one-half of the penalty, but would not be required to pay the other half if it ceased operating its North Salt Lake incinerator within three years and obtained approval for a new facility in Tooele County, Utah. Stericycle ultimately abandoned its plans for a new facility in Tooele County and focused its efforts to obtain approval for a medical waste incinerator in North Las Vegas, which it later abandoned in favor of Storey County.

During the August 6, 2020 Planning Commission meeting, Stericycle adamantly stated that the North Salt Lake incinerator was still operating despite the Settlement terms requiring closure by 2017. Stericycle further represented that it has never been ordered to shut down a medical waste incinerator and no regulatory actions exist to suggest otherwise. Stericycle, unfortunately, failed to disclose the rest of the story. According to the Utah Attorney General's office and public records, after Stericycle failed to obtain approval in Tooele County and shifted its efforts to North Las Vegas, it requested UDAQ to amend the Settlement. On July 10, 2019, Stericycle and UDAQ signed an Amendment to the Settlement which deleted the requirement to relocate in Tooele County and imposed July 1, 2022 as the firm deadline for permanent cessation of operations of the North Salt Lake incinerator. The 2014 UDAQ Settlement and the Amendment, when read together, provide the complete story and are included in **Appendix 1.** This Amendment exposes the half-truths and misleading statements made by Stericycle to the Planning Commission. Blockchains will highlight three critical points on the Utah facilities for the Storey County Commission to consider.

First, while touting that its incinerator was still operating in North Salt Lake, Stericycle *failed to disclose it would completely cease incineration operations by July 1, 2022.* The North Salt Lake facility will continue to be used as a transfer station for trucks carrying medical waste, but no incineration operations will occur.

Second, although UDAQ did not technically "order" Stericycle to shut down the North Salt Lake incinerator, Stericycle's spinning of the outcome should be ignored. The fact of the matter is that Utah was undoubtedly in the process of shutting down medical waste incinerator operations and the threat was so serious, Stericycle and the state government *compromised* with a settlement to shut down incineration operations by July 1, 2022. Companies do not voluntarily agree to shut down operations with no back-up plan in place if the government is not demanding they do so.

Third, it is clear that the permanent shutdown is a direct result of an environmental enforcement action taken by UDAQ which culminated in a $2,322.536 administrative penalty, the largest in

Utah history. For Stericycle to assert that no regulatory action supports a shutdown is disingenuous when the regulatory action itself led to Stericycle's voluntary agreement to shut down medical incineration operations in the North Salt Lake facility.

B. Stericycle Failed to Disclose the Facts Surrounding its Withdrawal of its SUP Request in North Las Vegas.

Stericycle attempted relocate its operations to North Las Vegas at Apex Industrial Park. When asked by the Planning Commission to disclose the reasons it abandoned the North Las Vegas SUP, Stericycle stated, with no supporting documentation, that it abandoned the project due to lack of water infrastructure. This, however, is simply not true.

Blockchains performed its own investigation and received a 2019 staff report from the North Las Vegas Planning Commission. The staff report was clear—Stericycle's past abuses, violations, fines, and potential for its new incinerator technology to negatively impact the park counseled against approval of the SUP. This point is critical. *Stericycle and its new incinerator technology posed an unacceptable level of risk for an industrial park similar to TRIC.* There was no discussion in the Staff Report about water infrastructure or the lack thereof.

Stericycle's application was scheduled to be heard by the North Las Vegas Planning Commission at the June 12, 2019 meeting. However, Stericycle withdrew its application at this meeting. The staff report and relevant portions of the Minutes of the North Las Vegas Planning Commission meeting of June 12, 2019 are attached as **Appendix 2.** Despite the obvious correlation between the staff report and Stericycle's withdrawal from North Las Vegas, Stericycle's stated reason to the Storey County Planning Commission is "lack of infrastructure," as stated by Selin Hoboy at the July 16, 2020 Planning Commission meeting. Stericycle doubled down on this explanation at the August 6, 2020 Planning Commission meeting by claiming that the "lack of water infrastructure" was the reason for withdrawing its application at the Apex Industrial Park.

When asked by Planning Commissioner Larry Prater if this was merely coincidental, Stericycle had no direct response. Instead, Stericycle danced around the issue, never directly answering Commissioner Prater's question, and instead blamed the lack of water infrastructure as the reason for withdrawing its application. The facts, however, do not support Stericycle's convenient justifications for two reasons.

First, the public records reflect that water infrastructure was not a problem. On July 31, 2018, construction started on a 12-mile pipeline to deliver water to the Apex Industrial Park with capacity to supply water to more than 3,000 developed acres of land. This water infrastructure was cited by Air Liquide, a large multinational French gas company, as a reason for its decision to invest $150,000,000 in building a liquid hydrogen plant at the Apex Industrial Park site. Additionally, per the North Las Vegas Mayor, the pipeline is scheduled to be completed later this year. News articles describing these events are set forth in **Appendix 3.**

Second, Stericycle has used the lack of water infrastructure to abandon another planned location that was fiercely opposed by the local community. As described above, Stericycle was forced by UDAQ to relocate its North Salt Lake incinerator to a remote location in Tooele, Utah. Community

members organized in protest and actively opposed Stericycle's relocation. After years of planning the move, Stericycle abandoned its plans to relocate due to the alleged expense surrounding water infrastructure, as explained in a February 22, 2019 *Salt Lake Tribune* article included in **Appendix 4.** Having attempted this relocation over the course of several years, one would think that a lack of water infrastructure would have been a known issue at the very beginning of the process. Stericycle, after all, touts itself as a multi-billion dollar publicly traded company employing the best minds and leveraging the best technology in the world. Something as fundamental as water infrastructure is not an issue that needs to be analyzed over many years. This is simply another example of using an excuse as political cover.

It is not coincidental that Stericycle has used the lack of water infrastructure excuse multiple times when it knows its relocation efforts have failed. Doing so shifts the spotlight from dangers the company poses and the intense community opposition to something completely out of its control—water infrastructure. Investigations of the facts, however, demonstrate otherwise. Commissioner Prater rightly focused on this issue at the August 6, 2020 Planning Commission meeting because character and credibility matter. Rather than be forthright and honest to the Storey County Planning Commission, Stericycle misrepresented and misled.

C. Stericycle Failed to Disclose Other Stericycle Shutdowns of Medical Waste Incinerators in the Western United States to the Storey County Planning Commission.

During the August 6, 2020 Planning Commission meeting, Commissioner Prater asked if a government agency has ever shut down Stericycle's medical waste incinerator operations. Stericycle stated that a government-mandated shutdown has never occurred. Stericycle's statement is incomplete at best as it left out critical details of what actually occurred.

In the winter of 2002, Stericycle closed its medical waste incinerator in Arizona on the Gila River Indian Reservation in the wake of extensive protests over health and environmental threats and demands for investigations by the Environmental Protection Agency ("**EPA**"). During these protests, demands were made that the EPA hold hearings on dangers from Stericycle's medical waste incinerator, which are ranked by the EPA as the second highest source of mercury emissions and a leading source of dioxin. Stericycle ultimately agreed to cease burning waste on the Gila River Indian Reservation, and instead to shred and sterilize this waste in autoclaves for burning and deposit in a landfill elsewhere. The community group opposing Stericycle's business practices touted victory over the fact that *no medical incinerator operations* were occurring in Arizona demonstrating that it is not just Stericycle, but medical incineration in general, that pose a considerable threat to the health and welfare of communities.

During the prior year in 2001, Stericycle closed a similar incineration facility in Oakland, California, shortly after it purchased the facility from Integrated Environmental Systems ("**IES**"). Despite closing the plant, Stericycle kept IES's contracts and simply shipped California's medical waste out of state to North Salt Lake for incineration. The community group in Arizona opposing Stericycle's business practices touted victory over the fact that *no medical incinerator operations* were occurring in California demonstrating that it is not just Stericycle, but medical incineration

in general, that pose a considerable threat to the health and welfare of communities. News articles describing these events are set forth in **Appendix 5.**

If the states of Utah, Arizona, California and the staff of North Las Vegas have concluded that medical waste incinerators pose such a grave threat to the health and welfare of local communities, we respectfully request that the Storey County Commission reach the same conclusion.

D. Stericycle Was Truthful to the Storey County Planning Commission About One Critical Fact — Accidents will Occur in Storey County if the SUP Request is Approved

During the questions posed by the Planning Commission at the August 6, 2020 meeting to Stericycle, Dominic Culotta, Stericycle's Executive Vice President of Engineering, made some very telling and truthful statements.

Mr. Culotta admitted there "will be some issues" with Stericycle's operation of a medical waste incinerator in Storey County, that vehicle accidents "will happen", and that Stericycle "will get better." These responses are unacceptable answers to critical questions surrounding the health and welfare of the Storey County community.

Stericycle has polluted and harmed in the past and Stericycle admitted to the Storey County Planning Commission that it may pollute and harm Storey County in the future. Yet, there was no follow up questions surrounding this troubling admission. Storey County must carefully question, investigate, and analyze this critical issue and not take Stericycle's inadequate justifications at face value.

III. SUMMARY OF STERICYCLE'S RECENT HISTORY OF CORPORATE IRRESPONSIBILITY.

In its PC Opposition, Blockchains provides detailed descriptions of recent violations, penalties, fraudulent and deceptive practices and class action settlements indicative of an alarming pattern of corporate irresponsibility, all supported by self-explanatory public records. For ease of reference by the Commission, the significant and troubling settlement speaking directly to Stericycle's character and credibility are summarized as follows:

- Stericycle has actively misled government agencies in the past. In 2020, Stericycle stipulated to pay a penalty of $2,256,000 in Tacoma, Washington for environmental violations – the WDOE originally fined Stericycle $1,900,000, but Stericycle agreed to pay $300,000 more for post-fire violations, including a coverup through misleading and incomplete documentation. *See* Appendix E to PC Opposition.

- Stericycle has paid significant fines for environmental violations. In 2018, Stericycle stipulated to a judgment of $1,412,000 and permanent injunction California for environmental violations in Rancho Cordova, California – due to continuing violations of the permanent injunction not to pollute, the California Attorney General filed a lawsuit against Stericyle in February 2020 seeking further enforcement. *See* Appendix

F to PC Opposition. These violations are recent, and Stericycle has failed to explain why its operations in Storey County would be any different. Vague power point presentations about new and "best-in-class" incinerator technology are just words in a presentation, nothing more.

- Stericycle has a history of defrauding governments. In 2016, Stericycle stipulated to a settlement of $28,500,000 in Illinois of a False Claims Act claim brought by a whistleblower on behalf of defrauded governments, including Nevada, pertaining to an overpricing scheme. *See* Appendix G to PC Opposition.

- Stericycle has a history of defrauding its customers. In 2017, Stericycle stipulated to a settlement of $295,000,000 in Illinois of a nationwide class action for consumer fraud and deceptive business practices pertaining to undisclosed automatic price increases. *See* Appendix H to PC Opposition. Additionally, in 2019, Stericycle entered into a stipulated settlement in Jersey totaling $867,800 for deceptive business practices and failure to disclose automatic price increases to customers. *See* Appendix J to PC Opposition.

- Stericycle has a history of defrauding its shareholders. In 2019, Stericycle stipulated to a settlement of $45,000,000 in Illinois of a class action for federal securities fraud by shareholders, including pension funds and state retirement systems, pertaining to materially false and misleading statements and failure to disclose the automatic price increases. *See* Appendix I to PC Opposition.

- Stericycle has a history of defrauding its employees. In 2018, Stericycle stipulated to a settlement of $2,000,000 in California of a class action for alleged violations of wage and hour laws. *See* Appendix K to PC Opposition.

- Additional troubling information is contained in Stericycle's 10-K report filed with the Securities and Exchange Commission on February 28, 2020 revealing:

  - The investigation by the federal Securities Exchange Commission and U.S. Department of Justice of Stericycle for violations of anti-corruption laws regarding Stericycle's operations in Latin America.

  - The investigation by the federal Drug Enforcement Agency regarding its facilities in Rancho Cordova, California and Indianapolis, Indiana.

  - The fine by the Mexican environmental enforcement agency of Stericycle for violations of Stericycle's subsidiary in Tabasco, Mexico. *See* Appendix I to PC Opposition.

This documented history, based on public records, cannot be disputed. It reveals an underside of corporate irresponsibility, deception and coverup of dangerous and fraudulent activities. Stericycle's troubled practices are reflected in its publicly-trade stock. In the last five years, the

stock has decreased in value by over forty-three percent (43%). These issues must be carefully investigated by the Storey County Commission.

Blockchains also believes that the Storey County Commission cannot make the findings required to meet approval of the SUP under the zoning code. Blockchains set forth this argument in detail on pages 7-13 its PC Opposition. A summary of this argument is set forth in **Appendix 6.**

IV. CONCLUSION.

Stericycle's half-truths and intentionally misleading statements to the Planning Commission provide the foundation for denial of the SUP Request by the Storey County Commission. Considering the long list of environmental violations uncovered in the PC Opposition, the facts clearly show that granting the SUP Request will cause substantial detriment to the public good and pose a substantial risk to the public health, safety and welfare of Storey County and its citizens. *Stericycle's calculated lack of candor to the Planning Commission translates into a lack of trust in protecting the public good, and public health and safety in Storey County.*

The inconvenient truth omitted by Stericycle is that it will shut down its North Salt Lake medical waste incinerator no later than July 1, 2022 as a direct result of an environmental enforcement action. Having faced rejection in North Las Vegas, Stericycle has every financial incentive to rush this project through the Storey County Commission for approval to not only ensure its medical waste incineration operations in the West continue, but to avoid $1,161,268 in additional fines by Utah if they do not shut down operations in a timely manner.

Based on the undisputed public records provided by Blockchains in its PC Opposition and the lack of candor exposed in this Updated Opposition, Blockchains respectfully requests the Storey County Commission to reject the recommendation of the Planning Commission and deny Stericycle's SUP Request. Stericycle is not a responsible corporate citizen, and its lack of transparency and truthfulness should make the Commissioners recognize the long-term negative consequences to Storey County if the Stericycle incinerator is approved.

Date: August 14, 2020

BLOCKCHAINS, LLC

By _____
Matthew Digesti Vice President of
Government Affairs and Strategic Initiatives

APPENDIX 1

BEFORE THE UTAH DIVISION OF AIR QUALITY

In The Matter of	:	Administrative Settlement Order
Stericycle, Incorporated	:	
No. 2013051501	:	

RECITALS

This Administrative Settlement Order ("Agreement") is entered into between Stericycle, Incorporated ("Stericycle") and the Director of the Utah Division of Air Quality ("DAQ," "Director," or "Division") pursuant to the Utah Air Conservation Act, Utah Code Ann. § 19-2-101 et seq. ("Act") and Utah Administrative Code ("UAC") Rule 305-7-320. For purposes of this Agreement, DAQ and Stericycle shall be referred to collectively as the "Parties."

1. **Utah Air Quality Board's and DAQ's Authority.**
The DAQ has authority to administer the Act, and to issue notices of violation and orders and to exercise all incidental powers necessary to carry out the purposes of the Act. Utah Code Ann. § 19-2-107. The Parties may agree to settle an action pursuant to Rule 305-7-320. The Utah Air Quality Board ("Board") has the authority to review and approve a settlement negotiated by the DAQ that requires a civil penalty of $25,000 or more. Utah Code Ann. § 19-2-104(3)(b)(i).

2. **Stericycle.**
Stericycle operates a hospital/medical/infectious waste incinerator located at 90 North Foxboro Drive, North Salt Lake, Davis County, Utah ("Facility").

3. **NOV and Amended NOV.**
DAQ issued a Notice of Violation and Order to Comply to Stericycle on May 28, 2013 ("NOV") and DAQ issued an Amended Notice of Violation and Order to Comply ("Amended NOV") to Stericycle on August 28, 2013. The Amended NOV superseded the NOV. The Amended NOV alleges that Stericycle violated several conditions of the Title V Operating Permit 1100055002 dated February 19, 2009.

4. **Request for Agency Action.**
Stericycle filed a Request for Agency Action ("RFAA") on September 27, 2013, which requested an evidentiary hearing to challenge the Amended NOV.

5. **Appointment of Administrative Law Judge.**

On April 24, 2014, the Executive Director of the Utah Department of Environmental Quality appointed an Administrative Law Judge ("ALJ") to conduct an administrative hearing to adjudicate the merits of the Amended NOV and RFAA.

6. **Settlement Discussions.**

The Parties have engaged in a series of settlement discussions starting before and continuing after the filing of the NOV and Amended NOV. As part of those discussions, it was suggested that one aspect of a resolution could involve moving Stericycle's incinerator operations at the Facility to another location, if a suitable, remote location could be found for a new incinerator in Utah, that would be built with better air pollution control technology than is currently required at the Facility but that would also be buffered from population centers and sited in compliance with setbacks within its property boundaries consistent with applicable land use regulations. Stericycle has found what it believes to be a suitable location, has entered into an agreement to purchase property at that location, and has begun the process to obtain the necessary approvals to construct and operate a new incinerator at this new location. In order to provide further incentive to Stericycle to complete this process, the Parties have agreed to the penalty payment structure outlined in Paragraph 11 below.

7. **Purpose.**

The purpose of this Agreement is to settle the violations alleged in the NOV dated May 28, 2013 and the Amended NOV dated August 28, 2013. This settlement shall not in any way relieve Stericycle of any obligation to comply with applicable, federal, state or local laws, rules or regulations, and nothing in this settlement shall preclude DAQ from taking appropriate action to abate a threat to public health or the environment should such a situation arise.

8. **No Admissions.**

The Parties now wish to resolve this matter fully without admissions of: any factual allegations or findings in the NOV or Amended NOV, any violations of law, rule, regulation or permit, any liability, wrongdoing, failure or omissions whatsoever; and without further administrative or judicial proceedings.

9. **Payments.**

Without any admission of liability, wrongdoing, or negligence, Stericycle has agreed to undertake the actions and make the payments identified in Paragraph 11 below.

10. **Mutual Interest.**

The Parties believe that it is in their mutual best interest to execute this Agreement and to settle the NOV and Amended NOV.

AGREEMENT AND ORDER

NOW THEREFORE, without adjudication of any issue of fact or law and without admission of any liability, and subject to the approval of the Board, the Parties hereby agree and DAQ orders as follows:

11. In settlement of the alleged violations referenced in Paragraphs 3 and 7 of this Agreement, Stericycle, agrees to a total stipulated penalty of $2,322,536.00, one half of which will be paid to the State of Utah upon execution of this Agreement as provided below, and the other half of which will be credited as provided below.

a. Civil Penalty paid to the State. Stericycle agrees to pay one-half of the penalty amount within thirty (30) days of the effective date of this Agreement, by wire transfer of funds in the amount of $1,161,268 payable to the State of Utah.

b. Supplemental Environmental Project (SEP) Credit for Remaining Civil Penalty. The remaining one-half of the penalty amount ($1,161,268) shall be credited as a Supplemental Environmental Project at the time Stericycle permanently stops operating the North Salt Lake Facility which will occur no later than three years from the date Stericycle obtains the final, non-appealable permits from the Utah Department of Environmental Quality (DEQ), all non-appealable local governmental approvals necessary to commence construction of the new incinerator and the Governor's approval referenced in Utah Code Ann. Section 19-6-108 (3)(c)(i) (hereinafter "All Necessary Approvals to Construct").

12. If the $1,161,268 payment referenced in Paragraph 11.a. is not made within 30 days, additional penalties shall accrue at the rate of $10,000 a day and DAQ may enforce payment through a civil action in Second District Court.

13. In order to ensure prompt and diligent efforts to relocate the Facility from its current location in North Salt Lake, Stericycle agrees to comply with the following:

a. Within 90 days of the date that DAQ signs this Agreement, Stericycle shall submit to the Utah Department of Environmental Quality ("DEQ") all permit applications (over which DEQ has jurisdiction) necessary to relocate the Facility to a new location.

b. 60 days from the date Stericycle obtains All Necessary Approvals to Construct, Stericycle will provide DAQ with a schedule for the construction of the incinerator in the new location in Tooele County, Utah.

c. Every 90 days thereafter, Stericycle shall provide DAQ with a report describing in detail Stericycle's good faith efforts to complete the construction referred to in Paragraph 13.b.

14. Within three years after the date that Stericycle obtains All Necessary Approvals to Construct, Stericycle's Title V Operating Permit 1100055002 (issued February 19, 2009) or any subsequent Title V Operating Permit renewal and Approval Order DAQE-AN101420011-14 (issued August 12, 2014) for the North Salt Lake Facility shall become null and void and Stericycle shall permanently cease operation at the North Salt Lake Facility.

15. None of the provisions of this Agreement shall be considered admissions by Stericycle and shall not be used by any third party related or unrelated to this Agreement for purposes other than determining the basis of this Agreement. This Agreement resolves any and all liability and claims under the authority of the DAQ arising from the NOVs listed in Paragraphs 3 and 7 of this Agreement against Stericycle, its officers, employees and agents and against any other unnamed owners and/or operators of the North Salt Lake Facility at the time of the alleged violations.

16. Nothing in this Agreement shall preclude the DAQ from seeking civil penalties for violations of this Agreement, future violations of the Act or Rules, or to issue future Notices or Orders. Nothing in this Agreement shall constitute a waiver by Stericycle of any defense or the ability to raise any factual or legal contention for future alleged violations, or in response to future Notices or Orders.

17. All notices, requests, demands, and other communications hereunder shall be in writing and shall be given by (i) established express delivery service which maintains delivery records, (ii) hand delivery, or (iii) certified or registered mail, postage prepaid, return receipt requested, to the Parties at the following addresses, or at such other address as the Parties may designate by written notice in the following manner:

Director
Bryce C. Bird
Utah Division of Air Quality
P.O. Box 144870
Salt Lake City, UT 84114-4870

Stericycle

Attn: Richard Kogler
Stericycle, Inc.
28161 N. Keith Drive
Lake Forest, IL 60045

With a copy to:

Christian C. Stephens
Office of Utah Attorney General
P.O. Box 140873
Salt Lake City, UT 84114-0873

Raymond J. Etcheverry
Parsons Behle & Latimer
201 South Main Street, Suite 1800
Salt Lake City, UT 84111

18. Successors and Assigns. All of the rights and obligations of the Parties under this Agreement shall be binding upon and inure to the benefit of their permitted successors. Stericycle shall not assign this Agreement without the written permission of DAQ.

19. Authority to Execute. Each person executing this Agreement individually and personally represents and warrants that he or she is duly authorized to execute and deliver the same on behalf of the entity for which he or she is signing, and that all corporate and/or legislative authority and approvals, as the case may be, have been obtained, and that this Agreement is a binding obligation on such entity.

20. Entire Agreement. This Agreement, which includes all recitals and terms hereto, constitutes the entire agreement between the Parties relating to the subject matter of this Agreement, and incorporates all prior correspondence, communications or agreements between the Parties relating to the subject matter of this Agreement, and cannot be altered except in writing signed by all Parties.

21. This Agreement shall be executed as follows: Stericycle shall execute this Agreement first. The Parties shall then present the Agreement to the Board for approval. If the Board approves the Agreement without change, DAQ will execute the Agreement.

Agreed:

Stericycle; Incorporated

_____ Date: 11/25/14
Richard Kogler
Chief Operating Officer

Agreed and Ordered:

_____ Date: _____
Bryce C. Bird, Director
Utah Division of Air Quality

BEFORE THE UTAH DIVISION OF AIR QUALITY

In the Matter of Stericycle, Incorporated No. 2013051501	Amendment to the Administrative Settlement Order Dated December 3, 2014

RECITALS

This is the Amendment to the Administrative Settlement Order dated December 3, 2014 ("Amendment") entered into between Stericycle, Incorporated ("Stericycle") and the Director of the Utah Division of Air Quality ("DAQ," "Director," or "Division"). Paragraph 20 of the December 3, 2014 Administrative Settlement Order ("Agreement") authorizes altering of the Agreement in writing signed by all the parties. Stericycle and the Director were the parties to the Agreement and these same parties are agreeing to this Amendment. For purposes of this Amendment, Stericycle and the Director shall be referred to collectively as the "Parties."

1. Reason for the Amendment.

On February 20, 2019, Stericycle met with the Director to discuss Stericycle's relocation of its North Salt Lake incinerator as required by the Agreement. Stericycle announced that the company has chosen not to relocate to a Tooele County location in Utah as originally contemplated by the Agreement.

AMENDED AGREEMENT AND ORDER

All provisions of the Agreement not specifically mentioned below remain in full force and effect and apply to this Amendment. The following provisions are added or modified by mutual agreement of the Parties:

2. Paragraph 11.b is modified as follows:

Supplemental Environmental Project (SEP) Credit for Remaining Civil Penalty. The remaining one-half of the penalty amount ($1,161,268) shall be credited as a Supplemental Environmental Project at the time Stericycle permanently stops operating the incinerator at the North Salt Lake Facility, which will occur no later than three years from July 1, 2019.

3. Paragraph 13 is modified as follows:

a) Paragraph 13.a is removed.

b) Paragraph 13.b is removed.

4. Paragraph 14 is modified as follows:

Within three years of July 1, 2019, Stericycle's Title V Operating Permit 1100055003 (issued September 28, 2015) or any subsequent Title V Operating Permit renewal and Approval Order DAQE-AN101420011-14 (issued August 12, 2014) for the incinerator at the North Salt Lake Facility shall become null and void and Stericycle shall permanently cease operation of the incinerator at the North Salt Lake Facility. Nothing in this Agreement precludes Stericycle from using the North Salt Lake location for any other lawful use, such as a transfer station.

5. Paragraph 21 is removed.

6. This Amendment shall be executed in counterparts and become effective on the date the last party signs this Amendment.

Agreed:

Stericycle, Incorporated

Richard Moore Date: 7/8/19

Rich Moore
Executive Vice President of North American Operations

Agreed and Ordered:

Bryce C. Bird Date: July 10, 2019

Bryce C. Bird, Director
Utah Division of Air Quality

APPENDIX 2

CITY OF NORTH LAS VEGAS
Your Community of Choice

Planning Commission Agenda Item

Date: June 12, 2019
Item No: 20.

TO: Planning Commission

FROM: Marc Jordan, Director Land Development & Community Services
Prepared By: Amy Michaels

SUBJECT: **UN-45-19 (69246) STERICYCLE MEDICAL WASTE INCINERATOR. (Public Hearing)** Applicant: Stericycle, Inc. Request: A special use permit in a M-2 (General Industrial District) to allow a Medical Waste Incinerator Facility. Location: Approximately 4,600 feet south of Apex Sapphire Avenue and 800 feet southwest from the end of Grand Valley Parkway (APN 103-15-010-027). (For possible action)

RECOMMENDATION:

The Land Development and Community Services Department recommends that UN-45-19 be denied.

GENERAL INFORMATION:

Comprehensive Plan:	Heavy Industrial
Existing land use and zoning:	Undeveloped; M-2, General Industrial District
Surrounding land use and zoning:	North: Developed Outdoor Recycling; M-2, General Industrial District West: Undeveloped; M-2, General Industrial District East: Undeveloped; M-2, General Industrial District South: Undeveloped; M-2, General Industrial District

BACKGROUND INFORMATION:

The applicant is requesting Planning Commission consideration for a special use permit to allow a medical waste incinerator. The site is located within the Apex Overlay District. The site is 6.45 acres in area and is located approximately 4,600 feet south of Apex Sapphire Avenue and 800 feet southwest from the end of Grand Valley Parkway.

The site and the proposed use were previously approved by the Planning Commission and City Council (UN-78-16) in December 2016. The special use permit approval lapsed in December 2018.

According to the applicant's letter of intent, the proposed use is a hospital, medical, and infectious waste incinerator. The incinerator will process medical waste, non-hazardous

pharmaceuticals, tissues, and other waste as determined by the Federal Division of Solid and Hazardous Waste. The applicant indicates that the impact on the surrounding areas should be minimal. After incineration, the resulting ash will be stored on site and then disposed into the landfill.

The letter of intent states that the development will contain a 44,000 square foot incinerator building with an attached 4,500 square foot office building. The floor plans submitted show a different building/area square footage. The floor plan indicates that the incinerator room is 15,300 square feet, the loading dock/plant area is 17,300 square feet, electrical/storage is 2,300 square feet and the maintenance room is 800 square feet for a total of 35,700 square feet. The letter of intent indicates that the site plan and floor plans are subject to revisions as detailed designs will be developed for building permits and construction.

Access to the site is from two driveways from the access road. The first driveway is for employee and visitor parking while the second driveway is for trucks and is gated. The site plan shows 69 parking spaces are provided, which is in compliance with the Apex Overlay Standards. The site plan does not indicate whether the parking areas are paved, which is required by code. The site plan does not show the required perimeter landscaping of five feet as required per the Apex Overlay standards. The site plan does not indicate where the ash will be stored after incineration. The elevations show an ash canopy on the west side of the building; however, it does not indicate if the ash is being stored in the building or outside of the building. The ash cannot be stored outside of the building. According to the site plan there are three detention ponds located onsite and the ash could be carried by wind or a rain event into the ponds contaminating the water, or onto surrounding properties.

The elevations submitted, indicate that the building is precast metal panels with a prefinished metal parapet cap with eight truck bays. The elevations also show an ash storage canopy on the west side of the building.

DEPARTMENT COMMENTS:

Public Works:	Please see the attached memorandum.
Police:	No comment.
Fire:	Please see the attached memorandum.

ANALYSIS

The proposed medical waste incinerator is an intense industrial use located in the Apex Overlay District. The Apex Overlay District was created specifically for intense industrial activities that are not appropriate within the Las Vegas Valley. The applicant's letter of intent states that the waste processed at the facility will include medical waste generated in healthcare or healthcare related facilities (doctor's office, dentist, etc.), veterinary and animal care facilities, research facilities, pharmaceutical manufacturing

and distribution facilities. The letter also states that the typical wastes include paper, plastic, cloth, human and animal tissue, expired and unused non-hazardous pharmaceuticals, and similar wastes.

Staff has concerns about the environmental effects from the proposed medical waste incinerator use. Incinerators can release a variety of pollutants depending on the composition of the waste being incinerated. This could lead to the release of substances of unknown toxicity into the air and environment, which could negatively impact people around the Apex area. The applicant provided information that indicates a variety of emissions into the air and that information is an estimate from all the facilities that they operate. However, the emissions are an estimate based on their other facilities. Since this information is an estimate, some facilities may release more pollutants than others in operation. Some of the pollutants that can be released include: carbon monoxide, hydrogen chloride, dioxins and furans, particulate matter, oxides of nitrogen, sulphur dioxide, mercury, cadmium, and lead.

When pollutants form, incineration facilities disperse them into the air, people that are close to the facility may be exposed directly to the pollutants through inhalation or indirectly through the consumption of contaminated food or water. The facility proposes to have 30-35 employees and other facilities in the vicinity also have employees. There are several businesses located within the vicinity of the proposed use: Shed Holdings, UNEV Pipeline, Nevada Power, Circle S Farms, Delta Liquid Energy, Waveseer, and a truck stop located to the east off of the I-15. The state's Desert National Wildlife Park is also located to the north of the site. Emissions from this facility could negatively impact people working in this area and impact the wildlife at the refuge. Contaminants can be carried through the air and can affect soil, water and food sources which in turn can impact people and the wildlife.

According to the Blue Ridge Environmental Defense League in North Carolina, dioxins and furans which are only two types of air pollutants created by medical waste incinerators have been called the most dangerous chemicals known to man and are air pollutants that are released from medical waste incinerators (Attachment G). These chemicals form when the incinerator temperatures are not consistent; when the waste is not completely incinerated; and during by-pass events when air pollution control equipment fails. In the event of an explosion, the facility would not perform the by-pass procedures and air pollutants formed during incineration are released into the air and can travel long distances contaminating the environment.

Another concern is the discharge of wastewater created by the operation of the incinerator facility. The applicant states that a neighboring business has agreed to take their wastewater however, if this does not happen the applicant has not stated how they will dispose of the wastewater. If the wastewater is not treated properly, it will pollute the environment.

Stericycle has had several violations for the operation of their incinerator sites.

- In June of 2004, Stericycle was fined by the Ohio Environmental Protection Agency for improper disposal of hazardous waste. Twelve cubic yards of hazardous waste treatment sludge was sent to a solid waste landfill. (Exhibit A)

- In 2011, Stericycle was in violation of air emissions test in Utah. The stack tests that were done exceeded acceptable levels for hazardous pollutants, nitrogen oxides and highly reactive gases. Stericycle was fined for this violation by the Utah Environmental Protection Agency. (Exhibit B)

- April 2011, Stericycle was in violation of air quality regulations in California for failing to inspect their diesel trucks to ensure that they met smoke emission standards. (Exhibit C)

- In 2014, Stericycle agreed to a settlement with the state of New Mexico for violations of excess waste storage time and inappropriate emergency response preparation. (Exhibit D)

- In 2017, Stericycle was fined by the Department of Ecology in the State of Washington for not treating their wastewater which overwhelmed the treatment plant in Morton, Washington and caused the plant to violate the water quality permit. (Exhibit E)

- In 2018, Stericycle received a violation from the United States Environmental Protection Agency for failing to maintain a liability insurance policy that would provide adequate coverage to third parties (neighbors) whose health and properties could be harmed by a release of hazardous wastes from the facility. (Exhibit F)

The proposed medical waste incinerator is a heavy industrial use does not appear to be appropriate in the Apex Overlay District. There are many environmental and health concerns with the use. Pollutants are created at various stages of the process in the stack pipes, ashes, scrubber water and filters and in the smoke that leaves the stack. The emissions of pollutants can affect the health and welfare of people that work around the Apex area as well as the employees of the facility. There could also be an impact on the wildlife within the Desert National Wildlife Park. Therefore, staff does not support this special use permit request.

Requirements for Approval of a Special Use Permit

Medical Waste Incinerators are permitted as a special use in the M-2, General Industrial Apex Overlay Area. In accordance with the Zoning Ordinance, the Planning Commission may, by motion, grant a special use permit if the Planning Commission finds, from the evidence presented, that all of the following criteria are satisfied:

1. That the proposed use at the particular location is necessary or desirable to

provide a service or facility which will contribute to the general well-being of the neighborhood or the community.

2. That such use will not, under the circumstances of the particular case, be detrimental to the health, safety or general welfare of persons residing or working in the vicinity, or injurious to property or improvements in the vicinity.

3. That the proposed use will comply with the regulations and conditions specified in this code for such use.

4. That the granting of this special use permit will not adversely affect the master plan of the City.

Staff does not support the proposed use. The proposed use is consistent with the zoning designation and the Comprehensive Plan. However, the proposed use creates a number of environmental and health concerns. Additionally, the applicant has demonstrated an unwillingness to comply with State and Federal guidelines for this use. Therefore, the potential danger to the Apex area, the city as a whole, and the employees within the area warrant a recommendation of denial.

If however, the Planning Commission were to determine that approval is warranted, then staff recommends the following conditions.

Planning and Zoning:

1. That, unless expressly authorized through a variance, waiver or another approved method, this development shall comply with all applicable codes and ordinances.

2. No outdoor storage of waste or ash shall be permitted.

3. All trucks / trailers storage shall be within the gated and fenced yard.

4. A five (5) foot perimeter landscaping buffer is required by the Apex Standards.

5. Buildings shall comply with the architectural character and materials within the Apex Overlay standards.

Public Works:

6. All known geologic hazards shall be shown on any preliminary development plans and civil improvement plans submitted to the City. Subsequent

identification of additional hazards may substantially alter development plans.

7. Approval of a drainage study is required prior to submittal of the civil improvement plans.

ATTACHMENTS:

Public Works Memorandum
Fire Prevention Memorandum
Letter of Intent
Site Plan
Building Elevations
Exhibit A
Exhibit B
Exhibit C
Exhibit D
Exhibit E
Exhibit F
Exhibit G
Clark County Assessor's Map
Location and Zoning Map

Exhibit A

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Stericycle Fined for Improper Disposal of Hazardous Waste

February 28, 2005

Ohio EPA has reached a settlement with Stericycle, Inc., for violating hazardous waste laws. The Trumbull County company has agreed to pay a $10,900 civil penalty. Stericycle operates an infectious waste incinerator and two autoclaves at its facility located at 1901 Pine Avenue SE, Warren, OH. The facility is a large generator of hazardous waste including wastewater treatment sludge and incinerator ash.

On June 14, 2004, Ohio EPA was notified by Stericycle that it had sent a roll-off box containing 12 cubic yards of hazardous waste treatment sludge to a solid waste landfill. The sludge was disposed of at a Mahoning County landfill not permitted to accept hazardous waste. Approximately 80 tons of material containing both the hazardous waste sludge and surrounding solid waste were later removed from the landfill and sent to a permitted hazardous waste facility.

On June 28, 2004, an Ohio EPA inspector noted additional violations at Stericycle. They included: failure to conduct and document weekly inspections of emergency equipment; failure to include and update emergency-related information in the hazardous waste contingency plan; and failure to maintain job titles and descriptions for employees who handle or manage hazardous waste.

Exhibit B

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY

Notice of Violation: Stericycle Inc.

Update December 3, 2014

The Air Quality Board approved the Stericycle Agreement (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013018.pdf) (275 KB) between DEQ and Stericycle for the violations asserted in the August 28, 2014 Notice of Violation (NOV).

Update December 1, 2014

- Fact Sheet (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013032.pdf) (558 KB)

The Department of Environmental Quality (DEQ) and Stericycle reached a Settlement Agreement (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013039.pdf) (275 KB) on the violations asserted in the August 28, 2014 Notice of Violation (NOV). The Agreement requires Air Quality Board approval before becoming final.

The terms of the agreement are as follows:

1. Stericycle shall pay a total stipulated penalty of $2,322,536.00.
    a. The company will pay half of this penalty ($1, 161, 268) to the state's General Fund within 30 days.

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b. The remaining half of the penalty will be credited as a Supplemental Environmental Project (SEP) (http://www2.epa.gov/enforcement/supplemental-environmental-projects-seps) when Stericycle permanently ceases operations at its current North Salt Lake location.

2. Stericycle shall relocate its medical waste incinerator to a new location in Tooele County no later than three years after the company receives the following documents:

   a. final, non-appealable permits from DEQ
   b. final, non-appealable permits from local governments
   c. Governor's approval for construction required under state statute (http://le.utah.gov/xcode/Title19/Chapter6/19-6-S108.html?v=C19-6-S108_1800010118000101)

3. Stericycle shall submit all permit applications necessary to relocate the facility within 90 days of a signed agreement.

   a. Sixty days after Stericycle receives all Necessary Approvals to Construct, the company will provide a construction schedule to the Division of Air Quality (DAQ).
   b. Every 90 days, Stericycle will provide DAQ with a report on the construction progress.

4. Within three years to the date that Stericycle obtains all Necessary Approvals to Construct, Stericycle's Title V Operating Permit (February 19, 2009) (https://documents.deq.utah.gov/air-quality/facilities/stericylce/DAQ-2018-013042.pdf) (136 KB) and its Title V renewal and Approval Order (August 12, 2014) (https://documents.deq.utah.gov//air-quality/facilities/stericylce/DAQ-2018-013049.pdf) (117 KB)

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will become null and void, and Stericycle will permanently cease operations at its North Salt Lake facility.

The Agreement resolves all claims under the NOV. Air pollution control upgrades to the incinerator over the past two years have brought the facility into compliance with all applicable federal and state air quality regulations.

Update April 24, 2014

The Executive Director of DEQ appointed an administrative law judge (ALJ) to conduct an administrative hearing on the amended NOV and Stericycle's Request for Agency Action (RFAA) for an evidentiary hearing to challenge the amended NOV.

On May 28, 2013, the Division of Air Quality (DAQ) issued a Notice of Violation and Order to Comply (https://documents.deq.utah.gov/air-quality/facilities/stericyIce/DAQ-2018-013053.pdf) (8.1 MB) to Stericycle for multiple violations of its Title V air quality operating permit.

The Order required Stericycle to take all necessary actions to bring its operations into compliance with all applicable provisions of the Utah Air Conservation Act and submit written notification of its intent to comply, outlining how, and when compliance will be achieved to DAQ in writing on or before the 15th day after it received the Order. Stericycle submitted its 15-day response to the NOV (https://documents.deq.utah.gov//air-quality/facilities/stericyIce/DAQ-2018-013058.pdf) (1.8 MB) to DAQ on June 14, 2013 and requested a 30-day extension from DAQ to decide whether it will challenge the Order. Stericycle submitted a request for extension (https://documents.deq.utah.gov/air-quality/facilities/stericyIce/DAQ-2018-013062.pdf) (205 KB) on July 26, 2013, asking for additional time to work towards a settlement. DAQ granted Stericycle an extension

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(https://documents.deq.utah.gov/air-quality/facilities/stericylce/DAQ-2018-013066.pdf) (154 KB) until August 30, 2013. DAQ requested, and Stericycle agreed, to weekly meetings to advance settlement discussions, with an option for additional meetings as needed.

The Division of Air Quality identified a need to modify the NOV to explicitly cover each day of the nitrogen oxides (NOx) emission limit violation based on the charging rate of waste prior to the installation of additional NOx controls. On August 28, 2013, DAQ issued an Amended Notice of Violation and Order to Comply (https://documents.deq.utah.gov//air-quality/facilities/stericylce/DAQ-2018-013069.pdf) (6.7 MB). Stericycle responded to this Amended Notice of Violation by filing a Request for Agency Action (https://documents.deq.utah.gov//air-quality/facilities/stericylce/DAQ-2018-013070.pdf) (485 KB) with the Division on September 27, 2013.

Stericycle demonstrated compliance with the emission limits contained in its permit as of April 10, 2013, with the penalty accruals for the violations listed in the NOV ending on that date. Under state rules, DAQ can levy fines of up to $10,000 per day for every violation.

The violations identified in the Notice of Violation (NOV) occurred between 2011 and 2013. They include:

1. emissions exceeding the permit limits for dioxin and furan
2. emissions exceeding the permit limits for NOx on multiple occasions
3. failure to report these emission exceedances to DAQ in a requisite time frame
4. failure to maintain normal operating conditions during a stack test
5. failure to include the test results demonstrating these emission exceedances in the requisite annual and semi-annual monitoring reports

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The Division Director will determine the penalties (https://rules.utah.gov/publicat/code/r307/r307-130.htm) for noncompliance based on the nature and extent of the violations and the potential for harm from the violations. Violations with a high potential for impact on the public health and the environment are subject to the highest penalties.

The Notice of Violation and Order to Comply is a document that describes findings of fact, identifies violations based on these findings, and issues mandatory compliance provisions based on the findings and violations. It does not establish penalties, but does provide information the Division Director can use in determining fines.

Contacts

- Air Quality Compliance History: Rusty Ruby __
- Air Quality Permit: Jon Black __
- Health Related Concerns: Steve Packham __, Toxicologist
- Solid Waste Permit and Compliance History: Roy Van Os __.

© 2019 Utah Department of Environmental Quality
195 North 1950 West, Salt Lake City, UT 84116
Office: (801) 536-4400
⚠ Environmental Incidents (https://deq.utah.gov/general/report-an-incident): (801) 536-4123

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Exhibit C

CALIFORNIA AIR RESOURCES BOARD

Stericycle, Inc. Case Settles for $13,500

This page last reviewed December 28, 2011

In April 2011, Stericycle Inc. agreed to pay $13,500.00 in penalties for violating air quality regulations: $10,125.00 will go to the California Air Pollution Control Fund, which provides funding for projects and research to improve California's air quality; $3,375.00 will go to Peralta Community College District to fund emission education classes conducted by participating California community colleges, under the California Council for Diesel Education and Technology (CCDET) program.

An investigation by the Air Resources Board (ARB) showed that Stericycle Inc. failed to properly self-inspect their diesel trucks to assure the trucks met state smoke emission standards, and to properly affix emission control labels the engines of their fleet vehicles. ARB documented violations as they related to the Periodic Smoke Inspection Program (PSIP). To settle the case, Stericycle Inc. agreed to the $13,500.00 penalty and to comply with the Emission Control Label and Periodic Smoke Inspection programs, and other ARB programs.

CONTACT US

(800) 242-4450 | helpline@arb.ca.gov
1001 I Street, Sacramento, CA 95814
P.O. Box 2815, Sacramento, CA 95812

The California Air Resources Board is one of six boards, departments, and offices under the California Environmental Protection Agency.

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Exhibit D

Stericycle agrees to $120,800 settlement with state

By ABQJournal News Staff

Published: Friday, May 8th, 2015 at 2:41pm
Updated: Friday, May 8th, 2015 at 2:56pm

SANTA FE —The state Environment Department has entered into a $120,813 settlement agreement with Stericycle Specialty Waste Solutions, Inc., which manages hazardous waste from small quantity generators, non-hazardous waste, universal waste, household hazardous waste and used oil.

State inspectors discovered 15 alleged violations during a February 2014 routine inspection, including issues pertaining to excess waste storage time, inappropriate emergency response preparation, incomplete waste shipping documents and insufficient employee training.

Stericycle has taken action to prevent a recurrence of those violations, a state Environment Department news release said.

Auto Racing

One-shot drivers hoping to use Indy 500 as launching pad

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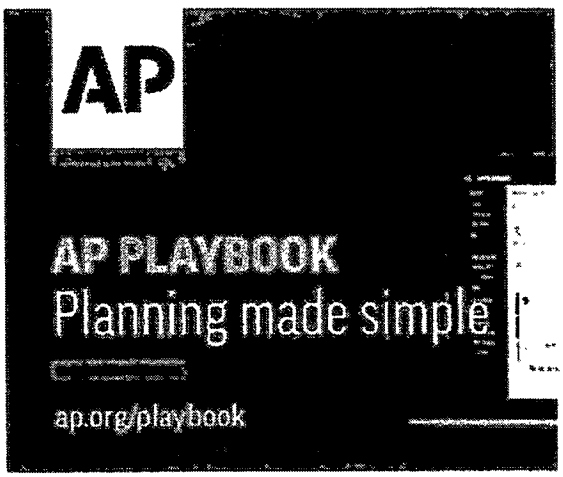

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Stewart, Gibbs, Labonte elected to NASCAR Hall of Fame

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Exhibit E

DEPARTMENT OF ECOLOGY
State of Washington

Department of Ecology News Release - April 25, 2018
Updated: April 25, 2018

Stericycle medical waste facility fined for polluted wastewater

MORTON – Over a 10-month stretch in 2017, Stericycle Inc. repeatedly discharged polluted wastewater from its medical waste processing plant in Morton. The wastewater disrupted the city's treatment plant and threatened aquatic life in the Tilton River.

The Washington Department of Ecology has fined Stericycle $72,000 for not properly treating its wastewater, and for not notifying the city or Ecology within 24 hours of its violations.

Stericycle receives medical waste from Washington, Oregon, and Idaho. It is required (by an Ecology permit) to limit conventional pollutants like pH, oil and grease, solids, and any material that consumes oxygen in the water.

One of Stericycle's polluted discharges overwhelmed Morton's treatment plant and caused the plant to violate its own water quality permit. Another discharge included excessive mercury, which can cause death or disease to living organisms. And, in nine cases, the company exceeded the limits set to protect oxygen in water; fish and other aquatic animals need the dissolved oxygen to live.

"All companies are expected to carefully manage their facilities so discharges do not cause harmful pollution. When Stericycle sent polluted wastewater to Morton's treatment plant, it disrupted city operations," said Heather Bartlett, who manages Ecology's water quality program. "We expect Stericycle to promptly

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make the necessary changes to its treatment system to protect their workers, Morton's facility, and waters downstream."

In addition to the penalty, Ecology has ordered Stericycle to hire outside experts to assess the company's treatment system within 30 days, and propose corrective action to Ecology within 60 days. The company must complete all corrective action within 90 days.

Stericycle has 30 days to appeal this penalty to the Washington State Pollution Control Hearings Board. Water pollution fines are placed in the state's Coastal Protection Fund that provides grants to local and tribal governments for water quality improvement projects.

Contact information

Dave Bennett
Communications
dave.bennett@ecy.wa.gov
Primary: 360-407-6239
Twitter: ecySW

Exhibit F

An official website of the United States government.

We've made some changes to EPA.gov. If the information you are looking for is not here, you may be able to find it on the EPA Web Archive or the January 19, 2017 Web Snapshot. Close

EPA United States Environmental Protection Agency

News Releases from Region 10

Stericycle settles with EPA, pays penalty for violations of hazardous waste law

12/18/2018

Contact Information:
Mark MacIntyre (macintyre.mark@epa.gov)
206-553-7302

Today, the U.S. Environmental Protection Agency announced a settlement of a significant hazardous waste liability case against Stericycle, a company that treats and stores hazardous wastes at facilities in Kent and Tacoma.

"Protecting human health and the environment also means ensuring that storing and treating hazardous waste at a commercial level does not harm people or their property," said EPA Region 10 Office of Compliance and Enforcement Director Ed Kowalski. "Protection – and fairness – dictates that a company must be able to compensate its neighbors if it does them harm."

Stericycle agreed to pay a $150,000 penalty after EPA found that the company violated terms of its waste-handling and storage permit by failing to maintain a liability insurance policy that would provide adequate coverage to third parties – neighbors – whose health and properties could be harmed by a release of hazardous wastes from the facilities. Stericycle agreed to the settlement without admitting the allegations it contains.

Liability insurance is a particularly important issue in the low-income areas where these types of facilities often operate. Such insurance is a key component of the overall permitting system, which is intended to ensure the safe operation of commercial hazardous waste handling facilities, where dangerous fires, spills, and other incidents can occur. EPA found that pay-outs in Stericycle's policy could have been consumed by legal fees rather than payment to those harmed by such a release.

EPA is looking closely at the liability insurance policies at all hazardous waste handlers in the Pacific Northwest and is working closely with the states' environmental agencies to ensure these handlers are meeting all their permit obligations.

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LAST UPDATED ON DECEMBER 18, 2018

000100

Stericycle settles with EPA, pays penalty for violations of hazardous waste law

By Scott Schaefer - December 19, 2018

On Wednesday (Dec. 19), the U.S. Environmental Protection Agency announced a settlement of a significant hazardous waste liability case against Stericycle, a company that treats and stores hazardous wastes at facilities in Kent and Tacoma.

Here's more from the EPA:

> "Protecting human health and the environment also means ensuring that storing and treating hazardous waste at a commercial level does not harm people or their property," said EPA Region 10 Office of Compliance and Enforcement Director Ed Kowalski. "Protection – and fairness – dictates that a company must be able to compensate its neighbors if it does them harm."

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EPA is looking closely at the liability insurance policies at all hazardous waste handlers in the Pacific Northwest and is working closely with the states' environmental agencies to ensure these handlers are meeting all their permit obligations.

Get FREE hyperlocal news for Kent daily via email – sign up here:

Exhibit G

Air pollutants that are released from medical waste incinerators

Dioxins & Furans – Dioxins have been called the most dangerous chemical known to man. Contrary to popular usage, "dioxin" is *not one compound* of a single, defined toxicity, but a *family of compounds* consisting of 17 dioxins and furans, and 13 polychlorinated biphenyls (PCBs). Each have a wide range of toxicity. Dioxins form from the burning of plastics and paper containing polyvinyl chloride. Furans, are similar to dioxins, and cause cancer in animals, and are suspected to cause cancer in people. These chemicals form when temperatures are not consistent, when waste is not completely incinerated, and during by-pass events when air pollution control equipment fails.

Items common to medical waste that may contain dioxins and furans are blood bags and fluid (IV) bags. Smaller amounts of dioxins are present in bleached paper products including facial tissue, toilet tissue, paper towels, and disposable diapers. Instead of recycling them, the BMWNC medical waste incinerator needlessly burns plastic and paper products – the very things that when burned form dioxins and furans. Dioxins formed during incineration are released into the air and travel long distances via air currents, contaminating fields and crops. Cattle and other livestock eat soil contaminated with dioxin, the dioxin enters their tissues, and then people eat the contaminated meat and dairy products. Once dioxins enter the human body they are absorbed by fat tissue where they stay for years. In the environment, dioxins tend to accumulate in the food chain. Birds are highly susceptible to poisoning because of their eating habits close to the ground. Dioxin is absorbed by algae in surface waters and eaten by fish which then become poisoned by dioxins.

Dioxins cause cancer. Long-term, low-level exposure of humans to dioxins and furans can lead to the impairment of the immune system, impairment of the development of the nervous system and endocrine system, birth defects, altered liver functions, breast cancer, and reproductive functions. Dioxins have also been linked with lowered sperm counts, behavioral problems and increased incidence of diabetes. A systematic review of epidemiologic studies has found an association between dioxin exposure and heart disease. Short-term, high-level exposure may result in skin ulcers called chloracne. Exposure of animals to dioxins has resulted in several types of cancer.

Mercury - Mercury is found in dental wastes which are burned by medical waste incinerators. A neighborhood being poisoned by mercury emissions from a medical waste incinerator (Stericycle) in Alamance County demanded that the incinerator stop taking dental waste. The state issued an order to that made it illegal for the incinerator to take medical waste and a sharp decrease in mercury emissions resulted. Mercury is suspected to cause cancer. At high levels it may damage the brain, kidneys, and developing fetus. Children are at special risk. It can affect the brain functioning, mental retardation, seizures, tremors, inability to speak, kidney damage, digestive problems, and may result in irritability, shyness, tremors, changes in vision or hearing, and memory problems. Very young children are more sensitive to mercury than adults. Mercury in the mother's body passes to the fetus and it can also pass to a nursing infant through breast milk.

Hydrogen Chloride - Hydrogen chloride is a colorless gas with a pungent odor. Heavier than air, it accumulates in low-lying areas. Hydrogen chloride is irritating and corrosive to any tissue it contacts. Brief exposure to low levels causes throat irritation; exposure to higher levels can result in rapid breathing, narrowing of the bronchioles, blue coloring of the skin, accumulation of fluid in the lungs, and even death. Some people may develop an inflammatory reaction to hydrogen chloride, called reactive airways dysfunction syndrome (RADS), a type of asthma caused by irritating or corrosive substances. It is not known if hydrogen chloride causes cancer or reproductive problems.

Nitrogen Oxide - Low levels of nitrogen oxides in the air can irritate your eyes, nose, throat, and lungs, possibly causing coughs and shortness of breath, tiredness, and nausea. Breathing high levels of nitrogen oxides can cause rapid burning, spasms, and swelling of tissues in the throat and upper respiratory tract, a build-up of fluid in your lungs, and death. Exposure of pregnant animals to nitrogen oxides has resulted in toxic effects in developing fetuses. Nitrogen oxides have also caused changes in the genetic material of animal cells. We do not know if exposure to nitrogen oxides causes reproductive or developmental effects in humans.

Lead - Lead is one out of four metals that have the most damaging effects on human health. Lead is highly toxic and can enter the human body through uptake of contaminated food, water and air. Health effects include anemia, elevated blood pressure, kidney damage, miscarriages and subtle abortions, disruption of nervous systems, brain damage, and declined fertility of men through sperm damage. Lead is particularly harmful to children, and exposure can result in diminished learning abilities, and behavioral disruptions, such as aggression, impulsive behavior and hyperactivity.

Cadmium - Cadmium is an extremely toxic metal and causes cancer. Acute exposure may result in flu-like symptoms of weakness, fever, headache, chills, sweating and muscular pain. Chronic or long-term exposure is lung and/or prostate cancer, and kidney damage. Cadmium also is believed to cause pulmonary emphysema and bone disease. Cadmium may also cause anemia, teeth discoloration and loss of smell.

Sulfur dioxide - High concentrations of sulfur dioxide can result in breathing problems with asthmatic children and adults who are active outdoors. Short-term exposure has been linked to wheezing, chest tightness and shortness of breath. Other effects associated with longer-term exposure include respiratory illness, alterations in the lungs' defenses and aggravation of existing cardiovascular disease.

Carbon monoxide - Carbon monoxide is an odorless, colorless, toxic gas and results from incomplete combustion. It is impossible to see, taste or smell the toxic fumes. At lower levels of exposure, carbon monoxide causes mild effects hat are often mistaken for the flu. These symptoms include headaches, dizziness, disorientation, nausea and fatigue. The effects of carbon dioxide exposure can vary greatly from person to person depending on age, overall health and the concentration and length of exposure.

Particulate matter - Particle pollution, especially fine particles, contains microscopic solids or liquid droplets so small that they can get deep into the lungs and cause serious health problems. Numerous scientific studies have linked particle pollution exposure to a variety of problems, including increased respiratory symptoms, such as irritation of the airways, coughing, or difficulty breathing, decreased lung function, aggravated asthma, development of chronic bronchitis, irregular heartbeat, nonfatal heart attacks and premature death in people with heart or lung disease. People with heart or lung diseases, children and older adults are the most likely to be affected by particle pollution exposure. However, even if you are healthy, temporary symptoms may result from exposure to elevated levels of particle pollution.

The President's Cancer Panel recently issued a new report on the dangers of chemicals in our environment. The report concluded that tens of thousands of chemicals and other substances currently in use have never have been evaluated, and it is not known how many cause cancer. Only a handful of chemical mixtures have been assessed, and virtually nothing is known about the toxicity of the *combinations of various chemicals* under various situations. New chemicals are created from the incineration process, and these are not tested or regulated. Stericycle's draft permit allows for more waste to be incinerated. Do we really want to place our communities at greater risk for illness and disease when there are cleaner, safer alternatives?

MINUTES
CITY OF NORTH LAS VEGAS
PLANNING COMMISSION REGULAR MEETING

June 12, 2019

BRIEFING

5:30 p.m., Caucus Room, 2250 Las Vegas Boulevard, North
North Las Vegas, Nevada 89030

CALL TO ORDER

6:00 p.m. Council Chambers, 2250 Las Vegas Boulevard, North
North Las Vegas, Nevada 89030

ROLL CALL

COMMISSIONERS PRESENT

Chairman Al Greer
Vice-Chairman Willard Ewing
Commissioner Kenneth Kraft
Commissioner Rick Lemmon
Commissioner Travis Roundy
Commissioner George Warner
Commissioner Justin Berrett

STAFF PRESENT

Director Land Development & Community Services Marc Jordan
Planning & Zoning Manager Robert Eastman
Principal Planner Amy Michaels
Recording Secretary Julie Shields
Deputy City Attorney Jonathan Winn

PLEDGE OF ALLEGIANCE - BY INVITATION

Commissioner Rick Lemmon

PUBLIC FORUM

There was no public participation.

AGENDA

1. **APPROVE PLANNING COMMISSION REGULAR MEETING AGENDA OF JUNE 12, 2019. (FOR POSSIBLE ACTION)**

ACTION: APPROVED AS AMENDED; ITEM NO. 20, UN-45-19, WITHDRAWN PER THE APPLICANT'S REQUEST; ITEM NO. 26, UN-34-19, CONTINUED TO JULY 10, 2019, PER THE APPLICANT'S REQUEST; ITEM NO. 32, ZN-14-19, CONTINUED TO JULY 10, 2019, PER THE APPLICANT'S REQUEST; ITEM NO. 33, T-1484, CONTINUED TO JULY 10, 2019, PER THE APPLICANT'S REQUEST

MOTION: Commissioner Kraft

000104

c. Elkhorn Road

14. All Nevada Energy easements, appurtenances, lines and poles must be shown and shall be located entirely within the perimeter landscape area of this development. Distribution lines, existing or proposed, shall be placed underground if impacted by the proposed development of the parcel or if the pole impedes upon the proper ADA clearances for sidewalk. Under no circumstances will new down guy wires be permitted.

15. Approval of a traffic study is required prior to submittal of the civil improvement plans. Please contact Traffic Engineering at 633-2676 to request a scope. A queuing analysis may be required.

MOTION: Commissioner Berrett
AYES: Chairman Greer, Vice-Chairman Ewing, Commissioners Kraft, Lemmon, Roundy, Warner, and Berrett
NAYS: None
ABSTAIN: None
ABSENT: None

20. UN-45-19 (69246) STERICYCLE MEDICAL WASTE INCINERATOR (PUBLIC HEARING) APPLICANT: STERICYCLE, INC. REQUEST: A SPECIAL USE PERMIT IN AN M-2 (GENERAL INDUSTRIAL DISTRICT) TO ALLOW A MEDICAL WASTE INCINERATOR FACILITY. LOCATION: APPROXIMATELY 4,600 FEET SOUTH OF APEX SAPPHIRE AVENUE AND 800 FEET SOUTHWEST FROM THE END OF GRAND VALLEY PARKWAY. (APN 103-15-010-027) (FOR POSSIBLE ACTION)

ACTION: WITHDRAWN PER THE APPLICANT'S REQUEST

MOTION: Commissioner Kraft
AYES: Chairman Greer, Vice-Chairman Ewing, Commissioners Kraft, Lemmon, Roundy, Warner, and Berrett
NAYS: None
ABSTAIN: None
ABSENT: None

21. UN-44-19 (69243) THE GROVE (PUBLIC HEARING). APPLICANT: JEFFREY OWENS. REQUEST: A SPECIAL USE PERMIT IN A C-1 (NEIGHBORHOOD COMMERCIAL DISTRICT) TO ALLOW A FULL "ON-SALE" LIQUOR LICENSE IN CONJUNCTION WITH A CIGAR LOUNGE, WITH A REQUEST FOR A WAIVER FROM THE REQUIRED 400 FOOT SEPARATION FROM A PARK. LOCATION: 479 WEST CRAIG ROAD, SUITE 102. (APN 139-03-311-016) (FOR POSSIBLE ACTION)

Amy Michaels, Principal Planner, presented the agenda reports, stating staff recommended denial of Item No. 21, UN-44-19.

Ms. Michaels advised the applicant stated the business would be in operation from 10:00 a.m. until 2:00 a.m., seven days per week. The applicant submitted a stamped survey plat that indicates the proposed establishment does not comply with the 400 foot separation requirement and a waiver has been requested. The proposed use does not meet the distance requirements per code to a park. The Police Department provided a memo that addresses the concerns regarding the "On-Sale" use at this location

APPENDIX 3

Construction starts on 12-mile pipeline to pump water to Apex

North Las Vegas City Manager Ryann Juden points during ceremonies to begin construction of a water pipeline in North Las Vegas, Tuesday, July 31, 2018. The pipeline will provide water for industrial development in Apex. Erik Verduzco Las Vegas Review-Journal @Erik_Verduzco

By Art Marroquin Las Vegas Review-Journal

July 31, 2018 - 5:54 pm

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Water is expected to start flowing through part of Apex Industrial Park by late 2020 after more than two decades of efforts to jump-start development on this sprawling chunk of vacant land in North Las Vegas.

With the turn of several ceremonial shovels, construction started Tuesday on a 12-mile pipeline that will stretch from North Hollywood Boulevard near Interstate 15 to the southern section of Apex. The pipeline will be capable of delivering water to more than 3,000 acres of land.

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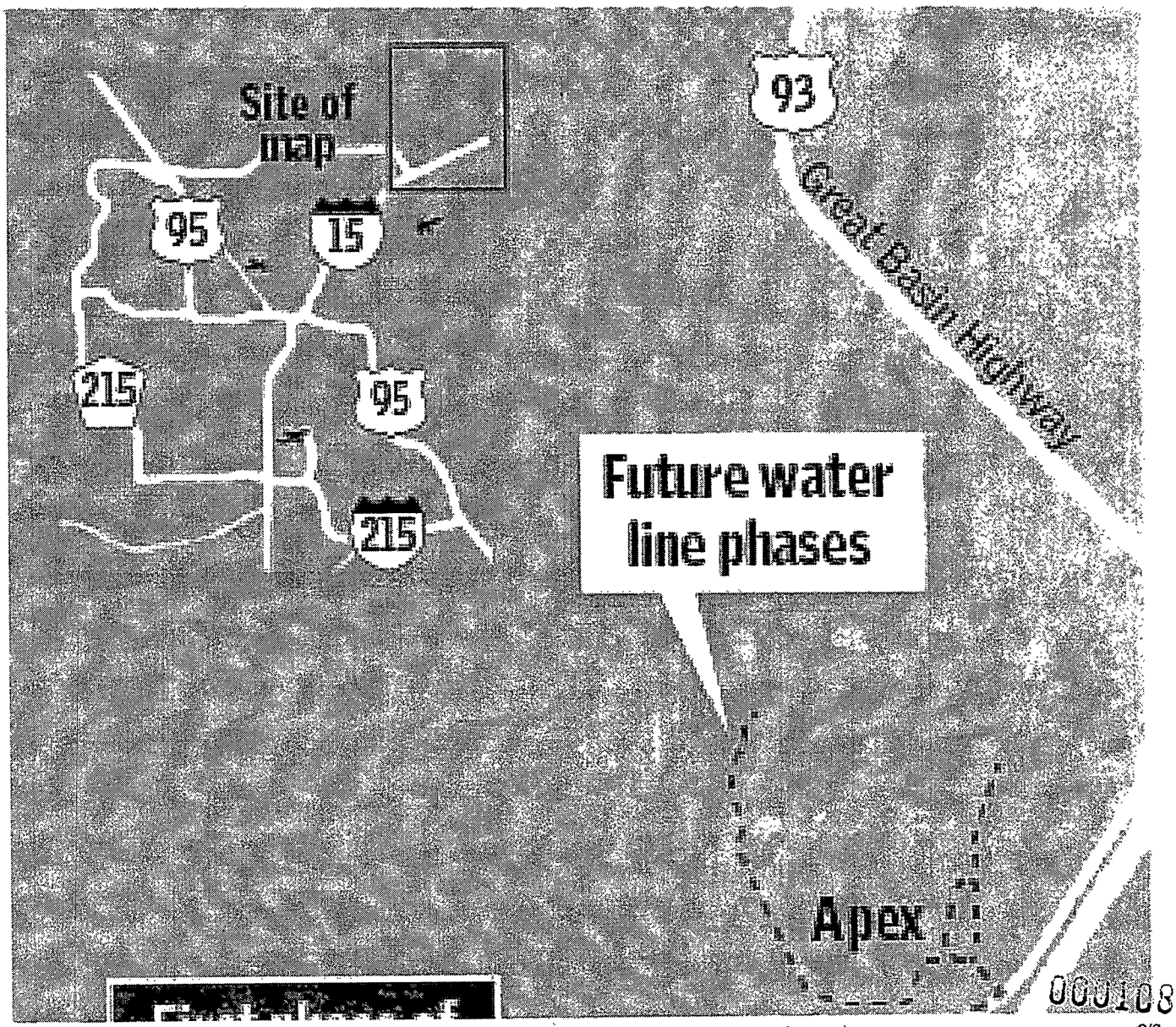
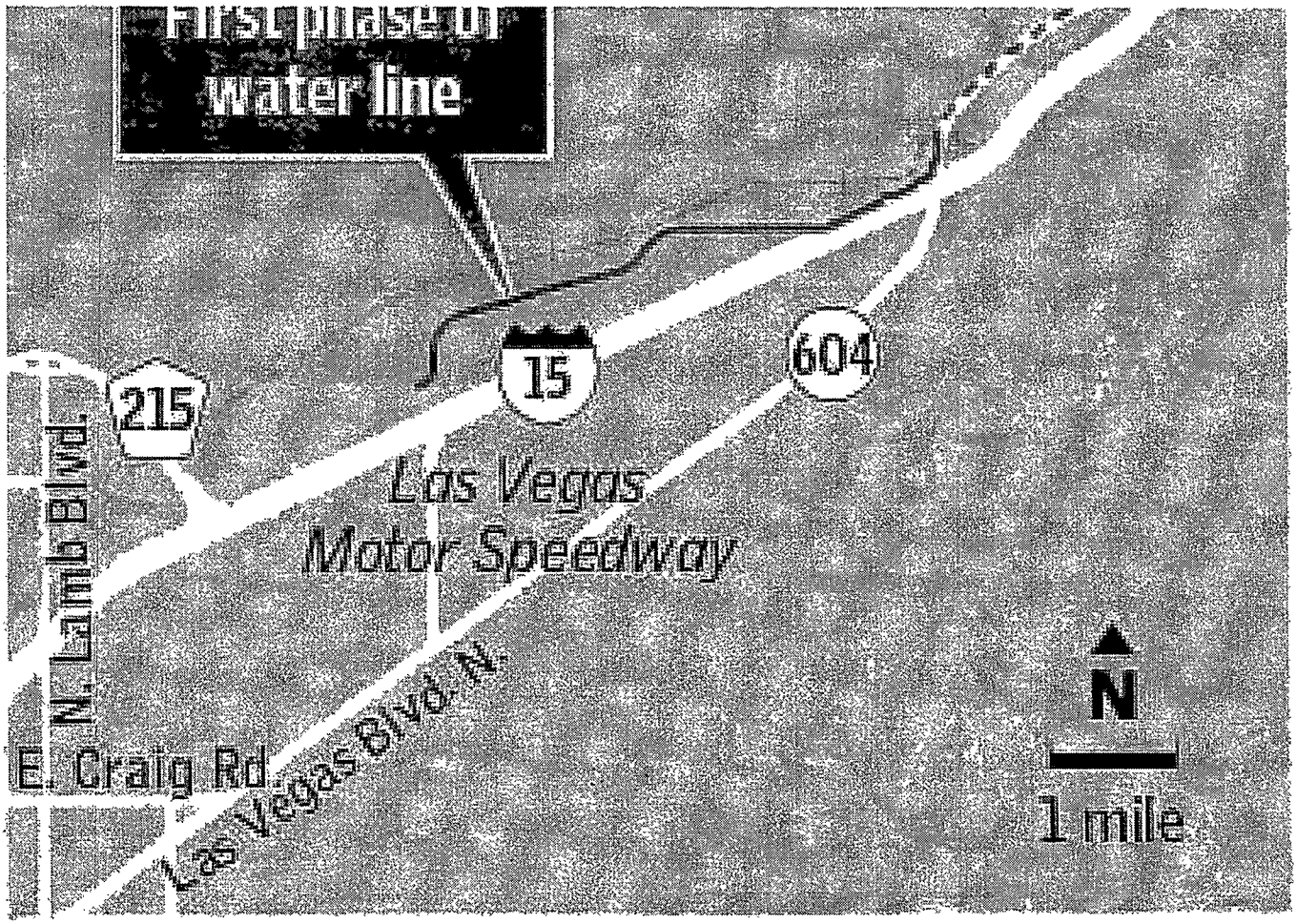
Building a future

Construction started Tuesday on a 12-mile surface water line that will deliver water to the Apex Industrial Park in North Las Vegas. The infrastructure is aimed at attracting industrial and distribution jobs to the city.





Source: City of North Las Vegas

Las Vegas Review-Journal

"Apex will soon be the economic breadbasket of this region," Mayor John Lee said at a news conference near the construction site just west of the Las Vegas Motor Speedway. "We will change the gaming and hospitality economy into a completely different way of doing business."

The $42 million project was made possible through a deal struck between the city and a pair of Apex landowners, Solo Investments LLC and Mmesa319 LLC, which were planning to build an 8-inch-diameter water pipe to solely serve their properties.

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City officials negotiated an agreement that calls for installing a mix of 24-inch and 36-inch pipes to deliver water to a wider area of Apex.

The developers agreed to pay $6.5 million toward the first of four phases of the project under a contract approved in April by the City Council. The North Las Vegas Utilities Enterprise Fund will cover the remainder and subsequent electrical costs.

Those funds are expected to be reimbursed through water connection fees that will be charged to developers that might build distribution warehouses and industrial businesses at Apex.

Separately, the city is installing a 150-foot-tall water storage tank near U.S. Highway 93 with a water line that links to an existing well to serve about 400 acres of land in the northern end of Apex.

The $4 million project is funded by the city's capital budget, with water service anticipated by 2020.

"There have been some successes and some defeats at Apex, but I still see the potential," said Weston Adams, whose family owns nearly 1,000 acres at Apex and serves as a principal for both Solo Investments and Mmesa319. "Thankfully I'm not the only one."

Construction of the pipeline comes as the state's chief water regulator clamps down on groundwater pumping in Apex and four neighboring valleys.

In May, Nevada State Engineer Jason King blocked development of the long-stalled Coyote Springs master-planned community because he said groundwater pumping threatens federally protected fish and senior water rights holders.

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As part of that decision, he warned that "only a small portion" of the water rights already on the books in the Apex area and elsewhere might ever be allowed to be put to use.

King has already rejected applications for new water rights in that area, increasing the need for the pipeline from North Las Vegas.

A preliminary water project was scrapped when Faraday Future walked away last year from a promise to build a $1 billion manufacturing plant for electric vehicles at Apex.

Despite that, the state Legislature approved 16 changes in state law last year that will allow North Las Vegas to build water lines at the industrial park.

"This is a monumental achievement and event that's happening in North Las Vegas today," City Manager Ryann Juden told about 60 people gathered for the groundbreaking ceremony.

"It will go past with a lot of people not understanding. They're not recognizing it," Juden said. "But one day as they're traveling through here and they see all the enterprise and they see all the transformation that's happened down here — the true diversification of Southern Nevada — maybe they'll understand how important it was."

Contact Art Marroquin at amarroquin@reviewjournal.com or 702-383-0336. Follow @AMarroquin_LV on Twitter. Review-Journal staff writer Henry Brean contributed to this report.

Work potential

Apex Industrial Park could create 20,000 direct jobs and 56,000 indirect jobs for Southern Nevada, according to a 2016 report by the Urban Land Institute.

LAS VEGAS SUN

North Las Vegas lands $150 million liquid hydrogen plant

By Kelcie Grega (contact)

Monday, Nov. 11, 2019 | 9 p.m.

Leaders in North Las Vegas hope a planned liquid hydrogen plant will attract more development to the city's Apex Industrial Park.

Air Liquide, a French industrial gas company, has its sights on the 18,000-acre park to build a $150 million production plant.

Construction is expected to start early next year, city officials said. The company did not say how many people would be employed to build or operate the plant.

North Las Vegas started working with Air Liquide on the deal six months ago and finalized it in October.

"This is a significant milestone for the development of Apex Industrial Park," North Las Vegas City Manager Ryann Juden said.

"Apex has been recognized as a valuable location for the implementation of a new advanced production facility. Innovative companies like Air Liquide continue to put Apex on the map," Juden said.

The plant will help the company expand its distribution network in the Southwest, Air Liquide spokeswoman Cassandra Mauel said.

While most of the liquid hydrogen — used mainly to power vehicles — will go to customers in California, Nevada was a more attractive location for the production plant, Mauel said.

"Nevada offers local incentives, a competitive permitting process and competitive utilities, and the North Las Vegas site fits all of the characteristics that we were looking for," Mauel said.

City spokesman Patrick Walker said bringing the company to North Las Vegas is part of a wider effort to attract development. "We really have been working hard to recruit green companies like these," he said. "We are open for business."

The city has made strides in the last two years on infrastructure to make Apex more feasible for companies like Air Liquide. Last summer, the city held a ground-breaking ceremony for a 12-mile surface water pipeline that should be finished next year.

"More new money will be made here in the next 20 years than anywhere else in the region, and Air Liquide will be a key part of that," North Las Vegas Mayor John Lee said.

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North Las Vegas mayor talks progress, touts Apex at state of city

North Las Vegas Mayor John Lee speaks during the annual State of the City address at Texas Station on Wednesday, Jan. 29, 2020, in North Las Vegas. (Elizabeth Page Brumley / Las Vegas Review-Journal) @elipagephoto

By Blake Apgar Las Vegas Review-Journal

January 29, 2020 - 6:09 pm

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North Las Vegas Mayor John Lee touted his city's successes and offered a glimpse into what the future may hold during the 24th state of the city address Wednesday.

"This city's success, this miracle, has been this incredible team effort," Lee told hundreds in attendance in a Texas Station ballroom.

Since 2014, Lee said, North Las Vegas has seen 67 million square-feet of development, good for $5 billion of economic impact. And North Las Vegas

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still has room to grow, with only about half of its 104-square-miles built out, Lee said.

Last year also brought a spate of new businesses. In 2019, North Las Vegas issued about 1,100 new business licenses, Lee said.

Years ago, North Las Vegas was on the brink of state takeover. Now its mayor is highlighting a bond rating that has emerged from junk bond status.

When he took office in 2013, the city's assets were valued at about $18 billion, Lee said. That figure has since grown to more than $22 billion, he said.

Lee said the city will soon expand the Craig Ranch Regional Park by 20 acres. And next year, residents can expect the opening of a new downtown library.

North Las Vegas sees the success of Apex Industrial Park as an important part of the city's growth, Lee said.

Last year, the city welcomed plans from French gas company Air Liquide to build a liquid hydrogen production plant in Apex.

Apex's success hinges on infrastructure, and according to Lee, eight miles of an under-construction 12-mile water line will be complete this year.

Lee also said a Southern Nevada Water Authority citizen's advisory committee is considering a $250 million investment into water pipes and pumping stations at Apex.

According to water authority spokesman Bronson Mack, the committee is expected to have its project recommendations complete in the coming months. If the Apex investment is included in the recommendations, it would go to the water authority's board for action.

000114

"This is the solution we've been seeking for decades," Lee said.

Contact Blake Apgar at bapgar@reviewjournal.com or 702-387-5298.
Follow @blakeapgar on Twitter.

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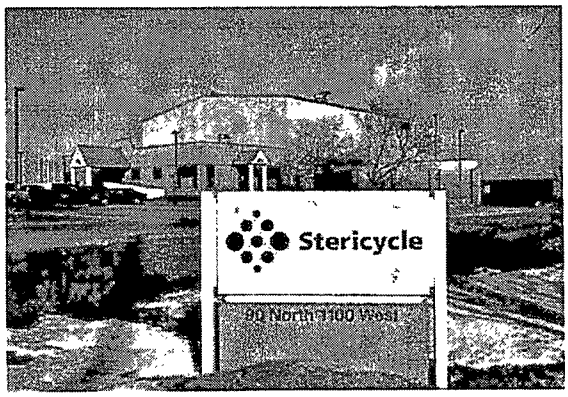
APPENDIX 4

The Salt Lake Tribune SUBSCRIBE DONATE NEWSLETTERS

Medical waste company Stericycle is leaving Utah; 'Hallelujah,' says eco-activist



Keith Johnson | Tribune File Photo Stericycle, located in North Salt Lake, is a hazardous medical waste disposal company. Photographed January 21, 2014.

By Sean P. Means • Published: February 22, 2019
Updated: February 22, 2019

The controversial medical waste disposal company Stericycle has decided to move out of Utah rather than build a new incinerator in Tooele County.

Representatives of the Illinois-based company met Wednesday with officials from the Utah Department of Environmental Quality and informed the state that it would not be moving its dilapidated North Salt Lake incinerator to Tooele County, ending a fight that has raged among the company, the government and environmental activists for six years.

"Hallelujah," said Alicia Connell, a Farmington real estate agent who became a reluctant activist, leading protests after Stericycle was caught not informing residents about the amount of emissions from its North Salt Lake incinerator.

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"It became evident to them it would become too expensive" to build the Tooele County facility, said Allan Moore, solid waste program manager for the state's Division of Waste Management and Radiation Control, one of the officials at Wednesday's meeting.

SUBSCRIBE DONATE NEWSLETTERS

"It really became very financially challenging for us to move on with this facility," Stericycle spokeswoman Jennifer Koenig said Friday. In particular, getting water to a site in the desert of Tooele County was "very cost-prohibitive in the end."

"I'm surprised it took them so many years to figure out that [a Tooele County site] would not be cost-effective," Connell said Friday.

The company instead is looking at a site in Nevada, north of Las Vegas, Moore said Friday. The company will clean up the North Salt Lake site, he said.

Koenig said the North Salt Lake incinerator will be closed within the next three years. It will continue to be used, she added, as a transfer station for trucks carrying medical waste to another Stericycle facility — the nearest being in Kansas City, Kan.

Connell raised concerns about the truck traffic coming in and out of the North Salt Lake location. "What are the unintended consequences of keeping a transfer station there?" she asked.

About 50 people work at the North Salt Lake facility, Koenig said. They will be offered packages, including positions with other Stericycle operations, she said.

Under a 2014 settlement with the state, Stericycle is required to leave its North Salt Lake location and relocate to a remote location in Tooele County. The deal included a $2.3 million fine against the company, which would be cut in half when the move was completed. Moore said officials have not yet determined whether Stericycle can still get back that half of the fine.

Utah officials cited Stericycle in 2014 for exceeding emission limits and for not reporting those violations as required by the state. Stericycle's actions prompted a slew of protests — one of them featuring the national advocate Erin Brockovich —

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that spurred Gov. Gary Herbert and the Utah Legislature to act in 2014.

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The environmental watchdog group HEAL Utah praised Stericycle's planned departure.

"Given Stericycle's troubling history here in Utah, along with the Wasatch Front's air pollution problem and Tooele County's ongoing hazardous waste activity, it's best that this company moves its operations elsewhere," HEAL Utah said in a statement. "We believe, however, that with the increasing expansion of northern Utah's population and businesses, that the potential jobs created by Stericycle's planned move will be found elsewhere and in safer industries."

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spmeans@sltrib.com
Follow @SeanPMeans

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APPENDIX 5

BLOG

Medical Incinerator Shut Down

February 15, 2003 by Mary.Vance

Stericycle, the largest medical waste treatment company in the US, has closed its medical waste incinerator on the Gila River Indian Reservation, in Arizona, in the wake of protests over health threats. Arizona, Utah, and California are now medical incinerator-free.

The November closure followed protests by the Gila River Alliance for a Clean Environment, who demanded that US EPA hold hearings on the incinerator.

The EPA ranks medical waste incinerators as the second highest source of mercury emissions and a leading source of dioxin, a known carcinogen.

Less than a year earlier, Stericycle had closed a similar incinerator at Oakland's Integrated Environmental Systems (IES) following a lengthy protest campaign. But Stericycle continued to send IES clients' waste to its incinerator in Salt Lake City, said Stericycle Chief Operating Officer Rich Kogler.

The pattern will now be repeated with the Gila River closure.

Stericycle will refrain from burning waste on the Gila River reservation, instead shredding and sterilizing it in autoclaves on the reservation for deposit in a landfill elsewhere. "We view this as a win-win situation," said Kogler. But Kogler said the agreement would only apply to "the majority of the waste" and that "whatever is left will be sent to Utah" for incineration.

San Francisco-based Greenaction — together with a Salt Lake City-based coalition — is now focusing its campaign on closing the north Salt Lake City incinerator. "By taking regional responsibility for waste, we're changing the way it's dealt with," Greenaction's Bradley Angel said. "We don't want to see these victories result in more waste being shipped out of state for incineration."

This entry was posted in Spring 2003 by Mary.Vance. Bookmark the permalink [https://ecologycenter.org/terrainmagazine/spring-2003/medical-incinerator-shut-down/] .

Comments are closed.

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Dec. 19–25, 2001 • Vol. 36, No. 12 • FREE
The Best of the Bay ... Every Week

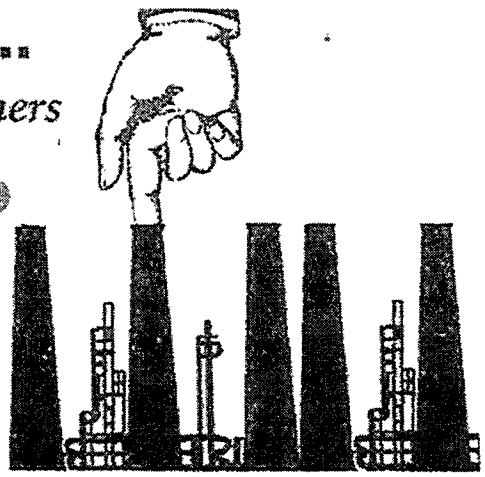
Out of the furnace but ...

IES incinerator shut down, new owners plagued by environmental woes

By A.C. Thompson

Last Monday marked the end of the line for Oakland's Integrated Environmental Systems. A competitor bought the medical-waste incinerator, closed the trouble-prone plant, and laid off its 70 employees. The new owner, an Illinois-based megacorporation called Stericycle, will keep IES's trucks and its contracts with California hospitals and clinics.

But the clear skies over Oakland could mean an increase in air pollution elsewhere.



And so concludes one chapter in an enduring controversy. To environmentalists, IES was the prototypical corporate earth-wrecker, a toxin-spewing business with little concern for the largely Latino neighborhood downwind. The company was a subsidiary of trash-collection giant Norcal Waste Systems.

"This is the ultimate David-versus-Goliath victory," said Bradley Angel, executive director of Greenaction. "We've been deluged with messages from people across the country saying this victory is an inspiration to them."

The key issue in the four-year struggle was dioxin, a hypercarcinogenic chlorine compound. IES burned some 4,600 tons of hospital refuse annually, and tests showed the incinerator, even when functioning properly, was emitting small amounts of dioxin from its smokestacks.

IES's abysmal track record was also a source of constant irritation for greens. During the past five years the plant racked up more than 100 air pollution violations, giving the company one of the longest environmental rap sheets in the state. And in November the company paid out nearly $1 million to settle a heap of charges — including a state Department of Health Services claim that IES mishandled more than 1,400 barrels of pathological material.

Though IES sought to minimize the pressure it was under from regulators and environmentalists — "Economics were the driving factor in this deal," company spokesperson Jay Silverberg said — that pressure almost certainly made selling the plant an attractive option.

With $600 million in assets, Stericycle is the dominant player in the medical-waste biz, employing a variety of technologies at its 36 facilities. The company's newer plants, including three in California, use steam autoclaves or oscillating electrical waves to destroy pathogens without generating toxic emissions. Other facilities rely on incineration. A portion of the waste once torched at IES will go to autoclaves in California, while the rest will be shipped to incinerators in Arizona and Utah, Rich Kogler, Stericycle's CEO, told the *Bay Guardian*.

We were unable to dig up much information about Stericycle's plants in California and the Southwest, but at least two of the corporation's facilities — in Missouri and Washington — have apparently made some serious blunders.

Public documents show the company's St. Louis incinerator was busted for 96 air pollution violations in December 2000, including excessive emissions of toxic mercury and hydrogen chloride. When the Missouri Department of Natural Resources came after the corporation for $200,000 in fines, Stericycle balked, asking the department to knock the fine down to $25,000. "The proposed penalty is far greater than any penalty sought in the past ten years," Stericycle officials wrote to the state.

"We have no precedent for a source with 96 violations," state environmental enforcement chief Steven Feeler shot back in a letter. "The potential liability for these violations would approach $1,000,000, so we feel our offer is fair."

Another issue: the company's own tests show the St. Louis plant is putting out far more dioxin than IES ever did.

In 1997 Stericycle's autoclave facility in Washington ran into trouble with the federal and state authorities when three workers at the plant contracted tuberculosis, which can be fatal. A team of 14 public health officials, including researchers with the Centers for Disease Control and Prevention, were sent to the plant to investigate. "Processing contaminated medical waste resulted in transmission of *M tuberculosis* to at least one medical waste treatment facility worker," concluded the researchers in the *Journal of the American Medical Association*. The debacle led to a $1,100 fine for failing to require "thorough employee decontamination," according to public records on file at the Washington Department of Labor and Industries.

Still, Stericycle's Kogler is unwilling to acknowledge these well-documented snafus. He claims the St. Louis air quality problems "were primarily reporting and paperwork violations." On the T.B. outbreak, Kogler said: "So far as I know there was never anything definitive linking Stericycle" to the ailing employees. "We have a commitment to protect not just our employees but also to protect the communities where we're located."

Kogler's spin doesn't placate Mike Green at Oakland's Center for Environmental Health. "Their record is not good," Green told us. "We're enthusiastic that Stericycle is not going to incinerate in the Bay Area, but we don't want them to stop here and start incinerating our waste in Utah or Arizona. We don't want to ship our problem elsewhere." ✣

E-mail A.C. Thompson at ac_thompson@sfbg.com.

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APPENDIX 6

APPENDIX 6

THE STOREY COUNTY COMMISSION CANNOT MAKE THE FINDINGS REQUIRED TO MEET THE ZONING CODE.

Blockchains provides a detailed analysis of the Storey County Master Plan, 2000 Development Agreement and Zoning Code on pages 7-13 of its PC Opposition and reiterates that the required findings cannot be made to approve the SUP Request. Without repeating this analysis verbatim, we synthesize the arguments into two fundamental issues: (1) detriment and risk to the public; and (2) incompatibility with the Master Plan.

A. The Proposed Medical Waste Incinerator Creates Substantial Detriment and Unacceptable Risk to the Public.

The evidence compiled by Blockchains demonstrates that Stericycle's proposed medical waste incinerator in Storey County will create a substantial detriment to the public good. It also creates an unacceptable risk to the public health, safety, and welfare of Storey County citizens. This required finding in order to approve the SUP Request therefore cannot be made.

The public records compiled by Blockchains reflect that since 2014, Stericycle *agreed* to pay well in excess of $6,000,000 in penalties and fines throughout the Western United States for egregious violations of environmental laws. During a shorter three-year period from 2016 to 2019, Stericycle agreed to pay an astounding $371,000,000 to settle class action lawsuits involving deceptive trade practices and consumer and shareholder fraud. Stericycle has created unacceptable risks wherever it has operated medical waste incinerators in neighboring states in the Western U.S. After shutting down its incinerators at the Gila River Indian Reservation and Oakland, California locations in the early 2000s, the biohazardous medical wastes were directed to North Salt Lake. Facing inevitable shutdown of the North Salt Lake incinerator, all such wastes will be redirected to Storey County and similar environmental and public safety problems currently encountered in the western United States will occur if the Storey County Commission approves the SUP Request.

While County Manager Osborne has reported that other incinerators have been approved in TRIC on a smaller scale, such report should be viewed *in context*. These smaller scale operations do not medical waste incineration, a use that is extremely hazardous even when compared to existing uses within TRIC. There is a reason the Environmental Protection Agency continues to pass incredibly restrictive rules with the intent of forcing medical waste incinerators to move toward autoclaving. *See* Federal Requirements, 78 FR 28052-28078.

Attempts to cover up Stericycle's troublesome history, whether by falsifying emission data and fire safety documents in Utah and Washington, or by omissions and half-truths presented to the Planning Commission, strike at the heart of Blockchains' concerns that Stericycle cannot be trusted to protect the public good and the public health, safety and welfare of Storey County citizens. Blockchains respectfully submits that the Storey County Commission likewise find that Stericycle cannot be trusted to protect the public good and public health, safety, and welfare of Storey County citizens.

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B. The Proposed Medical Waste Incinerator is Incompatible with the Master Plan.

While Planning Commissioners and County Manager Osborne point to the Stericycle site being located in a heavy industrial zoning area, relying solely on the zoning designation is superficial. The Master Plan's visions, goals, and policies represent the community's commitment to a more compact, organized, and mixed-use pattern of development which protects the public health and safety of Storey County's citizens as well as other stakeholders, such as Blockchains. As stated in the Master Plan, McCarran "is the home to more than 19 million square-feet of warehousing, distribution, manufacturing, energy production and other high-tech industries, including over a dozen Fortune 500 companies."

The proposed Stericycle site is surrounded primarily by Blockchains but also adjoins Tesla. Nearby high-tech companies include Switch and Google, which employee thousands. The designation of heavy industrial zoning should not be a green light for the Storey County Commission to approve every company who generates wastes and heavy pollution. Instead, the Master Plan encourages development by *responsible* high-tech industries operating in heavy industrial zoning. A medical waste incinerator whose operator has a long history of pollution and environmental liability in the Western U.S., engages in consumer pricing fraud, and has difficulty in telling the entire truth about its operations to the Planning Commission, is simply not compatible with the Master Plan.

EXHIBIT 8

EXHIBIT 8

STERICYCLE

You may read UPHE's indepth, thoroughly researched report on Stericycle here. A shorter summary of the issue is below.

Stericycle imports and burns waste from eight surrounding states, making Utah a pollution dumping ground with no off setting benefit realized by our community. As those communities have become cleaner, Salt Lake has become dirtier.

During start-ups, shut downs and "upset" conditions, an incinerator completely bypasses their pollution control equipment, emitting raw, contaminated smoke. Studies of the industry show that these conditions exist about 10% of the time, and during these conditions the amount of dioxins released can equal two years worth of emissions found during "normal" conditions. A dramatic video of a recent Stericycle "upset" can be seen here.

Small, even brief exposures to toxins like those from Stericycle, can have profound, life long impacts if the exposure occurs during critical stages of fetal development.

NO NEED FOR INCINERATION

there is no law requiring incineration, including medical waste. 98% of the nation's medical waste incinerators in the nation have been closed in the last 15 years. The only reason to treat medical waste any differently than landfill waste is to neutralize pathogens. Not all pathogens can be eliminated, but steam auto-claving and burial is just as effective as incineration in eliminating those pathogens that can be eliminated. There are better alternatives to incineration available right now. Several countries, states and cities have banned medical waste incineration.

INCINERATION SPREADS DISEASE

Incineration does not remove toxins and actually creates new ones by merely concentrating and redistributes existing ones. Emissions from incinerators are probably the most toxic type of air pollution and include the deadliest compounds known to science: dioxins, furans, heavy metals, radioactive elements and even prions (the highly infective proteins that cause the 100% fatal human "Mad Cow" disease). Because incinerator emissions contain these deadly toxins, large medical studies show increased rates of serious diseases like cancer, pregnancy complications, birth defects, and autism–among people who live within several miles of incinerators.

PRIORITY ISSUES

UPHE REPORT ON WOOD BURNING, UPDATED 2016

LEAD POISONING PREVENTION

INLAND PORT

UPHE SUES DIESEL BROTHERS

ENERGY UTILITY CORRIDOR

PURPLEAIR'S CITIZEN AIR MONITORS

NEW PROPOSED AIR QUALITY RULES

OFFICIAL COMMENTS FOR GOVERNMENT AGENCIES

UPHE RESPONSE TO UDOH'S UPDATED STERICYCLE REPORT

WOOD BURNING

GENEVA ROCK POINT OF THE MOUNTAIN

REFINERY EXPANSION

RIO TINTO – KENNECOTT

› STERICYCLE

CLIMATE CHANGE

STATE BOARD OF EDUCATION'S CURRICULUM ON THE CLIMATE CRISIS

OFFICIAL COMMENTS FOR GOVERNMENT AGENCIES

PRESERVING WASATCH MOUNTAINS

SEARCH

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Search

Utah has the highest rates of autism in the nation, double the national average. Wide spread suspicion in Foxboro, the closest subdivision to Stericycle, that there were high rates of serious diseases including cancer, is what prompted the residents to contact the Utah Physicians for a Healthy Environment for help. The state has not done any studies to explore the issue. This is not just a one neighborhood issue. Emissions from incinerators can travel hundreds of miles. Residents throughout Salt Lake, Davis, Utah, and Weber Counties are undoubtedly being affected.

CRIMINAL INVESTIGATION

Stericycle is under criminal investigation by the state and federal government for emitting hundreds of times more dioxins and furans than their permit allows (dioxins are considered the second most toxic man made substance after plutonium), falsifying their records, and packing their incinerator with atypical waste to cheat on their stack tests. Even the best managed incinerators are a health hazard, but Stericycle is more like "worst managed."

PUBLIC HEALTH ISSUE

The Governor has the executive authority to close down Stericycle in the name of public health protection under state statute 19-2-112. He needs to exercise that authority now. UPHE participated in a townhall meeting in North Salt Lake. Comments expressed by UPHE members are published below.

- Dr. Scott Hurst
- Dr. Kirtley Jones
- Dr. Tyler Yeates
- Dr. Ellie Brownstein
- Dr. Cris Cowley
- Dr. Brian Moench

Utah Physicians for a Healthy Environment
423 W. 800 S., Ste AT08.
Salt Lake City, UT 84101

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Attorney for Petitioner

COPY

FILED
SEP 11 2020
Storey Co. Clerk
Deputy

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA,

IN AND FOR CARSON CITY

MARY LOU MCSWEENEY-WILSON, ET. AL.,
HOMEOWNERS OF RAINBOW BEND COMMUNITY,
AND STOREY COUNTY RESIDENTS,
Petitioners,

vs.

STOREY COUNTY COMMISSIONERS,

Respondents.

20 OC 00005 1E

Dept. 1

/

SUPPLEMENT TO PETITION FOR DISTRICT COURT REVIEW OF STOREY COUNTY COMMISSIONERS VOTE TO PERMIT STERICYLE'S SPECIAL USE PERMIT, IN VIOLATION OF PUBLIC HEALTH, SAFETY, AND WELFARE

COMES NOW MARY LOU MCSWEENEY-WILSON, et.al., Homeowners of RAINBOW BEND COMMUNITY, and Storey County Residents, and hereby submits his Supplement to Petition for this Court's Review of the Storey County Commissioners Vote, to Permit Stericyle's Special Use Permit in violation of the Public Health, Safety, and Welfare of the community, through its operation of biohazard incinerators. As stated, this Court has jurisdiction and this Supplement is timely under NRS 278.3195 and NRS 278.0235. The Supplement entitled Exhibit 1, is the full research document presented to the Storey County Planning Commission Meeting, dated August 6, 2020. As stated in the Petition, filed September 10, 2020, the Planning

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Commission continued this matter and the two commissioners made the decision to grant Stericycle's SUP, special use permit on August 18, 2020.

Written Notice Required:

Within the petition filed September 10, 2020, Petitioner complained about being unaware of the voting on this crucial issue, because many of its residents do not have computers, and have been sheltered since the COVID-19 restrictions, pursuant to the Order of the Governor of the State of Nevada. Petitioner would request that this Court decide that Stericycle should have treated residence of Rainbow Bend and Lockwood Community Corporation as it did for Blockchains, providing residents with written notice of its intention to seek a special use permit under NRS 278.315 (3), which states, "In a county whose population is less than 100,000, **(Rainbow Bend has approximately four hundred homes, which are stick built and modular and Lockwood Community Corporation has approximately one hundred mobile homes)** notice setting forth the time, place and purpose of the hearing must be sent at least 10 days before the hearing to:

(b) Each owner of real property, as listed on the county assessor's records, located within 300 feet of the property in question;

(c) If a mobile home park is located within 300 feet of the property in question, **each tenant of that mobile home park;**

(d) Any advisory board which has been established for the affected area by the governing body; and

11. The notice required to be provided pursuant to subsections 3, 4 and 7 **must be sent by mail** or, if requested by a party to whom notice must be provided pursuant to those subsections, by **electronic means if receipt of such an electronic notice can be verified, and must be written**

in language which is easy to understand. The notice must set forth the time, place and purpose of the hearing and a physical description or map of the property in question.

Because of the unique nature of the potential grave harm that could be done to the citizens of Rainbow Bend and Lockwood Community Corporation, Petitioner requests this Court rescind the commissioners approval of Stericycle's special use permit, demand that Stericycle provide written notice to all five hundred residents of both communities, and grant another commission meeting to allow for those citizens to voice their objections.

DATED this 11th day of September, 2020.

By: Mary Lou Wilson
MARY LOU WILSON
Attorney At Law, Bar #3329
2064 Regent Street
Reno, Nevada 89509
Attorney for Petitioner

AFFIRMATION PURSUANT TO NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 11th day of September, 2020

By: Mary Lou Wilson
MARY LOU WILSON
Attorney At Law, Bar #3329
2064 Regent Street
Reno, Nevada 89509
Attorney for Petitioner

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CERTIFICATE OF SERVICE

I, Mary Lou Wilson, hereby affirm that on the 11th day of September, I mailed the aforementioned document and sent a hard copy to the following parties at the following addresses through the U.S. Mail:

The Storey County Clerk of the Court
26 S. B Street
Drawer D
Virginia City, Nevada 89440

Ms. Ann Langer
Storey County District Attorney
201 S C St.
Virginia City, Nevada 89440

Commissioners Jay Carmona
and Marshall McBride
P.O. Box 176
26 South B Street
Virginia City, Nevada 89440

Stericyle Biohazardous Medical Waste Disposal
2355 Waukegan Road
Bannockburn, Ill. 60015

Office of the Attorney General
100 North Carson Street
Carson City, Nevada 89701-4717

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Exhibit in Support of Petition

Exhibit 1, Blockchains LLC's Objection to Special Use Permit 2020-021
Stericycle Inc. Medical Waste Incinerator Facility

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EXHIBIT 1

EXHIBIT 1

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BEFORE THE STOREY COUNTY PLANNING COMMISSION
MEETING DATE: AUGUST 6, 2020

BLOCKCHAINS LLC'S OBJECTION TO SPECIAL USE PERMIT 2020-021 STERICYCLE INC. MEDICAL WASTE INCINERATOR FACILITY

Matthew Digesti
Vice President of Government Affairs and Strategic Initiatives
Blockchains, LLC

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I. INTRODUCTION.

Blockchains, LLC and its affiliates (collectively, "**Blockchains**") oppose the Special Use Permit 2020-021 request ("**SUP Request**") by Stericycle, Inc. ("**Stericycle**") to construct and operate a biohazardous medical and other special waste incineration facility (the "**Proposed Waste Incineration Plant**") at 1655 Milan Drive, McCarran, Storey County, Nevada, a portion of APN 005-11173 (the "**Proposed Waste Incineration Plant Site**"). It is clear that Stericycle submitted this SUP Request as quickly and quietly as possible in an attempt to prevent relevant stakeholders from conducting the type of due diligence typically required for projects proposed by biohazardous waste companies. Blockchains thanks the Storey County Planning Commission for previously deferring any decision on the SUP Request to allow Blockchains and other stakeholders time to fully investigate Stericycle and the SUP Request. The following represents the results of Blockchains' investigation and we hope that it is helpful to the Storey County Planning Commission in reviewing the SUP Request.

Blockchains submits that the required findings under the Storey County Zoning Code for the approval of the SUP Request cannot be made for the reasons expressed in this Opposition. As detailed below, approval of the Proposed Waste Incineration Plant under the SUP Request would (1) cause substantial detriment to the public good, (2) substantially impair the purpose and intent of the Storey County Zoning Code and the Storey County Master Plan, and (3) create an unacceptable risk to the public health, safety and welfare of Storey County citizens.

II. ABOUT BLOCKCHAINS.

Blockchains is a Storey County-based software development and real estate development company. Blockchains has made substantial investments in world-class personnel, computer systems, technology development, facilities, and land on its path to becoming the market leader in this burgeoning field.

Since 2017, Blockchains has acquired more than 60,000 acres in McCarran and Painted Rock, Storey County, for the purpose of developing "Innovation Park," the only blockchain technology-based community in the world. The planned development, which surrounds Stericycle's Proposed Waste Incineration Plant Site, includes a transformational high-tech business park integrated with a master planned residential community. See Innovation Park Map, **Appendix A**. The purchase represents the largest single private monetary land investment in Storey County history.

III. WHY STERICYCLE IS IN STOREY COUNTY.

Stericycle is an Illinois-based medical waste disposal company with a history of environmental, public safety, deceptive business practices, employment, and investor and consumer fraud violations. Since 2014, Stericycle has agreed to pay well in excess of $6,000,000 in penalties and fines throughout the Western United States for egregious violations of environmental laws. Perhaps even more troubling, during the three-year period from 2016 to 2019, Stericycle agreed to pay more than $371,000,000 to settle class action lawsuits involving deceptive trade, fraud and wage and hour violations. In its most recent Form 10-K Report filed with the Securities and Exchange Commission ("**SEC**"), Stericycle disclosed that it has been subject of investigations by

the United States Drug Enforcement Agency ("**DEA**"), the United States Department of Justice ("**DOJ**"), the SEC, and the environmental regulatory authority for the Country of Mexico. Stericycle has a long and uninterrupted history of harming the environment, customers, neighbors, employees, and investors. This is not the type of corporate citizen Storey County should approve to become a stakeholder in our community.

A. The North Salt Lake City Facility.

Stericycle's path to submitting this SUP Request in Storey County began in North Salt Lake City, where it operated a medical and special waste incineration plant like the one proposed in Storey County. In 2013, the Utah Division of Air Quality ("**UDAQ**") issued a "Notice of Violation" alleging multiple violations of Stericycle's air quality operating permit for exceeding emission limits on dioxins and other hazardous pollutants, and misreporting emission data. On November 25, 2014, Stericycle agreed to an Administrative Settlement to pay a penalty of $2,322,536 to the State of Utah, which reportedly was the largest in history and the maximum amount that could be levied by the UDAQ.

Under the settlement terms, Stericycle paid one-half of the penalty, but would not be required to pay the other half if it ceased operations at its North Salt Lake Facility within three years and obtained approvals for a new facility in a desert community in Tooele County, Utah. It is worth highlighting and repeating. Rather than require a payment in excess of $1.150,000, which is significant revenue for a state agency, UDAQ preferred to negotiate Stericycle's operational exit from the North Salt Lake City community. This, alone, underscores the gravity of approving Stericycle as a stakeholder in the Storey County community. The Utah Administrative Settlement Order is attached hereto as **Appendix B.**

Stericycle tried but did not obtain approval in Tooele County within the three-year deadline and abandoned that project while setting its sights on an alternative desert community in North Las Vegas. It is unknown whether Stericycle paid the full fine due to its inability to cease operations and relocate to Toole County within the required timeframe.

B. The Recommended Denial in North Las Vegas.

The North Las Vegas Planning Commission's June 12, 2019 Planning Staff Report issued in connection with Stericycle's second Special Use Permit application, which recommended denial of the application, is attached hereto as **Appendix C** (the "**North Las Vegas Planning Commission Staff Report**"). On page 4, the North Las Vegas Planning Staff Report identified the following violations of Stericycle's operations at incinerator sites and provided support for the findings in Exhibits A through F thereof:

- In June of 2004, Stericycle was fined by the Ohio Environmental Protection Agency for improper disposal of hazardous waste. Twelve cubic yards of hazardous waste treatment sludge was sent to a solid waste landfill. (Exhibit A) [agreed to pay $10,900];
- In 2011, Stericycle was in violation of air emissions tests in Utah. Stack testing data revealed that emissions exceeded acceptable levels for hazardous pollutants, nitrogen

oxides and highly reactive gases. Stericycle was fined for this violation by the Utah Environmental Protection Agency. (Exhibit B) [stipulated penalty of $2,322,536];

- [In] April 2011, Stericycle was in violation of air quality regulations in California for failing to inspect its diesel trucks to ensure that the trucks met smoke emission standards. (Exhibit C) [agreed to pay $13,500];
- In 2014, Stericycle agreed to a settlement with the state of New Mexico for violations of excess waste storage time and inappropriate emergency response preparation. (Exhibit D) [agreed to pay $120,813];
- In 2017, Stericycle was fined by the Department of Ecology in the State of Washington for not treating its wastewater, which overwhelmed the treatment plant in Morton, Washington and caused the plant to violate the plant's water quality permit. (Exhibit E) [fined $72,000]; and
- In 2018, the United States Environmental Protection Agency (the "EPA") fined Stericycle resulting from the failure to maintain a liability insurance policy that would provide adequate coverage to third parties (neighbors) whose health and properties could be harmed by a release of hazardous wastes from the facility. (Exhibit F) [agreed to pay $150,000].

The North Las Vegas Planning Commission Staff Report stated that Stericycle's operations "could lead to the release of substances of unknown toxicity into the air and environment, which could negatively impact the people around the [industrial center] area." In recommending denial, the North Las Vegas Planning Staff identified multiple air pollutants that are released from medical waste incinerators: dioxins and furans, PCBs, mercury, hydrogen chloride, nitrogen oxide, lead, cadmium, sulfur dioxide, carbon monoxide and particulate matter. The Report noted that, "According to the Blue Ridge Environmental Defense League in North Carolina, dioxins and furans ... have been called the most dangerous chemicals known to man."

Stericycle abandoned its medical waste incinerator project in North Las Vegas in June 2019 and next set its sights on yet another desert community – Storey County. A December 19, 2019 news article describing Stericycle's journey in Utah and North Las Vegas is attached as **Appendix D.**

At the time of its North Las Vegas abandonment, Stericycle told reporters that it abandoned the waste incinerator application based on "broader business considerations and facility planning." At the July 16, 2020 Storey County Planning Commission meeting, Stericycle representative Selin Hoboy provided a different explanation for abandoning North Las Vegas–lack of infrastructure. In reality, Stericycle abandoned the North Las Vegas project because it was clear that it was not going to be approved due to the troubling facts in the North Las Vegas Planning Commission Staff Report that caused that planning commission to recommend denial of Stericycle's permit application.

IV. STERICYCLE'S PATTERN AND PRACTICE OF VIOLATIONS, PENALTIES, FRAUD, DECEPTIVE BUSINESS PRACTICES, AND SETTLEMENTS.

The violations listed in the North Las Vegas Planning Commission Staff Report do not reflect the complete picture of the Stericycle's corporate irresponsibility. In addition to the substantial issues highlighted in the North Las Vegas Planning Commission Staff Report, the following public

records show additional violations, penalties and stipulated class action settlements of Stericycle which must be considered.

A. Facility in Tacoma Washington.

Despite the $72,000 fine imposed by the Washington Department of Ecology ("**WDOE**") in 2017 referenced above, Stericycle continued its ongoing pattern and practice of violating that state's environmental laws. In July, 2018, Stericycle's Tacoma facility accepted 510 drums of hazardous tetrazole which should have been sent to a licensed incinerator. Stericycle emptied the drums with the intent of illegally loading the hazardous material onto a rail car to ship to a landfill. The waste ignited and caused a large fire. Stericycle provided misleading and incomplete documentation to WDOE investigators and failed to manage the waste and residue left by the fire. The WDOE found a serious lack of training and failure to follow proper procedures. Stericycle allowed a second, smaller fire to ignite in November, 2018. Because of repeated problems with training, oversight and abiding with its permit conditions, the WDOE fined Stericycle $1,900,000. On May 14, 2020, Stericycle settled the dispute by agreeing to pay $2,256,000 in penalties, consisting of the original fine plus an additional $300,000 due to informal enforcement actions arising after the original fine. The 2020 Settlement Agreement and WDOE news releases relating thereto are included in **Appendix E.**

B. Facility in Rancho Cordova, California.

Stericycle and its affiliate, General Environmental Management of Rancho Cordova, LLC ("**GEM**"), own, operate and manage a hazardous waste treatment and storage facility in Rancho Cordova, Sacramento County, California. ***According to the California Attorney General, Stericycle/GEM has a "long and troubled history of violating the Hazardous Waste Control Law" in California.*** On October 19, 2018, Stericycle/GEM settled a civil lawsuit involving violations from 2011-2017 by stipulating with the California Department of Toxic Control Substance ("**CDTCS**") to pay civil penalties of $1,412,000 and agreeing to a court judgment and permanent injunction to prevent future violations. Among the violations was a 2017 fire caused by employees intentionally igniting hazardous waste that contained naphthalene (made from crude oil or coal tar), as well as two earlier fires at the facility. Other violations included:

- Failure to properly manage and/or store incompatible hazardous wastes;
- Failure to properly bulk and consolidate hazardous waste;
- Failure to comply with conditions of the hazardous waste facilities permit issued by CDTSC;
- Failure to train facility staff who are responsible for safely managing hazardous waste; and
- Failure to follow the CDTSC-approved Emergency Action and Contingency Plan.

Despite the injunction prohibiting further violations, on February 18, 2020, CDTSC and the California Attorney General filed a civil lawsuit against Stericycle/GEM alleging serious and repeated violations of the hazardous waste laws. The CDTSC news releases, 2020 civil lawsuit and 2018 Judgment by Consent and Permanent Injunction are included in **Appendix F.**

C. Illinois Whistleblower Action for Healthcare Fraud.

In 2008, a former government customer-relations specialist for Stericycle filed a False Claims Act action against Stericycle as a private citizen on behalf of defrauded governments. The whistleblower claimed to have exposed an overpricing scheme where Stericycle withheld accurate pricing data and added fuel and energy surcharges after government contracts were finalized. Fourteen states joined as plaintiffs, including Nevada. On January 11, 2016, Stericycle signed a Settlement Agreement agreeing to pay $28,500,000 to settle the case. The Settlement Agreement and an article describing the settlement are included in **Appendix G.**

D. Nationwide Class Action for Consumer Fraud and Deceptive Business Practices.

In 2013, a veterinary clinic filed a class action complaint against Stericycle in Illinois for unfair and deceptive business practices, which was consolidated with at least 20 other lawsuits alleging similar claims. A nationwide class was certified consisting of veterinarians, dentists and other small business owners charged for medical waste disposal services pursuant to an automated price increase policy. This challenged pricing practice increased customer prices by 12%, 15%, or 18% on a periodic basis. On October 17, 2017, Stericycle signed a Settlement Agreement agreeing to pay $295,000,000 to settle the nationwide class action lawsuit. The Settlement Agreement and an article dated October 27, 2017 from the American Dental Association describing the settlement are included in **Appendix H.**

E. Class Action for Violation of Federal Securities Laws.

The illicit billing practice of automatic price increases formed the basis for yet another class action lawsuit initiated in 2016 by pension fund shareholders alleging materially false and misleading statements in violation of the federal Securities Act of 1933 and Securities Exchange Act of 1934. They alleged Stericycle reported astronomical revenue growth but failed to disclose the improper automatic price increases, which nearly doubled its revenues and resulted in the large class action settlement referenced above. The Public Employees Retirement System of Mississippi and Arkansas Teacher Retirement System served as lead plaintiffs in this class action. On February 14, 2019, Stericycle entered into a Stipulation and Agreement of Settlement and agreed to pay $45,000,000 to settle this lawsuit. The Stipulation and Agreement and an article describing the settlement are included in **Appendix I.**

F. New Jersey Deceptive Business Practices.

In May 2016, the State of New Jersey began investigating Stericycle after the New Jersey Dental Association complained about Stericycle sales agents pressuring dentists to purchase a program which they falsely claimed was required by EPA regulations. The investigation prompted other complaints including unannounced price increases, unresponsive customer service, and allowing unauthorized individuals to sign contracts on behalf of dentists. On April 25, 2019, Stericycle entered into a Consent Order with New Jersey agreeing to pay $867,800 to settle this dispute, consisting of $500,000 to the Department of Environmental Protection, $162,800 to the Division of Consumer Affairs, and more than $200,000 for restitution to 155 individual dental practices.

The Consent Order and a New Jersey Attorney General news release relating thereto are included in **Appendix J.**

G. California Wage and Hour Class Action Settlement.

In 2014, a former employee filed a class action alleging wage and hour law violations for illegal rounding of hours, failure to pay for donning, overtime, meals and rest periods. On February 5, 2018, Stericycle entered into a Stipulation of Class Settlement and agreed to pay the settlement of $2,000,000 to settle the matter. The Stipulation and an article describing the settlement are included in **Appendix K.**

H. Disclosures in Stericycle's Most Recent SEC Filing.

As a publicly-traded corporation, Stericycle is required to file information and reports with the SEC and other regulatory authorities on an ongoing basis to disclose risks to potential investors, including an annual 10-K report containing a comprehensive overview of the company's business and financial condition. Note 20 of Stericycle's 10-K report filed February 28, 2020 for its fiscal year ending December 31, 2019 describes certain legal proceedings. In addition to the class action lawsuits and the environmental violations identified above, the 10-K identifies three additional areas of concern:

- Stericycle is currently under investigation by the SEC and the DOJ relating to its compliance with the Foreign Corrupt Practices Act or other foreign or domestic anti-corruption laws with respect to operations in Latin America;
- Stericycle is currently under investigation by the DEA regarding its Rancho Cordova, California facility and its facility in Indianapolis, Indiana; and
- Stericycle has been fined by the National Agency for Industrial Security and the Protection of the Environment for the Hydrocarbon Sector in Mexico regarding its subsidiary in Tabasco, Mexico.

A copy of relevant pages of Stericycle's 10-K Report is included in **Appendix L.**

V. STERICYCLE'S SELF-SERVING RECENT SUPPLEMENT TO THE PLANNING COMMISSION CANNOT RE-WRITE HISTORY.

Blockchains has reviewed Stericycle's July 31, 2020 letter to the Planning Commission "supplementing" its prepared presentation at the July 16, 2020 Planning Commission Meeting (the "**Supplement**"). Nothing in the Supplement changes the facts in the executed settlement agreements, stipulations, court judgments, administrative orders, and governmental filings described herein, which are self-explanatory and speak for themselves. These facts readily contradict the picture that Stericycle is trying to paint regarding its supposed compliance with the law, "advancement of public health," protection of and respect for the environment, and compliance with permit conditions in other jurisdictions.

VI. THE SPECIAL USE PERMIT APPLICATION MUST BE DENIED BECAUSE THE STOREY COUNTY PLANNING COMMISSION CANNOT MAKE THE FINDINGS REQUIRED TO MEET THE ZONING CODE.

The Proposed Waste Incineration Plant Site is located in the McCarran Planning Area of the Storey County Master Plan adopted August 4, 2016 (the "**Master Plan**"). The Master Plan states that the 2000 Development Agreement (the "**Development Agreement**") between Storey County and Tahoe Reno Industrial Center, LLC ("**TRICLLC**") governs development of the land then owned by TRICLLC in McCarran. In turn, the Development Agreement provides that the 1999 Storey County Zoning Ordinance (the "**1999 Zoning Code**") shall govern commercial uses and zoning of such land, which includes the Proposed Waste Incineration Plant Site. As such, Stericycle is required to obtain a Special Use Permit under Section 17.37.040 of the 1999 Zoning Code for its proposed incinerators, possible recycling facility, and possible power generating plant. Section 17.62.010 of the 1999 Zoning Code sets forth the findings that the Planning Commission must make to issue the Proposed Waste Incineration Plant Special Use Permit to Stericycle:

> A variance to the provisions of this title may be granted by the board of county commissioners in accordance to the provisions of this chapter where by reason of exceptional narrowness, shallowness, or shape of a specific piece of property at the time of enactment of the regulations, or by reason of exceptional topographic conditions or other extraordinary and exceptional situation or condition of such lot or parcel, the strict application of such regulations enacted under this title would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardships upon, the owner of such property. Such ***relief from the strict application of the regulations of this title***, however, ***may only be granted without substantial detriment to the public good*** and ***without substantially impairing the intent and purpose of any ordinance or resolution*** and under ***such conditions as the board may deem necessary to assure that the general purpose and intent of this title will be observed, public safety and welfare secured and substantial justice done.*** (Emphasis added).

As demonstrated herein, the Planning Commission cannot make the required findings that the relief sought in the Proposed Waste Incineration Plant SUP Request can be granted (1) without substantial detriment to the public good; (2) without substantially impairing the intent and purpose of any ordinance or resolution; and (3) without creating unacceptable risk to the public health, safety and welfare of Storey County citizens. Each will be discussed in turn.

A. The Proposed Waste Incineration Plant Poses a Substantial Detriment to the Public Good.

As detailed in Sections III and IV above, Stericycle has a proven track record of disregarding the law and conditions of government approvals, and causing a substantial detriment to the public good by repeated and flagrant violations and circumventions of environmental, public safety, and consumer and shareholder protection laws nationwide. The risk of substantial detriment is elevated by Stericycle's long-term pattern and practice of flouting laws designed to protect the environment, adjacent landowners, consumers, investors, employees, and the public generally.

1. Harm to the Public from Environmental Violations.

The Nevada Legislature has declared the public policy of this State is to: (1) maintain levels of air quality which will protect human health and safety (NRS 445B.100); (2) maintain the quality of the waters of the State consistent with the public health and enjoyment (NRS 445A.305); and (3) protect the health, safety and general welfare of the residents of this State from the effects of the improper handling of hazardous chemicals (NRS 449.380). As described above, Stericycle's extended history of environmental violations in other states is extremely troubling, which raises the likelihood that it will not follow Nevada policy to protect the public from environmental violations. Stericycle's violations resulted in more than $6,000,000 in stipulated and agreed upon penalties in the past six years alone, including:

- The stipulated penalty of $2,322,536 in 2014 based on the UDAQ finding multiple violations of Stericycle's air quality permit and misrepresentations of emissions data;
- The stipulated penalty of $10,900 in 2004 based on the Ohio EPA finding improper disposal of hazardous waste which Stericycle sent to the landfill;
- The stipulated penalty of $13,500 in 2011 in California for failing to inspect diesel truck emissions;
- The $72,000 fine by the WDOE in 2017 for failure to treat wastewater which overwhelmed a water treatment plant;
- The stipulated penalty of $150,000 in 2020 for failure to maintain liability insurance to protect the public;
- The stipulated penalty of $2,256,000 in 2020 based on the fire ignited in Washington after attempting to send flammable hazardous waste to the landfill, falsification of records, and subsequent fire; and
- The stipulated penalty of $1,412,000 in 2018 in nearby Rancho Cordova, California for a different fire and repeated hazardous waste violations.

Not only is the aggregate sum and ongoing pattern of stipulated penalties troubling, but Stericycle has engaged in other behavior that endangers public health and safety, including:

- multiple fires at its facilities (Washington and California);
- multiple attempts to bypass hazardous waste laws by sending hazardous waste to a landfill (Ohio and Washington);
- falsifying or misreporting records to cover up violations (Utah, Washington); and
- prolonged periods of repeated violations, as reflected in the penalties in excess of $1,000,000 in each of Utah, Washington and California and reinforced by the 2020 lawsuit filed by the CDTCS and California Attorney General.

Based on this sordid environmental history, the Storey County Staff Report, and statements and claims asserted in the Supplement that "[t]he wastes do not represent an airborne threat" and "[t]he medical waste is a solid product and cannot 'flow' out of the facility" are not consistent with facts surrounding Stericycle's incineration operations, waste transportation, and demonstrated misconduct.

Moreover, Stericycle's representation at the July 16, 2020 Planning Commission meeting and in the Supplement that it abandoned the North Las Vegas project due to lack of infrastructure is disingenuous based on Stericycle's own contemporaneous press release and the well-researched North Las Vegas Planning Commission Staff Report, whose recommended denial likely triggered the abandonment. There is no reason why the Storey County Planning Commission should not likewise recommend denial of Stericycle's SUP Request.

2. Harm to the Public for Deceptive Business Practices.

In addition to the environmental and safety issues detailed above, Stericycle has a history of ongoing and repeated violations of consumer, investor and employee rights, resulting in several class action settlements in the last four years where Stericycle agreed to pay more than $371,000,000:

- $295,000,000 in 2017 to settle the nationwide class action based on consumer fraud and deceptive trade practices in overbilling Stericycle's small customers (dentists, veterinarians and other small businesses in need of disposing medical waste);
- $28,500,000 in 2016 to settle alleged violations of the False Claims Act, which included the State of Nevada as one of 14 plaintiffs;
- $45,000,000 in 2016 to settle a class action alleging violation of federal securities laws designed to protect current and prospective investors, including the pension funds and state retirement system shareholders of Stericycle;
- $867,800 in 2016 to settle the State of New Jersey action to protect dentists from unfair pricing and fraudulent business practices; and
- $2,000,000 in 2018 to settle a California wage and hour law class action.

Similar laws regarding deceptive business practices, consumer protection and employment exist in Nevada to protect the public. There is no reason to believe Stericycle's conduct will be different in our State. Not only should the Planning Commission be troubled by the $371,000,000 paid to settle class actions, but the revelations contained in Stericycle's most recent 10-K report of the SEC/DOJ investigation in whether Stericycle violated the Foreign Corrupt Practices Act in Latin America and the DEA's investigation of Stericycle's Rancho Cordova and Indianapolis facilities are strong indicators that its operations continue to be mismanaged.

3. The Failure to Introduce New Leadership.

Perhaps anticipating that these environmental and consumer/investor protection actions would be discovered, Stericycle, after downplaying that "these things happen," represented to the Planning Commission on July 16, 2020 and in the Supplement that it has made significant leadership changes. The changes appear superficial.

In May 2019, Stericycle announced that Janet H. Zelenka had been appointed Executive Vice President and Chief Financial Officer to replace Daniel V. Ginnetti, who held those positions from 2014 to 2019. Ginnetti has been employed since 2003 and was personally named as a defendant in the Illinois investor fraud class action ($45,000,000 settlement). Ginnetti did not leave the

company, but merely transferred to become Executive VP of Stericycle International.[1] Similarly, in February 2019, Cindy J. Miller was promoted to President and Chief Executive Officer ,[2] after serving as the company's President and Chief Operating Officer from 2018 to 2019, according to her LinkedIn page. Thus, the old leadership at Stericycle has simply shifted internally without significant new personnel appointed to ensure that similar abuses do not occur in the future, as evidenced by the multiple ongoing investigations disclosed in the 10-K Report. In fact, the same leadership that lead Stericycle during the troubling violations and lawsuits above are still leading the company.

B. The Proposed Waste Incineration Plant Substantially Impairs the Purpose and Intent of the Zoning Code and Master Plan.

1. Operations Incompatibility.

Section 17.62.010 of the 2012 Storey County Zoning Code (the "**2012 Zoning Code**") further codifies the interpretation of the 1999 Zoning Code and requires findings that the Proposed Waste Incineration Plant "will not cause a substantial negative impact on adjacent land uses or will perform a function that is essential to the surrounding uses, community, and neighborhood."

As detailed above, the contemplated use of the Proposed Waste Incineration Plant (which includes transportation, incineration, discharge, and disposal of hazardous and environmentally sensitive waste in different forms) is wholly incompatible with Blockchains' planned use of the adjacent and surrounding property (over 60,000 acres) -- a technology-based live-work master planned community. Given the future development plans of Blockchains and other nearby situated technology-based companies (such as Tesla and Panasonic), Stericycle's Proposed Waste Incineration Plant will have significant and material negative impacts on these surrounding areas, landowners, and businesses. Put simply, as acknowledged by Stericycle in the Supplement, no one desires to live or work next to a medical waste facility operated by a company with a well-documented history of environmental and community abuses.

Stericycle's history reveals how it fails to control the obvious nuisances which will be created by the proposed transportation, storage, and incineration of biohazardous medical waste. Stericycle's proposed facility intends to operate 24 hours a day, 7 days a week, with 10-15 trucks per day carrying biohazardous waste traversing through McCarran roadways for disposal. The Staff Report does not consider the increased infrastructure needed for such an operation as well as Stericycle's demonstrated history of disregarding environmental laws. Instead, it relies on Stericycle's assurances that because the medical waste disposal occurs "inside" its own facility, this somehow prevents contamination and/or pollution. There is no feasible way to address Stericycle's disposal of contaminated wastewater or avoid air pollution.

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[1] *See* https://www.globenewswire.com/news-release/2019/05/02/1815660/0/en/Stericycle-Announces-CFO-and-New-Senior-Leaders.html.

[2] *See* https://www.streetinsider.com/Corporate+News/Stericycle+%28SRCL%29+announces+Janet+Zelenka+has+been+appointed+EVP+and+CFO/15448137.html.

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The Staff Report notes that "[t]he waste streams that the facility will process are considered biohazardous as they potentially can be contaminated with infectious agents that may be a threat to public health if not handled and disposed of properly." A similar concern was raised in North Las Vegas, where its planning staff recommended denial. The recommended denial in North Las Vegas was based on "many environmental and health concerns with the use," including the release of pollutants at numerous stages of the incineration process, emission of pollutants that could cause harm to neighbors and employees, and the impact on local wildlife. In addition to these concerns, North Las Vegas was deeply concerned by Stericycle's consistent "unwillingness to comply with State and Federal guidelines for this use." The Staff Report similarly does not address the material, unmitigable impact on local wildlife, primarily the wild horse population, as detailed immediately below.

The Proposed Waste Incineration Plant could have a profound adverse effect on the wild horse population in Storey County. Blockchains founder and CEO, Jeffrey K. Berns, founded Project Frontier, Inc. ("**Project Frontier**"), a private nonprofit entity which oversees approximately 900 horses on 67,000 acres of land in Storey County, to preserve and protect the wild horse population within Storey County, including McCarran. As a direct result of the increased development in McCarran, the sole watering source for approximately 300-400 wild horses per day is the watering hole on Blockchains' property commonly known as "Milan Pond," whose location prevents wild horses from migrating onto roadways and private businesses. This is evident in the Wild Horse Migration Map included in **Appendix M**. Project Frontier has dedicated hundreds of hours to training the horses to adapt to this new water source and Blockchains itself pays roughly $3,500 per month to pump water into Milan Pond to support the wild horse population.

Project Frontier's concerns with Stericycle's Proposed Waste Incineration Plant are twofold. First, any soil contamination caused by the plant would have direct, negative impacts on the wild horse grazing area and Milan Pond. Soil contamination from pollutants such as those released by Stericycle facilities cannot feasibly be remedied; any mitigation efforts would be prohibitively expensive, if not impossible. Furthermore, contamination of Milan Pond (located only a quarter mile away as noted in the Supplement) from Stericycle's Proposed Waste Incineration Plant would devastate the horse population because approximately one-third of all Project Frontier horses utilize Milan Pond as their sole water source.

Second, air pollutants from Stericycle's Proposed Waste Incineration Plant would harm the wild horses because they consistently lick and graze nearby to obtain beneficial minerals and nutrients. Like humans, the horses would also inhale any air pollutants released from the facility. Stericycle's history of improperly releasing toxic water and air pollutants, and mismanaging records related to the same, is demonstrated above and need not be repeated here.

2. Incompatibility with the Master Plan – McCarran Area.

The Proposed Waste Incineration Plant is incompatible with the Master Plan. The purpose of the Master Plan, as stated in the Land Use and Growth Chapter, is as follows:

> The Land Use and Growth Chapter is the principal guiding element of the Storey County Master Plan. It describes the County and each of its unique regions and

sub-regions; discusses key land use patterns and challenges for those areas.... This Chapter assigns land use designations across the County, each with specific goals, objectives, and policies engaging the provisions of this Master Plan.

The guiding principles of this Master Plan emerge from the public planning process and they serve as the foundation for this Master Plan's vision, goals, and policies. ***They represent the community's commitment to a more compact, organized and mixed-use pattern of development of the County.***

This Master Plan protects the public health, safety, and welfare of residents, property owners, and other stakeholders by providing for residential, commercial, mixed-use, industrial, natural resources, recreation, open spaces, and public uses, and by situating uses appropriately... Defining characteristics for each land use are provided and include ... preferred location of uses... This Master Plan is a tool from which elected and appointed community leaders and the community-at-large may evaluate and make decisions about the location, placement, and design of buildings and land uses and land use zoning in the County in order to achieve these principals. Master Plan Section 3.1. (Emphasis added.)

According to the Master Plan, the McCarran Planning Area (where Stericycle's Proposed Waste Incineration Plant Site is located) "depicts a homogenous planned industrial center. [McCarran] has grown to become a major regional hub for distribution, alternative energy production, digital data management... McCarran is now home to more than 19 million square-feet of warehousing, distribution, manufacturing, energy production, and other high-tech industries, including over a dozen Fortune 500 companies." Master Plan Section 3.4.7, pg. 83. (Emphasis added.) ***Primary landowners in the McCarran area include companies such as Tesla, Google, Switch, and Blockchains, which is the single largest landowner. McCarran is thus Nevada's developing technological hub, at times compared to Silicon Valley, and through Blockchains' Innovation Park, is on-track to be the world-renowned, next generation, transformational technology park.***

The Proposed Waste Incineration Plant in this area by an applicant with such a tumultuous history of environmental and safety violations will destroy the decades of progress of technological development and job growth in Northern Nevada envisioned by the Storey County Commission. The Staff Report finding that "[t]he proposed use of 'recycling facilities and operations involving use, recovery or residue of hazardous materials and/or wastes' is consistent with the heavy industrial use statements for [TRIC]," is incompatible with current and future development in the highly technology-focused McCarran Planning Area. Therefore, the Storey County Planning Commission should find that approval of Stericycle's Proposed Waste Incineration Plant SUP Request cannot be granted without substantially impairing the intent and purpose of the Master Plan.

C. The Proposed Waste Incineration Plant Creates Unacceptable Risks to the Public Health, Safety and Welfare of Storey County Citizens.

Section 17.62.010 of the 1999 Zoning Code requires the Planning Commission "to assure that the general purpose and intent of this title will be observed, *public safety and welfare* secured and substantial justice done." As stated in Section 17.02.020 of the 2012 Zoning Code, the general purpose is "to *serve the public health, safety, comfort, convenience and general welfare*; to provide the economic and social advantages resulting from an orderly planned use of economic, natural and community resources; to encourage, guide and provide for the future growth and development of the county; and to implement the goals, objectives, policies, and proposals of the Storey County master plan." Thus, the Planning Commission necessarily must determine whether risks to the public health, safety and welfare of Storey County citizens are acceptable before approving the SUP Request.

In considering whether the Proposed Waste Incineration Plant creates an unacceptable risk, the Planning Commission need only to look to our neighbor to the east in Utah. The Utah Physicians for a Healthy Environment ("**UPHE**") issued a report and response on the effects of Stericycle's facility in North Salt Lake which states "there is no law requiring incineration of medical waste, and 98% of the nation's medical waste incinerators have been closed in the last 15 years. Although the purpose of incineration is to eliminate pathogens, contrary to the assertions made by Stericycle in the Supplement, it does not remove toxins and actually creates new ones by concentrating and redistributing existing ones." The UPHE report considers discharge from incinerators as the most toxic type of air pollution and includes the deadliest compounds known to science.[3] Similarly, the Blue Ridge Environmental Defense League in North Carolina has called dioxins and furans, two types of air pollutants created by medical waste incinerators, the most dangerous chemicals known to man.[4]

Increased rates of cancer, pregnancy complications, birth defects, and autism have been found among people living within several miles of incinerators. At the time of its report, the UPHE stated that Utah had the highest rates of autism in the nation, double the national average. High rates of cancer in the closest subdivision to Stericycle's Utah facility is similarly disconcerting. Because air pollution from incinerators can travel hundreds of miles, surrounding residential areas are also at risk. UPHE member Dr. Brian Moench stated during a local town-hall meeting: "The scientific evidence that facilities like [Stericycle's] cause serious harm to the surrounding community is as undeniable as the evidence that smoking causes lung cancer."[5] The documented medical and health risks caused by Stericycle in the neighboring state of Utah should not be accepted by the citizens of Storey County. Therefore, the Storey County Planning Commission should find that approval of Stericycle's Proposed Waste Incineration Plant SUP Request cannot be granted without creating an unacceptable risk to the public health, safety and welfare of Storey County citizens.

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[3] *See* https://www.uphe.org/priority-issues/stericycle/.
[4] *See* http://www.bredl.org/pdf2/Medical_waste_pollutants.pdf.
[5] Full video of Dr. Moench's testimony can be found here: https://www.youtube.com/watch?v=7kil5b8B34k.

VIII. CONCLUSION.

Based on the evidence provided in this Opposition, the Planning Commission should recommend denial of Stericycle's SUP Request in a manner similar to the recommendation in the North Las Vegas Planning Commission Staff Report because Stericycle's Proposed Waste Incineration Plant poses a substantial detriment to the public good, substantially impairs the intent and purpose of the Zoning Code and Master Plan, and creates substantial risks to public safety and welfare to residents, businesses and wildlife in Storey County.

Date: Aug. 3, 2020

BLOCKCHAINS, LLC

By: Matthew Digesti

Matthew Digesti
Vice President of Government Affairs
and Strategic Initiatives

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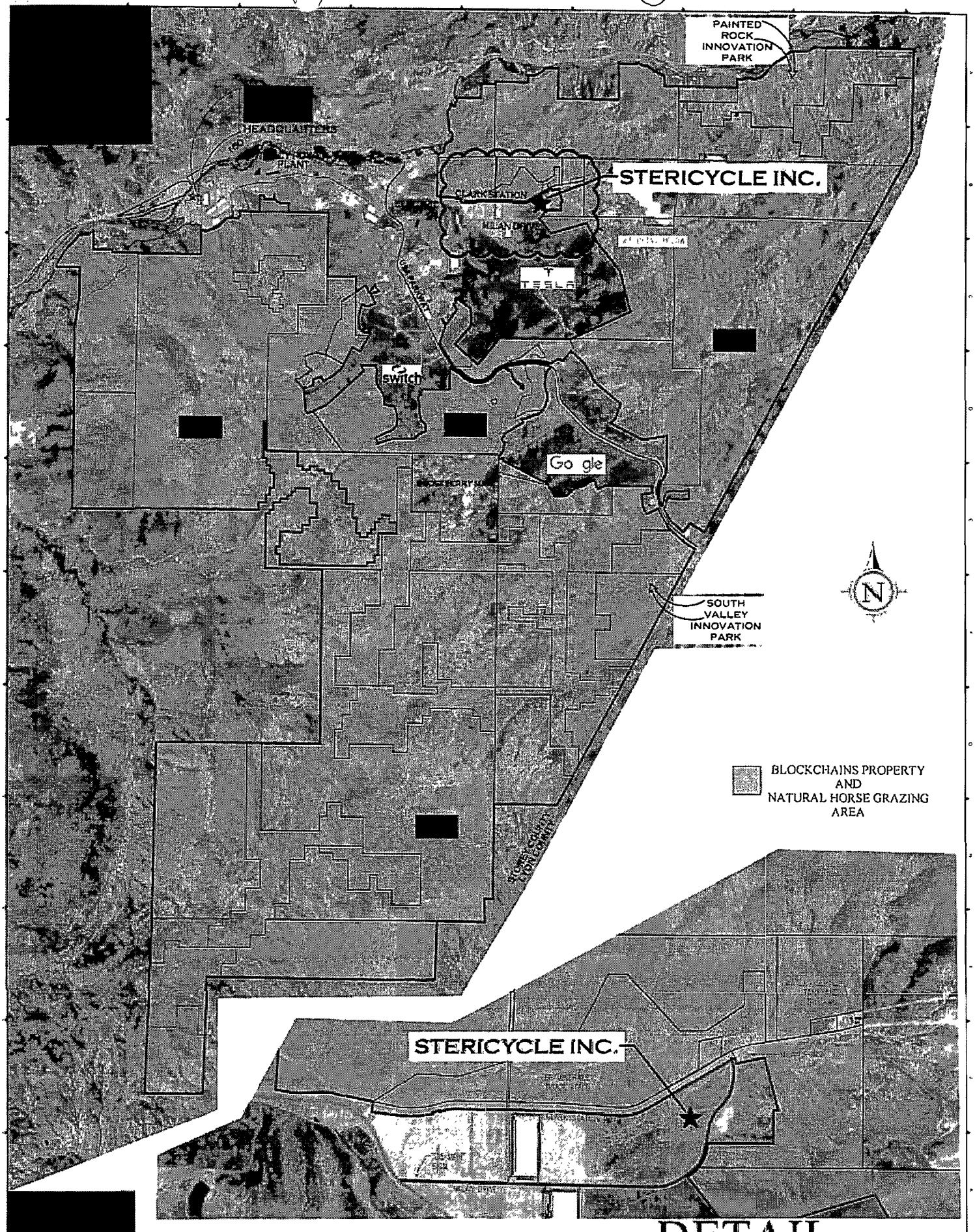
Docket 82660 Document 2021-06336

APPENDIX A



- DETAIL -

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INNOVATION PARK

STOREY COUNTY NEVADA

APPENDIX B

Utah Department of Environmental Quality
Division of Air Quality
Fact Sheet

November 2014

Contact

Harold Burge
hburge@utah.gov
801-536-4129

NOV Web Page

deq.utah.gov/businesses/S/Stericycle/novintro.htm

DEQ Social Media Access

Blog

http://dequtah.blogspot.com/

Facebook

https://www.facebook.com/utahdeq

Pinterest

https://www.pinteresr.com/urahdeq/

Twiter

hrrps://twitrer.com/UtahDEQ

YouTube

https://www.youtube.com/user/UtahDEQ

Stericycle Settlement Agreement

The Division of Air Quality (DAQ) and Stericycle have reached a Settlement Agreement for DAQ's 2013 Notice of Violation (NOV) alleging violations of Stericycle's Title V Operating Permit. This Agreement stipulates rhat Stericycle will pay a total penalty of $2.3 million dollars and move irs North Salt Lake facility to Tooele County within three years of receipt of the necessary consrruction permits. The Agreement requires Board approval before becoming final.

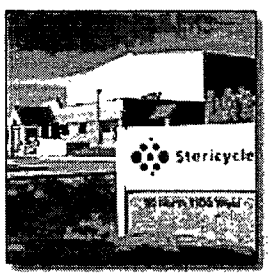
Background

In May 2013, DAQ issued an NOV to Stericycle for violations occurring between 2011 and 2013. These violations included:

- Emissions exceeding the permit limits for dioxin and furan
- Emissions exceeding the permit limits for nitrogen oxides (NOx) on multiple occasions
- Failure to report these emission exceedances to DAQ in a requisite time frame
- Failure to maintain normal operating conditions during a stack test
- Failure to include the test results demonstrating rhese emission exceedances in the requisite annual and semi-annual monitoring reports

In August 2013, DAQ amended the NOV to explicitly cover each day of the NOx violations. Stericycle was able to demonstrate compliance with emission limits in April 2013 and has subsequently upgraded its air pollution control equipment to meet sricter federal standards for medical waste incinerators. These upgrades include:

- Installation of a selective non-catalytic reduction (SNCR) unit to reduce NOx emissions
- Replacement of an electrosratic precipitator with a baghouse
- Replacement of existing emergency diesel generator with a new generator that can berrer handle loss of power and minimize bypass events



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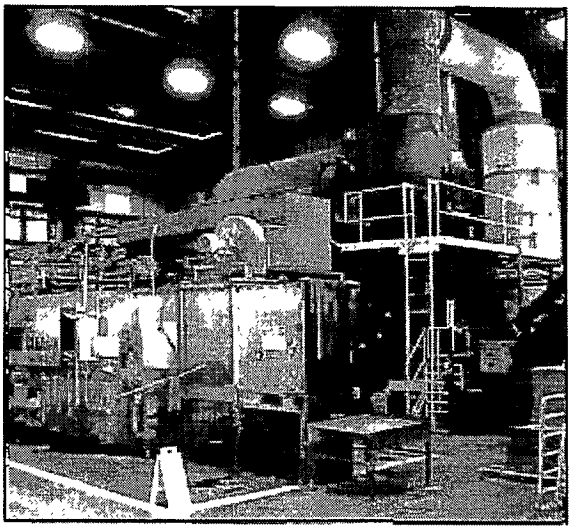
Settlement Agreement



Settlement discussions have been ongoing between DAQ and Stericycle since the NOV was originally issued. DEQ and Stericycle reached a Settlement Agreement on November 25, 2014. The terms of the agreement are as follows:

- Stericycle shall pay a total stipulated penalty of $2,322,536.00.
  - The company shall pay half of this penalty ($1,161, 268.00) to the state's General Fund within 30 days.
  - The remaining half of the penalty shall be credited as a Supplemental Environmental Project (SEP) when Stericycle permanently ceases operations at its current North Salt Lake location.
- Stericycle shall relocate its medical waste incinerator to a new location in Tooele County no later than three years after the company receives the following documents:
  - final, non-appealable permits from DEQ
  - final, non-appealable permits from local governments
  - Governor's approval required under state statute
- Stericycle shall submit all permit applications necessary to relocate the facility within 90 days of a signed agreement.
  - Sixty days after Srericycle receives all Necessary Approvals to Construct, the company will provide a construction schedule to the Division of Air Quality (DAQ).
  - Every 90 days thereafter, Stericycle will provide DAQ with a report on construction progress.
- Within three years to the date that Srericycle obtains all Necessary Approvals to Construct, Stericycle's Title V Operating Permit (February 19, 2009) and its Title V renewal and Approval Order (August 12, 2014) will become null and void, and Stericycle will permanently shut down operations at its North Salt Lake facility.

The Agreement resolves all claims under the NOV. Nothing in the Agreement precludes DAQ from seeking penalties for violations of the Agreement or future violations of state or federal air pollution laws and regulations.

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State of Utah
GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

DAQ-101-14

MEMORANDUM

TO: Air Quality Board

THROUGH: Bryce C. Bird, Executive Secretary

FROM: Harold Burge, Major Source Compliance Section Manager

DATE: November 25, 2014

SUBJECT: Stericycle, Incorporated Administrative Settlement Order No. 2013051501

Stericycle, Incorporated (Stericycle) operates a hospital/medical/infectious waste incinerator (HMIWI) located at 90 North Foxboro Drive, North Salt Lake, Davis County, Utah. On May 28, 2013, the Division of Air Quality (DAQ) issued a Notice of Violation and Order to Comply (NOV). On August 28, 2013, DAQ issued an Amended NOV that superseded the original NOV. By April 10, 2013, Stericycle had demonstrated compliance with all of their emission limits through stack testing.

Stericycle filed a request for Agency Action (RFAA) on September 27, 2013, which requested an evidentiary hearing to challenge the Amended NOV. On April 24, 2014, the Executive Director of the Utah Department of Environmental Quality (DEQ) appointed an Administrative Law Judge (ALJ) to conduct an administrative hearing to adjudicate the merits of the Amended NOV and RFAA. DAQ and Stericycle have engaged in a series of settlement negotiations starting before and continuing after the issuance of the NOV and Amended NOV. The attached Administrative Settlement Order is a result of those negotiations. The major provisions of the Administrative Settlement Order are:

1. A total penalty amount is $2,322,536.

2. Stericycle will pay half of the total penalty ($1,161,268) within 30 days of the effective date of the Administrative Settlement Order.

3. In lieu of paying the remaining half of the total penalty ($1,161,268), Stericycle will relocate to Tooele County and permanently cease operations at its North Salt Lake Facility within 3 years of obtaining all necessary permits and approvals for the new facility and Stericycle's Title V Permits and Approval Orders for the North Salt Lake Facility will be voided. The new facility will have better control technology and will be sited away from population centers.

In accordance with Utah Code Ann. 19-2-104(3)(b)(i), this memorandum is provided to the Utah Air Quality Board (UAQB) for review since the penalty exceeds $25,000. The signed Administrative Settlement Order has been provided in the packet. DAQ is seeking approval to enter into this Administrative Settlement Order to avoid further legal delays in resolving the Amended NOV and to ensure that operations at the North Salt Lake Facility cease as quickly as possible. The DAQ will withhold any further action on this case until the UAQB approves or disapproves the settlement.

Staff Recommendation: Staff recommends the UAQB approve the penalty amount and Administrative Settlement Order No. 2013051501.

BEFORE THE UTAH DIVISION OF AIR QUALITY

In The Matter of	:	Administrative Settlement Order
Stericycle, Incorporated	:	
No. 2013051501	:	

RECITALS

This Administrative Settlement Order ("Agreement") is entered into between Stericycle, Incorporated ("Stericycle") and the Director of the Utah Division of Air Quality ("DAQ," "Director," or "Division") pursuant to the Utah Air Conservation Act, Utah Code Ann. § 19-2-101 et seq. ("Act") and Utah Administrative Code ("UAC") Rule 305-7-320. For purposes of this Agreement, DAQ and Stericycle shall be referred to collectively as the "Parties."

1. **Utah Air Quality Board's and DAQ's Authority.**
The DAQ has authority to administer the Act, and to issue notices of violation and orders and to exercise all incidental powers necessary to carry out the purposes of the Act. Utah Code Ann. § 19-2-107. The Parties may agree to settle an action pursuant to Rule 305-7-320. The Utah Air Quality Board ("Board") has the authority to review and approve a settlement negotiated by the DAQ that requires a civil penalty of $25,000 or more. Utah Code Ann. § 19-2-104(3)(b)(i).

2. **Stericycle.**
Stericycle operates a hospital/medical/infectious waste incinerator located at 90 North Foxboro Drive, North Salt Lake, Davis County, Utah ("Facility").

3. **NOV and Amended NOV.**
DAQ issued a Notice of Violation and Order to Comply to Stericycle on May 28, 2013 ("NOV") and DAQ issued an Amended Notice of Violation and Order to Comply ("Amended NOV") to Stericycle on August 28, 2013. The Amended NOV superseded the NOV. The Amended NOV alleges that Stericycle violated several conditions of the Title V Operating Permit 1100055002 dated February 19, 2009.

4. **Request for Agency Action.**
Stericycle filed a Request for Agency Action ("RFAA") on September 27, 2013, which requested an evidentiary hearing to challenge the Amended NOV.

5. **Appointment of Administrative Law Judge.**

On April 24, 2014, the Executive Director of the Utah Department of Environmental Quality appointed an Administrative Law Judge ("ALJ") to conduct an administrative hearing to adjudicate the merits of the Amended NOV and RFAA.

6. **Settlement Discussions.**

The Parties have engaged in a series of settlement discussions starting before and continuing after the filing of the NOV and Amended NOV. As part of those discussions, it was suggested that one aspect of a resolution could involve moving Stericycle's incinerator operations at the Facility to another location, if a suitable, remote location could be found for a new incinerator in Utah, that would be built with better air pollution control technology than is currently required at the Facility but that would also be buffered from population centers and sited in compliance with setbacks within its property boundaries consistent with applicable land use regulations. Stericycle has found what it believes to be a suitable location, has entered into an agreement to purchase property at that location, and has begun the process to obtain the necessary approvals to construct and operate a new incinerator at this new location. In order to provide further incentive to Stericycle to complete this process, the Parties have agreed to the penalty payment structure outlined in Paragraph 11 below.

7. **Purpose.**

The purpose of this Agreement is to settle the violations alleged in the NOV dated May 28, 2013 and the Amended NOV dated August 28, 2013. This settlement shall not in any way relieve Stericycle of any obligation to comply with applicable, federal, state or local laws, rules or regulations, and nothing in this settlement shall preclude DAQ from taking appropriate action to abate a threat to public health or the environment should such a situation arise.

8. **No Admissions.**

The Parties now wish to resolve this matter fully without admissions of: any factual allegations or findings in the NOV or Amended NOV, any violations of law, rule, regulation or permit, any liability, wrongdoing, failure or omissions whatsoever; and without further administrative or judicial proceedings.

9. **Payments.**

Without any admission of liability, wrongdoing, or negligence, Stericycle has agreed to undertake the actions and make the payments identified in Paragraph 11 below.

10. **Mutual Interest.**

The Parties believe that it is in their mutual best interest to execute this Agreement and to settle the NOV and Amended NOV.

AGREEMENT AND ORDER

NOW THEREFORE, without adjudication of any issue of fact or law and without admission of any liability, and subject to the approval of the Board, the Parties hereby agree and DAQ orders as follows:

11. In settlement of the alleged violations referenced in Paragraphs 3 and 7 of this Agreement, Stericycle, agrees to a total stipulated penalty of $2,322,536.00, one half of which will be paid to the State of Utah upon execution of this Agreement as provided below, and the other half of which will be credited as provided below.

a. Civil Penalty paid to the State. Stericycle agrees to pay one-half of the penalty amount within thirty (30) days of the effective date of this Agreement, by wire transfer of funds in the amount of $1,161,268 payable to the State of Utah.

b. Supplemental Environmental Project (SEP) Credit for Remaining Civil Penalty. The remaining one-half of the penalty amount ($1,161,268) shall be credited as a Supplemental Environmental Project at the time Stericycle permanently stops operating the North Salt Lake Facility which will occur no later than three years from the date Stericycle obtains the final, non-appealable permits from the Utah Department of Environmental Quality (DEQ), all non-appealable local governmental approvals necessary to commence construction of the new incinerator and the Governor's approval referenced in Utah Code Ann. Section 19-6-108 (3)(c)(i) (hereinafter "All Necessary Approvals to Construct").

12. If the $1,161,268 payment referenced in Paragraph 11.a. is not made within 30 days, additional penalties shall accrue at the rate of $10,000 a day and DAQ may enforce payment through a civil action in Second District Court.

13. In order to ensure prompt and diligent efforts to relocate the Facility from its current location in North Salt Lake, Stericycle agrees to comply with the following:

a. Within 90 days of the date that DAQ signs this Agreement, Stericycle shall submit to the Utah Department of Environmental Quality ("DEQ") all permit applications (over which DEQ has jurisdiction) necessary to relocate the Facility to a new location.

b. 60 days from the date Stericycle obtains All Necessary Approvals to Construct, Stericycle will provide DAQ with a schedule for the construction of the incinerator in the new location in Tooele County, Utah.

c. Every 90 days thereafter, Stericycle shall provide DAQ with a report describing in detail Stericycle's good faith efforts to complete the construction referred to in Paragraph 13.b.

14. Within three years after the date that Stericycle obtains All Necessary Approvals to Construct, Stericycle's Title V Operating Permit 1100055002 (issued February 19, 2009) or any subsequent Title V Operating Permit renewal and Approval Order DAQE-AN101420011-14 (issued August 12, 2014) for the North Salt Lake Facility shall become null and void and Stericycle shall permanently cease operation at the North Salt Lake Facility.

15. None of the provisions of this Agreement shall be considered admissions by Stericycle and shall not be used by any third party related or unrelated to this Agreement for purposes other than determining the basis of this Agreement. This Agreement resolves any and all liability and claims under the authority of the DAQ arising from the NOVs listed in Paragraphs 3 and 7 of this Agreement against Stericycle, its officers, employees and agents and against any other unnamed owners and/or operators of the North Salt Lake Facility at the time of the alleged violations.

16. Nothing in this Agreement shall preclude the DAQ from seeking civil penalties for violations of this Agreement, future violations of the Act or Rules, or to issue future Notices or Orders. Nothing in this Agreement shall constitute a waiver by Stericycle of any defense or the ability to raise any factual or legal contention for future alleged violations, or in response to future Notices or Orders.

17. All notices, requests, demands, and other communications hereunder shall be in writing and shall be given by (i) established express delivery service which maintains delivery records, (ii) hand delivery, or (iii) certified or registered mail, postage prepaid, return receipt requested, to the Parties at the following addresses, or at such other address as the Parties may designate by written notice in the following manner:

Director
Bryce C. Bird
Utah Division of Air Quality
P.O. Box 144870
Salt Lake City, UT 84114-4870

Stericycle

Attn: Richard Kogler
Stericycle, Inc.
28161 N. Keith Drive
Lake Forest, IL 60045

With a copy to:

Christian C. Stephens
Office of Utah Attorney General
P.O. Box 140873
Salt Lake City, UT 84114-0873

Raymond J. Etcheverry
Parsons Behle & Latimer
201 South Main Street, Suite 1800
Salt Lake City, UT 84111

18. Successors and Assigns. All of the rights and obligations of the Parties under this Agreement shall be binding upon and inure to the benefit of their permitted successors. Stericycle shall not assign this Agreement without the written permission of DAQ.

19. Authority to Execute. Each person executing this Agreement individually and personally represents and warrants that he or she is duly authorized to execute and deliver the same on behalf of the entity for which he or she is signing, and that all corporate and/or legislative authority and approvals, as the case may be, have been obtained, and that this Agreement is a binding obligation on such entity.

20. Entire Agreement. This Agreement, which includes all recitals and terms hereto, constitutes the entire agreement between the Parties relating to the subject matter of this Agreement, and incorporates all prior correspondence, communications or agreements between the Parties relating to the subject matter of this Agreement, and cannot be altered except in writing signed by all Parties.

21. This Agreement shall be executed as follows: Stericycle shall execute this Agreement first. The Parties shall then present the Agreement to the Board for approval. If the Board approves the Agreement without change, DAQ will execute the Agreement.

Agreed:

Stericycle; Incorporated

Richard Kogler
Chief Operating Officer

Date: 11/25/14

Agreed and Ordered:

Bryce C. Bird, Director
Utah Division of Air Quality

Date: _____

APPENDIX C

Planning Commission Agenda Item

Date: June 12, 2019

Item No: 20.

TO: Planning Commission

FROM: Marc Jordan, Director Land Development & Community Services
Prepared By: Amy Michaels

SUBJECT: **UN-45-19 (69246) STERICYCLE MEDICAL WASTE INCINERATOR. (Public Hearing)** Applicant: Stericycle, Inc. Request: A special use permit in a M-2 (General Industrial District) to allow a Medical Waste Incinerator Facility. Location: Approximately 4,600 feet south of Apex Sapphire Avenue and 800 feet southwest from the end of Grand Valley Parkway (APN 103-15-010-027). (For possible action)

RECOMMENDATION:

The Land Development and Community Services Department recommends that UN-45-19 be denied.

GENERAL INFORMATION:

Comprehensive Plan:	Heavy Industrial
Existing land use and zoning:	Undeveloped; M-2, General Industrial District
Surrounding land use and zoning:	North: Developed Outdoor Recycling; M-2, General Industrial District West: Undeveloped; M-2, General Industrial District East: Undeveloped; M-2, General Industrial District South: Undeveloped; M-2, General Industrial District

BACKGROUND INFORMATION:

The applicant is requesting Planning Commission consideration for a special use permit to allow a medical waste incinerator. The site is located within the Apex Overlay District. The site is 6.45 acres in area and is located approximately 4,600 feet south of Apex Sapphire Avenue and 800 feet southwest from the end of Grand Valley Parkway.

The site and the proposed use were previously approved by the Planning Commission and City Council (UN-78-16) in December 2016. The special use permit approval lapsed in December 2018.

According to the applicant's letter of intent, the proposed use is a hospital, medical, and infectious waste incinerator. The incinerator will process medical waste, non-hazardous

pharmaceuticals, tissues, and other waste as determined by the Federal Division of Solid and Hazardous Waste. The applicant indicates that the impact on the surrounding areas should be minimal. After incineration, the resulting ash will be stored on site and then disposed into the landfill.

The letter of intent states that the development will contain a 44,000 square foot incinerator building with an attached 4,500 square foot office building. The floor plans submitted show a different building/area square footage. The floor plan indicates that the incinerator room is 15,300 square feet, the loading dock/plant area is 17,300 square feet, electrical/storage is 2,300 square feet and the maintenance room is 800 square feet for a total of 35,700 square feet. The letter of intent indicates that the site plan and floor plans are subject to revisions as detailed designs will be developed for building permits and construction.

Access to the site is from two driveways from the access road. The first driveway is for employee and visitor parking while the second driveway is for trucks and is gated. The site plan shows 69 parking spaces are provided, which is in compliance with the Apex Overlay Standards. The site plan does not indicate whether the parking areas are paved, which is required by code. The site plan does not show the required perimeter landscaping of five feet as required per the Apex Overlay standards. The site plan does not indicate where the ash will be stored after incineration. The elevations show an ash canopy on the west side of the building; however, it does not indicate if the ash is being stored in the building or outside of the building. The ash cannot be stored outside of the building. According to the site plan there are three detention ponds located onsite and the ash could be carried by wind or a rain event into the ponds contaminating the water, or onto surrounding properties.

The elevations submitted, indicate that the building is precast metal panels with a prefinished metal parapet cap with eight truck bays. The elevations also show an ash storage canopy on the west side of the building.

DEPARTMENT COMMENTS:

Public Works:	Please see the attached memorandum.
Police:	No comment.
Fire:	Please see the attached memorandum.

ANALYSIS

The proposed medical waste incinerator is an intense industrial use located in the Apex Overlay District. The Apex Overlay District was created specifically for intense industrial activities that are not appropriate within the Las Vegas Valley. The applicant's letter of intent states that the waste processed at the facility will include medical waste generated in healthcare or healthcare related facilities (doctor's office, dentist, etc.), veterinary and animal care facilities, research facilities, pharmaceutical manufacturing

and distribution facilities. The letter also states that the typical wastes include paper, plastic, cloth, human and animal tissue, expired and unused non-hazardous pharmaceuticals, and similar wastes.

Staff has concerns about the environmental effects from the proposed medical waste incinerator use. Incinerators can release a variety of pollutants depending on the composition of the waste being incinerated. This could lead to the release of substances of unknown toxicity into the air and environment, which could negatively impact people around the Apex area. The applicant provided information that indicates a variety of emissions into the air and that information is an estimate from all the facilities that they operate. However, the emissions are an estimate based on their other facilities. Since this information is an estimate, some facilities may release more pollutants than others in operation. Some of the pollutants that can be released include: carbon monoxide, hydrogen chloride, dioxins and furans, particulate matter, oxides of nitrogen, sulphur dioxide, mercury, cadmium, and lead.

When pollutants form, incineration facilities disperse them into the air, people that are close to the facility may be exposed directly to the pollutants through inhalation or indirectly through the consumption of contaminated food or water. The facility proposes to have 30-35 employees and other facilities in the vicinity also have employees. There are several businesses located within the vicinity of the proposed use: Shed Holdings, UNEV Pipeline, Nevada Power, Circle S Farms, Delta Liquid Energy, Waveseer, and a truck stop located to the east off of the I-15. The state's Desert National Wildlife Park is also located to the north of the site. Emissions from this facility could negatively impact people working in this area and impact the wildlife at the refuge. Contaminants can be carried through the air and can affect soil, water and food sources which in turn can impact people and the wildlife.

According to the Blue Ridge Environmental Defense League in North Carolina, dioxins and furans which are only two types of air pollutants created by medical waste incinerators have been called the most dangerous chemicals known to man and are air pollutants that are released from medical waste incinerators (Attachment G). These chemicals form when the incinerator temperatures are not consistent; when the waste is not completely incinerated; and during by-pass events when air pollution control equipment fails. In the event of an explosion, the facility would not perform the by-pass procedures and air pollutants formed during incineration are released into the air and can travel long distances contaminating the environment.

Another concern is the discharge of wastewater created by the operation of the incinerator facility. The applicant states that a neighboring business has agreed to take their wastewater however, if this does not happen the applicant has not stated how they will dispose of the wastewater. If the wastewater is not treated properly, it will pollute the environment.

Stericycle has had several violations for the operation of their incinerator sites.

- In June of 2004, Stericycle was fined by the Ohio Environmental Protection Agency for improper disposal of hazardous waste. Twelve cubic yards of hazardous waste treatment sludge was sent to a solid waste landfill. (Exhibit A)

- In 2011, Stericycle was in violation of air emissions test in Utah. The stack tests that were done exceeded acceptable levels for hazardous pollutants, nitrogen oxides and highly reactive gases. Stericycle was fined for this violation by the Utah Environmental Protection Agency. (Exhibit B)

- April 2011, Stericycle was in violation of air quality regulations in California for failing to inspect their diesel trucks to ensure that they met smoke emission standards. (Exhibit C)

- In 2014, Stericycle agreed to a settlement with the state of New Mexico for violations of excess waste storage time and inappropriate emergency response preparation. (Exhibit D)

- In 2017, Stericycle was fined by the Department of Ecology in the State of Washington for not treating their wastewater which overwhelmed the treatment plant in Morton, Washington and caused the plant to violate the water quality permit. (Exhibit E)

- In 2018, Stericycle received a violation from the United States Environmental Protection Agency for failing to maintain a liability insurance policy that would provide adequate coverage to third parties (neighbors) whose health and properties could be harmed by a release of hazardous wastes from the facility. (Exhibit F)

The proposed medical waste incinerator is a heavy industrial use does not appear to be appropriate in the Apex Overlay District. There are many environmental and health concerns with the use. Pollutants are created at various stages of the process in the stack pipes, ashes, scrubber water and filters and in the smoke that leaves the stack. The emissions of pollutants can affect the health and welfare of people that work around the Apex area as well as the employees of the facility. There could also be an impact on the wildlife within the Desert National Wildlife Park. Therefore, staff does not support this special use permit request.

Requirements for Approval of a Special Use Permit

Medical Waste Incinerators are permitted as a special use in the M-2, General Industrial Apex Overlay Area. In accordance with the Zoning Ordinance, the Planning Commission may, by motion, grant a special use permit if the Planning Commission finds, from the evidence presented, that all of the following criteria are satisfied:

1. That the proposed use at the particular location is necessary or desirable to

provide a service or facility which will contribute to the general well-being of the neighborhood or the community.

2. That such use will not, under the circumstances of the particular case, be detrimental to the health, safety or general welfare of persons residing or working in the vicinity, or injurious to property or improvements in the vicinity.

3. That the proposed use will comply with the regulations and conditions specified in this code for such use.

4. That the granting of this special use permit will not adversely affect the master plan of the City.

Staff does not support the proposed use. The proposed use is consistent with the zoning designation and the Comprehensive Plan. However, the proposed use creates a number of environmental and health concerns. Additionally, the applicant has demonstrated an unwillingness to comply with State and Federal guidelines for this use. Therefore, the potential danger to the Apex area, the city as a whole, and the employees within the area warrant a recommendation of denial.

If however, the Planning Commission were to determine that approval is warranted, then staff recommends the following conditions.

Planning and Zoning:

1. That, unless expressly authorized through a variance, waiver or another approved method, this development shall comply with all applicable codes and ordinances.

2. No outdoor storage of waste or ash shall be permitted.

3. All trucks / trailers storage shall be within the gated and fenced yard.

4. A five (5) foot perimeter landscaping buffer is required by the Apex Standards.

5. Buildings shall comply with the architectural character and materials within the Apex Overlay standards.

Public Works:

6. All known geologic hazards shall be shown on any preliminary development plans and civil improvement plans submitted to the City. Subsequent

identification of additional hazards may substantially alter development plans.

7. Approval of a drainage study is required prior to submittal of the civil improvement plans.

ATTACHMENTS:

Public Works Memorandum
Fire Prevention Memorandum
Letter of Intent
Site Plan
Building Elevations
Exhibit A
Exhibit B
Exhibit C
Exhibit D
Exhibit E
Exhibit F
Exhibit G
Clark County Assessor's Map
Location and Zoning Map

CITY OF NORTH LAS VEGAS
INTEROFFICE MEMORANDUM

To: Amy Michaels, Principal Planner, Land Development & Community Services
From: Robert Weible, Land Development Project Leader, Department of Public Works
Subject: UN-45-19 **Stericycle Medical Waste Incinerator**
Date: May 20, 2019

In addition to the requirement to comply with the *City of North Las Vegas Municipal Code – Titles 15 and 16, NRS 278* and accepted *Clark County Area Uniform Standard Drawings*, the Department of Public Works recommends the following conditions of approval:

1. All known geologic hazards shall be shown on any preliminary development plans and civil Improvement plans submitted to the City. Subsequent identification of additional hazards may substantially alter development plans.

2. Approval of a drainage study is required prior to submittal of the civil improvement plans.

Utilities – For information only:

- This project shall comply with the General Provisions and Conditions of the *City of North Las Vegas Water Service Rules and Regulations* and the *Design and Construction Standards for Wastewater Collection Systems.*

- Submittal of a Hydraulic Analysis per the *Uniform Design and Construction Standards (UDACS) for Potable Water Systems* is required and will be subject to the review and approval of the Utilities Department.

For more information regarding the land development process and other associated requirements in the City of North Las Vegas, please visit the City's website and find the **Land Development Guide:**
http://www.cityofnorthlasvegas.com/Departments/PublicWorks/PublicWorks.shtm.

Robert Weible, Land Development Project Leader
Department of Public Works

CITY OF NORTH LAS VEGAS
INTEROFFICE MEMORANDUM

To: Planning Commission
From: Janice Thomas, Fire Protection Specialist
Subject: UN-45-19 | Stericycle Medical
Date: May 16, 2019

The Fire Plan Review is not opposed to this application.

For informational purposes only:

1. Design for fire access, water supply and building requirements shall be based on the *2018 International Fire Code* as amended by the City of North Las Vegas.
2. A technical opinion and report is required The technical opinion and report prepared by a qualified engineer shall evaluate the design of the facility or the operational process in question. The report may be a deferred submittal; however, any recommended changes presented by the report shall be incorporated into the design of the facility or operational process.
3. Operating permits for activities or conditions regulated by the North Las Vegas Fire Code such as Hazardous materials and Waste handling ***IFC 105.6.***
4. *Approved* secondary access for ingress shall be provided for all commercial and industrial developments.
5. *All portions of the facility and all portions of the exterior ground floor walls* of the proposed buildings or structures are to be within 150 feet of an approved fire apparatus access road, as measured from the road along the exterior of the building or facility to the furthest point as the hose lies.
6. Fire apparatus access roads shall have an unobstructed clear width of not less than 24 feet, except for approved access gates.
7. The required turning radius of a fire apparatus access road shall be no less than 28 feet inside turning radius and 52 feet outside turning radius.
8. Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus, with a minimum vehicle load of 33,000 pounds per axle, and shall be surfaced and paved so as to provide all-weather driving capabilities.
9. The grade of the fire apparatus access road shall not exceed 12%. The angles of approach and departure for fire apparatus access roads shall be a maximum of 6% grade for 25 feet of approach/departure.
10. Red-painted curbs and appropriate signage are required to maintain the minimum required access road width of 24 feet.
11. Dead-end fire apparatus access roads in excess of 150 feet in length shall be provided with an approved area for turning around the fire apparatus. For commercial and industrial areas, a clear turnaround with a diameter of ***104 feet*** to face of curb shall be provided.
12. *Approved automatic fire sprinkler systems* in new buildings and structures shall be provided throughout all buildings, regardless of occupancy type, exceeding 5,000 sq. ft. (464 m2) in building area and *additionally* throughout all buildings containing a *Group S1 occupancy.*
13. Either a dedicated fire riser room with exterior door or a Post-Indicator Valve is required for each fire sprinkler system riser.
14. A Fire Department Connection shall be located on the address side of buildings, adjacent to the access lane, within 100 feet of a fire hydrant and clear of obstructions.
15. An *approved* water supply capable of supplying the required fire flow for fire protection shall be provided.
16. Fire hydrants shall be provided along required fire apparatus access roads. In all commercial and industrial areas, hydrants shall be spaced not to exceed 300 feet or 400 feet provided the building is protected by an approved automatic fire sprinkler system.

17. Fire hydrants shall be located 4 feet to 7 feet from the back of curb. Where it is not possible to locate the hydrant a minimum of 4 feet from the back of the curb, the hydrant shall be protected against vehicular impact in accordance with Section 312. A perimeter around the hydrant measuring a minimum of 3 feet from its exterior shall be maintained clear of all obstructions at all times.
18. Where streets are provided with median dividers, or have four or more travel lanes and a traffic count of more than 30,000 vehicles per day, hydrants shall be spaced at a maximum of 1,000 feet along both sides of the street; arranged on an alternating basis at 500–foot intervals.
19. Where new water mains are extended along streets where hydrants are not needed for protection of structures or similar fire problems, fire hydrants shall be provided at spacing not to exceed 1,000 feet to provide water for transportation hazards.
20. The maximum distance from a hydrant to the end of a dead-end street shall not exceed 200 feet.
21. Two sources of water supply are required whenever 4 or more fire hydrants and/or sprinkler (per Section 903.3.1.1 and/or 903.3.1.2) lead-ins are installed on a single system.
22. For systems required to have two sources of water supply per C104.1, sectional control valves shall be installed so that no more than 2 fire hydrants and/or fire sprinkler (per Section 903.1.1 and/or 903.3.1.2 only) lead-ins can be out of service due to a service interruption. For systems permitted to have one source of water supply per C104.1, sectional control valves shall be installed so that no more than 3 fire hydrants and/or fire sprinkler (per Section 903.1.1 and/or 903.3.1.2 only) lead-ins can be out of service due to a service interruption.
23. Portable fire extinguishers shall be installed per IFC§906.1.

Janice Thomas, Fire Protection Specialist

Stericycle®

April 25, 2019

Community Development Department
City of North Las Vegas
1700 North Grand Avenue
North Las Vegas, Nevada

Subject: Purpose and Intent Letter
Stericycle – Proposed Incinerator Facility
Grand Valley Parkway, Mountain View Industrial Park (Apex)
North Las Vegas, Nevada

To Whom It May Concern:

Stericycle, Inc. presents this letter to document the purpose and intent for the construction and operation of a hospital, medical, and infectious waste incinerator (HMIWI) facility. Stericycle, Inc. proposes to construct and operate an HMIWI facility just south of Grand Valley Parkway in the Mountain View Industrial Park portion of the Apex Overlay Area in North Las Vegas, Nevada, parcel number 103-15-010-027. This purpose and intent letter has been prepared in accordance with the City of North Las Vegas (CNLV) zoning ordinance and is submitted as part of the Special Use Permit application that is included with this letter. The Site will be located in an M-2, General Industrial District, zoned area within the CNLV, and is surrounded by similar uses and the same M-2 zoning.

The site and proposed use was originally approved by the CNLV in December 2016 as part of this same zoning and special use process. That approval inadvertently lapsed in December 2018 while Stericycle was working with other City departments for approval of site designs, utility commitments, and other needed approvals. Therefore, this is a re-application for approval of the same use in the same site that was previously approved.

Presented below is a discussion of the project background, our proposed intent, and estimated schedule.

Stericycle

SITE DESCRIPTION

The Site will require an approximately 6.45 acre developed portion, containing a 48,000 square foot main building with two types of use, as listed below. It should be noted that the layout of the facility and the dimensions presented below are only approximate at this time proposed and may be revised during detailed design and construction phases, reflecting adherence to best engineering practice, all applicable codes and ordinances, and required approvals by city, county, state, and federal regulatory agencies having jurisdiction.

- Office/administration – approximately 4,500 square feet; and
- Incineration and Waste Management – approximately 44,000 square feet for receiving, staging, sorting, transfer, processing, and incineration of medical waste.

The Site will also require an employee parking lot; outdoor storage; truck access and parking; movement and queuing; loading and unloading of freight and supplies; compatible landscaping; natural open space; exterior lighting; security; a backup generator; run-on/run-off control facilities; and other ancillary facilities associated with the intended use of the Site. The developed portion of the Site will be enclosed with a perimeter fence and gates to prevent unauthorized access.

The site development design, drainage features, storm water and flood control features, entrance roadway, and other site features have been designed and submitted to the CNLV for review and approval by Stericycle's local site and civil engineer, Poggemeyer Design Group (PDG). Conceptual building and equipment layout designs are included with the application, however, while consistent with site design features and dimensions developed this far, these building and equipment details are subject to potential revision as detailed designs are developed for building permits and construction.

FACILITY PURPOSE

The HMIWI facility proposed by Stericycle is the first of its kind in the CNLV area which will assist with medical/infectious waste handling, treatment and disposal in a safe and effective manner. There is no other HMIWI or processing facility within the State of Nevada; thus, HMIWI and other medical waste that is generated within Nevada must be either landfilled, if allowable under the regulations for those materials, or transported outside of the State of Nevada to approved treatment facilities.

The Site will service the greater Las Vegas area as well as the State of Nevada. As part of Stericycle's network, the Site will also service Stericycle's Western Regional System, including but not limited to the Pacific Coast and Intermountain States.

Stericycle®

The waste processed/incinerated at the facility will include medical waste generated in health care or health care-related facilities, animal care, and research facilities, pharmaceutical manufacturing and distribution facilities. It will also include special waste streams approved by the Division of Solid and Hazardous Waste.

Typical wastes include paper, plastic, cloth, diagnostic cultures, human and animal tissues generated by hospitals, nursing homes, clinics, and other medical, dental and veterinary facilities; expired and unused non-hazardous pharmaceuticals, and other such similar wastes as may be permitted for incineration by the facility.

EFFECTS ON TRAFFIC AND SURROUNDING NEIGHBORHOODS

The impacts to traffic and surrounding neighborhoods is anticipated to be minimal. Truck volume is expected to be approximately 30 trucks per day, both in and out of the site. This number will include waste transport trucks, semi-tractor trailers, local service and route trucks, and other facility support vehicles. This number could change somewhat (increase or decrease) as the needs and regulations of the business change over time. The approximate amount of vehicles listed above does not include employees or visitor traffic. The estimated truck and vehicle volume is not anticipated to impact traffic or surrounding neighborhoods. Stericycle, by PDG, has submitted, and received, a waiver of the need for a traffic study by the CNLV, reflecting this minimal impact.

The surrounding neighborhood in the industrial park features compatible intense industrial uses and zoning, including neighboring uses such as a waste water lagoon and treatment facility, a petroleum tank farm, and a natural gas to electricity power plant.

GENERAL PUBLIC BENEFITS

In summary, the following benefits will be provided to CNLV and the State of Nevada:

- The construction and operation of the HMIWI facility will be the first medical waste incinerator located inside Nevada, which will benefit the State of Nevada by providing a local source for the proper and correct method of destruction of incinerable medical waste. This includes certain wastes, such as pathological waste, marijuana growers residuals, and other difficult to manage waste streams that the Southern Nevada Health District has indicated could be designated for the proposed facility and, in so doing, would relieve a potential public health issue.
- With the addition of an HMIWI facility within the greater Las Vegas area, it will reduce the volume of truck traffic and vehicle emissions that currently exist due to having to transport medical waste to out-of-state facilities for treatment and disposal.
- Site development, construction of the facility, and operation of the facility will benefit the economic condition of Las Vegas by creating additional jobs and economic activity.

Stericycle®

PROPOSED CONSTRUCTION SCHEDULE

In 2016, Stericycle began the process of obtaining the Southern Nevada Health District permit to construct/operate an HMIWI facility, and also the approval of the permit to construct from the Department of Air Quality of Clark County. Both of these permits have since been granted and remain in good standing. As mentioned above, the special use permit approval for the site and facility were originally granted by the CNLV in December 2016. Site design and drainage study approvals have been applied for with the CNLV and are pending. Once the reapplication for the city SUP and site permits are approved, site grading and construction would begin, while detailed building and process designs are completed and permitted. It is anticipated that the construction phase of the facility would take approximately 2-3 years, including site work, building construction, equipment installation, startup, shakedown, and testing. This anticipated schedule is proposed and will be determined based on the availability of materials, equipment, permitting, etc.

Please feel free to contact us should you have any questions concerning this submittal, or require any additional information. We look forward to continuing to work cooperatively with the City on the development and construction of this important project.

Sincerely,

James W. Nold
Director of Engineering
Stericycle, Inc.

000180

BASIS OF BEARING:

SOUTH 89°31'32" WEST BEING THE NORTH LINE OF THE SOUTHWEST QUARTER (SW 1/4) OF SECTION 23, TOWNSHIP 19 SOUTH, RANGE 61 EAST, M.D.M., NORTH LAS VEGAS, CLARK COUNTY, NEVADA, AS SHOWN ON CERTAIN MAP, BOOK 111, PAGE 45 OF PLATS, CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

PROJECT BENCHMARK:

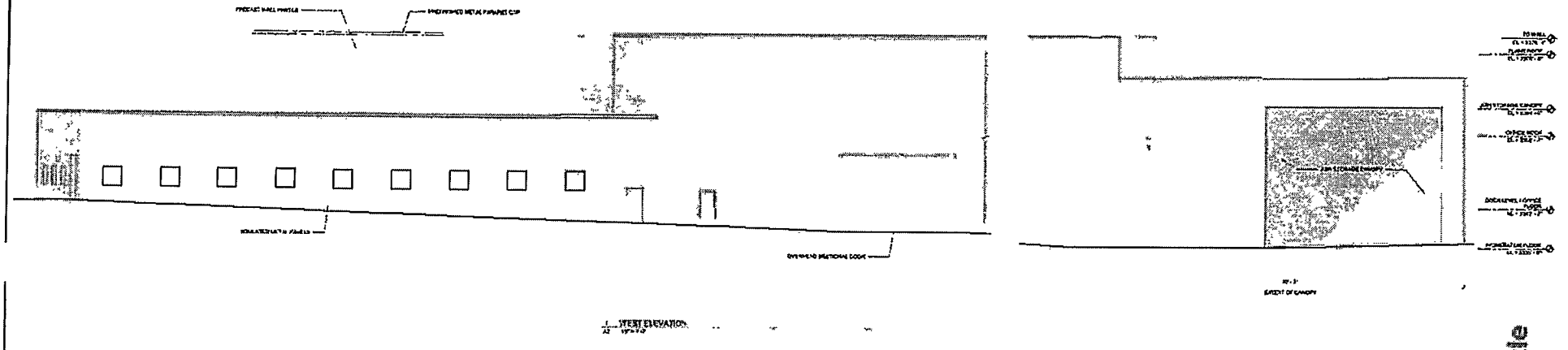
PROJECT DATUM: NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88)

NATIONAL GEODETIC SURVEY: LYNCH 1983
HARMS ELEVATION: 2421.84 METERS (7943.96 FEET)

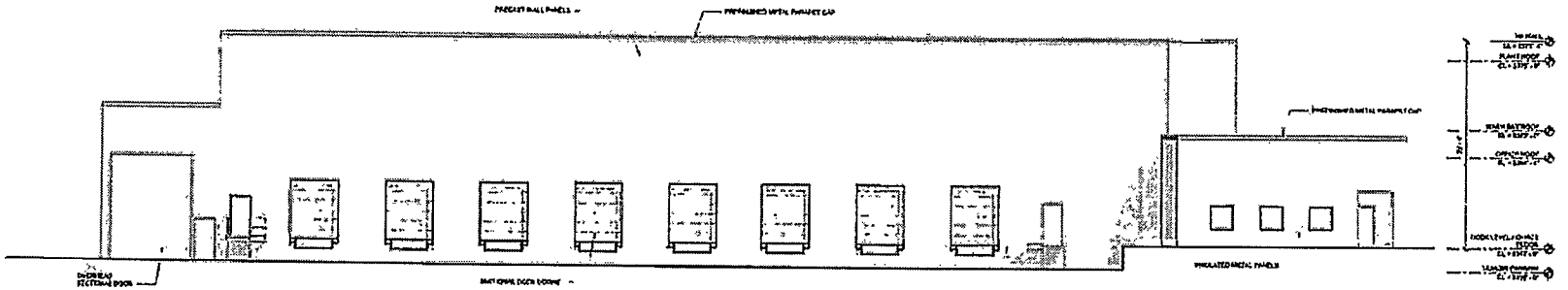
NORTHWEST CAM WITH STEEL ROD WITH VERTICAL CONCRETE, 37.3 KM (23.2 MI) NE FROM LAS VEGAS, 39.0 KM (24.2 MI) NORTHEAST ALONG THE UNION PACIFIC RAILROAD FROM THE STATION IN LAS VEGAS, THENCE 0.19 KM (0.1 MI) NORTHWEST ALONG TH HIGHWAY 93, THENCE 1.0 KM (0.6 MI) NORTHWEST ALONG STATE HIGHWAY 604, 0.8 KM (0.5 MI) SOUTHWEST OF INTERSECTION 65, 19.2 METERS (44.5 FT) NORTHWEST OF THE PROPERTY CORNER, 3.3 METERS (10.8 FT) NORTHEAST ACROSS THE RAILROAD TRACK FROM THE SOUTHWEST CORNER OF A 1 STY X WOOD SHED AT THE PROPERTY LINE, 7.3 METERS (24 FT) NORTH OF THE NORTHEAST END OF THE NORTHWEST RAILROAD TIE, A 1/2 INCH DOGLEGGED METAL REBAR (DLEGGED), 0.3 METERS (1.0 FT) NORTHEAST OF A 1 STY X WOOD SHED AT THE PROPERTY LINE, 0.1 METERS (0.3 FT) NORTHWEST OF A WOOD WITNESS POST, 2 FEET (0.6 METERS) ABOVE GROUND, THE MARK IS SET IN CONCRETE, THE MARK IS 0.6 METERS (2 FEET) ABOVE GROUND, AND STAMPED "NGS" IN BRONZE, THE MARK IS 0.6 METERS (2 FEET) SW FROM A WITNESS POST, THE MARK IS 0.6 M (2 FEET) SW OF A POWER POLE, 0.3 M (1 FEET) NW OF A POWER POLE, 0.3 M (1 FEET) NE OF A POWER POLE, 0.3 M (1 FEET) SE OF A POWER POLE, 0.3 M (1 FEET) NW

000181

NV5



1 WEST ELEVATION



1 NORTH ELEVATION

Stericycle

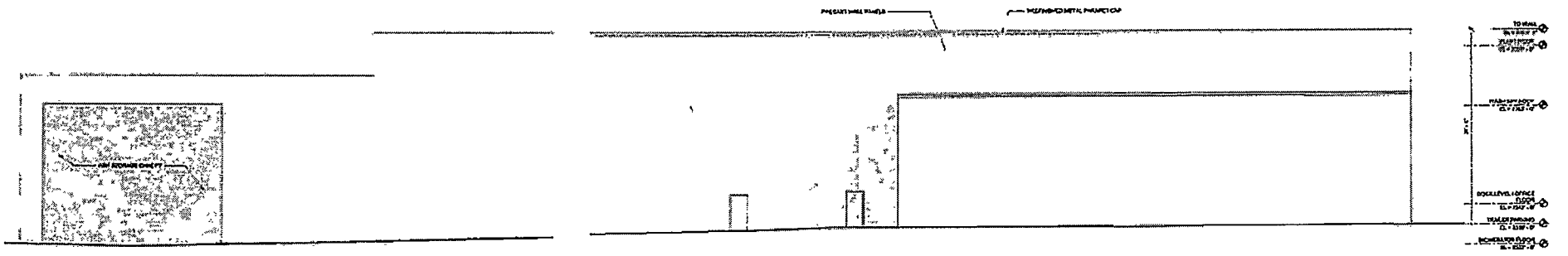
PRELIMINARY
NOT FOR
CONSTRUCTION

NORTH LAS VEGAS
INCINERATOR PLANT

EXTERIOR
ELEVATIONS

A2

NV5
877.708.6858 WWW.NV5.COM



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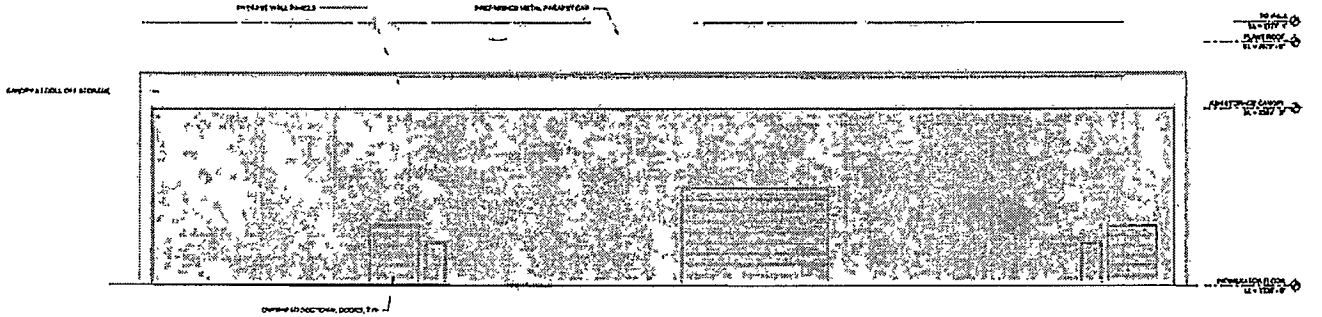

2 SOUTH ELEVATION

Stericycle

PRELIMINARY
NOT FOR
CONSTRUCTION

NORTH LAS VEGAS
INCINERATOR PLANT

EXTERIOR
ELEVATIONS

A3

Exhibit A

800-537-2372

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(https://www.ercweb.com/tips/show/stericycle-fined-for-improper-disposal-of-hazardous-waste?type=3)

Online Training | Register for Training | Compliance Calendar | Schedule of Classes

Stericycle Fined for Improper Disposal of Hazardous Waste

February 28, 2005

Ohio EPA has reached a settlement with Stericycle, Inc., for violating hazardous waste laws. The Trumbull County company has agreed to pay a $10,900 civil penalty. Stericycle operates an infectious waste incinerator and two autoclaves at its facility located at 1901 Pine Avenue SE, Warren, OH. The facility is a large generator of hazardous waste including wastewater treatment sludge and incinerator ash.

On June 14, 2004, Ohio EPA was notified by Stericycle that it had sent a roll-off box containing 12 cubic yards of hazardous waste treatment sludge to a solid waste landfill. The sludge was disposed of at a Mahoning County landfill not permitted to accept hazardous waste. Approximately 80 tons of material containing both the hazardous waste sludge and surrounding solid waste were later removed from the landfill and sent to a permitted hazardous waste facility.

On June 28, 2004, an Ohio EPA inspector noted additional violations at Stericycle. They included: failure to conduct and document weekly inspections of emergency equipment; failure to include and update emergency-related information in the hazardous waste contingency plan; and failure to maintain job titles and descriptions for employees who handle or manage hazardous waste.

000183

Exhibit B

UTAH DEPARTMENT of ENVIRONMENTAL QUALITY

Notice of Violation: Stericycle Inc.

Update December 3, 2014

The Air Quality Board approved the Stericycle Agreement (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013018.pdf) (275 KB) between DEQ and Stericycle for the violations asserted in the August 28, 2014 Notice of Violation (NOV).

Update December 1, 2014

- Fact Sheet (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013032.pdf) (558 KB)

The Department of Environmental Quality (DEQ) and Stericycle reached a Settlement Agreement (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013039.pdf) (275 KB) on the violations asserted in the August 28, 2014 Notice of Violation (NOV). The Agreement requires Air Quality Board approval before becoming final.

The terms of the agreement are as follows:

1. Stericycle shall pay a total stipulated penalty of $2,322,536.00.
    a. The company will pay half of this penalty ($1, 161, 268) to the state's General Fund within 30 days.

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b. The remaining half of the penalty will be credited as a Supplemental Environmental Project (SEP) (http://www2.epa.gov/enforcement/supplemental-environmental-projects-seps) when Stericycle permanently ceases operations at its current North Salt Lake location.

2. Stericycle shall relocate its medical waste incinerator to a new location in Tooele County no later than three years after the company receives the following documents:

   a. final, non-appealable permits from DEQ
   b. final, non-appealable permits from local governments
   c. Governor's approval for construction required under state statute (http://le.utah.gov/xcode/Title19/Chapter6/19-6-S108.html?v=C19-6-S108_1800010118000101)

3. Stericycle shall submit all permit applications necessary to relocate the facility within 90 days of a signed agreement.

   a. Sixty days after Stericycle receives all Necessary Approvals to Construct, the company will provide a construction schedule to the Division of Air Quality (DAQ).
   b. Every 90 days, Stericycle will provide DAQ with a report on the construction progress.

4. Within three years to the date that Stericycle obtains all Necessary Approvals to Construct, Stericycle's Title V Operating Permit (February 19, 2009) (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013042.pdf) (136 KB) and its Title V renewal and Approval Order (August 12, 2014) (https://documents.deq.utah.gov//air-quality/facilities/stericycle/DAQ-2018-013049.pdf) (117 KB)

000185

will become null and void, and Stericycle will permanently cease operations at its North Salt Lake facility.

The Agreement resolves all claims under the NOV. Air pollution control upgrades to the incinerator over the past two years have brought the facility into compliance with all applicable federal and state air quality regulations.

Update April 24, 2014

The Executive Director of DEQ appointed an administrative law judge (ALJ) to conduct an administrative hearing on the amended NOV and Stericycle's Request for Agency Action (RFAA) for an evidentiary hearing to challenge the amended NOV.

On May 28, 2013, the Division of Air Quality (DAQ) issued a Notice of Violation and Order to Comply (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013053.pdf) (8.1 MB) to Stericycle for multiple violations of its Title V air quality operating permit.

The Order required Stericycle to take all necessary actions to bring its operations into compliance with all applicable provisions of the Utah Air Conservation Act and submit written notification of its intent to comply, outlining how, and when compliance will be achieved to DAQ in writing on or before the 15th day after it received the Order. Stericycle submitted its 15-day response to the NOV (https://documents.deq.utah.gov//air-quality/facilities/stericycle/DAQ-2018-013058.pdf) (1.8 MB) to DAQ on June 14, 2013 and requested a 30-day extension from DAQ to decide whether it will challenge the Order. Stericycle submitted a request for extension (https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013062.pdf) (205 KB) on July 26, 2013, asking for additional time to work towards a settlement. DAQ granted Stericycle an extension

000186

(https://documents.deq.utah.gov/air-quality/facilities/stericycle/DAQ-2018-013066.pdf) (154 KB) until August 30, 2013. DAQ requested, and Stericycle agreed, to weekly meetings to advance settlement discussions, with an option for additional meetings as needed.

The Division of Air Quality identified a need to modify the NOV to explicitly cover each day of the nitrogen oxides (NOx) emission limit violation based on the charging rate of waste prior to the installation of additional NOx controls. On August 28, 2013, DAQ issued an Amended Notice of Violation and Order to Comply (https://documents.deq.utah.gov//air-quality/facilities/stericycle/DAQ-2018-013069.pdf) (6.7 MB). Stericycle responded to this Amended Notice of Violation by filing a Request for Agency Action (https://documents.deq.utah.gov//air-quality/facilities/stericycle/DAQ-2018-013070.pdf) (485 KB) with the Division on September 27, 2013.

Stericycle demonstrated compliance with the emission limits contained in its permit as of April 10, 2013, with the penalty accruals for the violations listed in the NOV ending on that date. Under state rules, DAQ can levy fines of up to $10,000 per day for every violation.

The violations identified in the Notice of Violation (NOV) occurred between 2011 and 2013. They include:

1. emissions exceeding the permit limits for dioxin and furan
2. emissions exceeding the permit limits for NOx on multiple occasions
3. failure to report these emission exceedances to DAQ in a requisite time frame
4. failure to maintain normal operating conditions during a stack test
5. failure to include the test results demonstrating these emission exceedances in the requisite annual and semi-annual monitoring reports

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The Division Director will determine the penalties (https://rules.utah.gov/publicat/code/r307/r307-130.htm) for noncompliance based on the nature and extent of the violations and the potential for harm from the violations. Violations with a high potential for impact on the public health and the environment are subject to the highest penalties.

The Notice of Violation and Order to Comply is a document that describes findings of fact, identifies violations based on these findings, and issues mandatory compliance provisions based on the findings and violations. It does not establish penalties, but does provide information the Division Director can use in determining fines.

Contacts

- Air Quality Compliance History: Rusty Ruby __
- Air Quality Permit: Jon Black __
- Health Related Concerns: Steve Packham __, Toxicologist
- Solid Waste Permit and Compliance History: Roy Van Os __.

© 2019 Utah Department of Environmental Quality
195 North 1950 West, Salt Lake City, UT 84116
Office: (801) 536-4400
Environmental Incidents (https://deq.utah.gov/general/report-an-incident): (801) 536-4123

000188

Exhibit C

CALIFORNIA AIR RESOURCES BOARD

Stericycle, Inc. Case Settles for $13,500

This page last reviewed December 28, 2011

In April 2011, Stericycle Inc. agreed to pay $13,500.00 in penalties for violating air quality regulations: $10,125.00 will go to the California Air Pollution Control Fund, which provides funding for projects and research to improve California's air quality; $3,375.00 will go to Peralta Community College District to fund emission education classes conducted by participating California community colleges, under the California Council for Diesel Education and Technology (CCDET) program.

An investigation by the Air Resources Board (ARB) showed that Stericycle Inc. failed to properly self-inspect their diesel trucks to assure the trucks met state smoke emission standards, and to properly affix emission control labels the engines of their fleet vehicles. ARB documented violations as they related to the Periodic Smoke Inspection Program (PSIP). To settle the case, Stericycle Inc. agreed to the $13,500.00 penalty and to comply with the Emission Control Label and Periodic Smoke Inspection programs, and other ARB programs.

CONTACT US

(916) 322-2990 | webmaster@arb.ca.gov
1001 I Street, Sacramento, CA 95814
P.O. Box 2815, Sacramento, CA 95812

The California Air Resources Board is one of six boards, departments, and offices under the California Environmental Protection Agency

CalEPA CalRecycle DPR DTSC OEHHA SWRCB

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Exhibit D

Stericycle agrees to $120,800 settlement with state

By ABQJournal News Staff

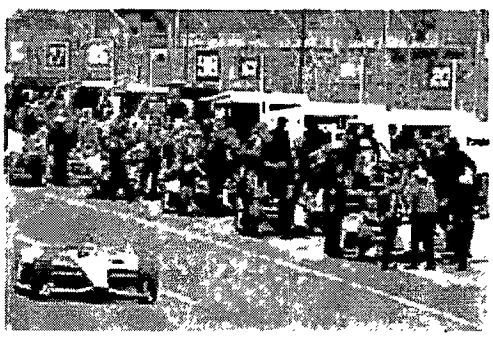
Published: Friday, May 8th, 2015 at 2:41pm
Updated: Friday, May 8th, 2015 at 2:56pm

SANTA FE —The state Environment Department has entered into a $120,813 settlement agreement with Stericycle Specialty Waste Solutions, Inc., which manages hazardous waste from small quantity generators, non-hazardous waste, universal waste, household hazardous waste and used oil.

State inspectors discovered 15 alleged violations during a February 2014 routine inspection, including issues pertaining to excess waste storage time, inappropriate emergency response preparation, incomplete waste shipping documents and insufficient employee training.

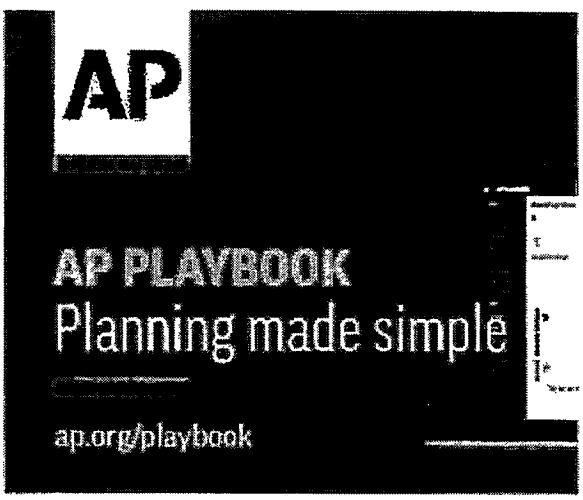
Stericycle has taken action to prevent a recurrence of those violations, a state Environment Department news release said.

Auto Racing



One-shot drivers hoping to use Indy 500 as launching pad

2 hrs ago



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Stewart, Gibbs, Labonte elected to NASCAR Hall of Fame

24 minutes ago

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Exhibit E

DEPARTMENT OF ECOLOGY
State of Washington

Department of Ecology News Release - April 25, 2018
Updated: April 25, 2018

Stericycle medical waste facility fined for polluted wastewater

MORTON – Over a 10-month stretch in 2017, Stericycle Inc. repeatedly discharged polluted wastewater from its medical waste processing plant in Morton. The wastewater disrupted the city's treatment plant and threatened aquatic life in the Tilton River.

The Washington Department of Ecology has fined Stericycle $72,000 for not properly treating its wastewater, and for not notifying the city or Ecology within 24 hours of its violations.

Stericycle receives medical waste from Washington, Oregon, and Idaho. It is required (by an Ecology permit) to limit conventional pollutants like pH, oil and grease, solids, and any material that consumes oxygen in the water.

One of Stericycle's polluted discharges overwhelmed Morton's treatment plant and caused the plant to violate its own water quality permit. Another discharge included excessive mercury, which can cause death or disease to living organisms. And, in nine cases, the company exceeded the limits set to protect oxygen in water; fish and other aquatic animals need the dissolved oxygen to live.

"All companies are expected to carefully manage their facilities so discharges do not cause harmful pollution. When Stericycle sent polluted wastewater to Morton's treatment plant, it disrupted city operations," said Heather Bartlett, who manages Ecology's water quality program. "We expect Stericycle to promptly

make the necessary changes to its treatment system to protect their workers, Morton's facility, and waters downstream."

In addition to the penalty, Ecology has ordered Stericycle to hire outside experts to assess the company's treatment system within 30 days, and propose corrective action to Ecology within 60 days. The company must complete all corrective action within 90 days.

Stericycle has 30 days to appeal this penalty to the Washington State Pollution Control Hearings Board. Water pollution fines are placed in the state's Coastal Protection Fund that provides grants to local and tribal governments for water quality improvement projects.

Contact information

Dave Bennett
Communications
dave.bennett@ecy.wa.gov
Primary: 360-407-6239
Twitter: ecySW

Exhibit F

An official website of the United States government.

We've made some changes to EPA.gov. If the information you are looking for is not here, you may be able to find it on the EPA Web Archive or the January 19, 2017 Web Snapshot.

Close

EPA United States Environmental Protection Agency

News Releases from Region 10

Stericycle settles with EPA, pays penalty for violations of hazardous waste law

12/18/2018

Contact Information:
Mark MacIntyre (macintyre.mark@epa.gov)
206-553-7302

Today, the U.S. Environmental Protection Agency announced a settlement of a significant hazardous waste liability case against Stericycle, a company that treats and stores hazardous wastes at facilities in Kent and Tacoma.

"Protecting human health and the environment also means ensuring that storing and treating hazardous waste at a commercial level does not harm people or their property," said EPA Region 10 Office of Compliance and Enforcement Director Ed Kowalski. "Protection – and fairness – dictates that a company must be able to compensate its neighbors if it does them harm."

Stericycle agreed to pay a $150,000 penalty after EPA found that the company violated terms of its waste-handling and storage permit by failing to maintain a liability insurance policy that would provide adequate coverage to third parties – neighbors – whose health and properties could be harmed by a release of hazardous wastes from the facilities. Stericycle agreed to the settlement without admitting the allegations it contains.

Liability insurance is a particularly important issue in the low-income areas where these types of facilities often operate. Such insurance is a key component of the overall permitting system, which is intended to ensure the safe operation of commercial hazardous waste handling facilities, where dangerous fires, spills, and other incidents can occur. EPA found that pay-outs in Stericycle's policy could have been consumed by legal fees rather than payment to those harmed by such a release.

EPA is looking closely at the liability insurance policies at all hazardous waste handlers in the Pacific Northwest and is working closely with the states' environmental agencies to ensure these handlers are meeting all their permit obligations.

000193

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LAST UPDATED ON DECEMBER 18, 2018

Stericycle settles with EPA, pays penalty for violations of hazardous waste law

By Scott Schaefer · December 19, 2018

On Wednesday (Dec. 19), the U.S. Environmental Protection Agency announced a settlement of a significant hazardous waste liability case against Stericycle, a company that treats and stores hazardous wastes at facilities in Kent and Tacoma.

Here's more from the EPA:

> "Protecting human health and the environment also means ensuring that storing and treating hazardous waste at a commercial level does not harm people or their property," said EPA Region 10 Office of Compliance and Enforcement Director Ed Kowalski. "Protection – and fairness – dictates that a company must be able to compensate its neighbors if it does them harm."

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EPA is looking closely at the liability insurance policies at all hazardous waste handlers in the Pacific Northwest and is working closely with the states' environmental agencies to ensure these handlers are meeting all their permit obligations.

Get FREE hyperlocal news for Kent daily via email – sign up here:

Exhibit G

Air pollutants that are released from medical waste incinerators

Dioxins & Furans – Dioxins have been called the most dangerous chemical known to man. Contrary to popular usage, "dioxin" is *not one compound* of a single, defined toxicity, but a *family of compounds* consisting of 17 dioxins and furans, and 13 polychlorinated biphenyls (PCBs). Each have a wide range of toxicity. Dioxins form from the burning of plastics and paper containing polyvinyl chloride. Furans, are similar to dioxins, and cause cancer in animals, and are suspected to cause cancer in people. These chemicals form when temperatures are not consistent, when waste is not completely incinerated, and during by-pass events when air pollution control equipment fails.

Items common to medical waste that may contain dioxins and furans are blood bags and fluid (IV) bags. Smaller amounts of dioxins are present in bleached paper products including facial tissue, toilet tissue, paper towels, and disposable diapers. Instead of recycling them, the BMWNC medical waste incinerator needlessly burns plastic and paper products – the very things that when burned form dioxins and furans. Dioxins formed during incineration are released into the air and travel long distances via air currents, contaminating fields and crops. Cattle and other livestock eat soil contaminated with dioxin, the dioxin enters their tissues, and then people eat the contaminated meat and dairy products. Once dioxins enter the human body they are absorbed by fat tissue where they stay for years. In the environment, dioxins tend to accumulate in the food chain. Birds are highly susceptible to poisoning because of their eating habits close to the ground. Dioxin is absorbed by algae in surface waters and eaten by fish which then become poisoned by dioxins.

Dioxins cause cancer. Long-term, low-level exposure of humans to dioxins and furans can lead to the impairment of the immune system, impairment of the development of the nervous system and endocrine system, birth defects, altered liver functions, breast cancer, and reproductive functions. Dioxins have also been linked with lowered sperm counts, behavioral problems and increased incidence of diabetes. A systematic review of epidemiologic studies has found an association between dioxin exposure and heart disease. Short-term, high-level exposure may result in skin ulcers called chloracne. Exposure of animals to dioxins has resulted in several types of cancer.

Mercury - Mercury is found in dental wastes which are burned by medical waste incinerators. A neighborhood being poisoned by mercury emissions from a medical waste incinerator (Stericycle) in Alamance County demanded that the incinerator stop taking dental waste. The state issued an order to that made it illegal for the incinerator to take medical waste and a sharp decrease in mercury emissions resulted. Mercury is suspected to cause cancer. At high levels it may damage the brain, kidneys, and developing fetus. Children are at special risk. It can affect the brain functioning, mental retardation, seizures, tremors, inability to speak, kidney damage, digestive problems, and may result in irritability, shyness, tremors, changes in vision or hearing, and memory problems. Very young children are more sensitive to mercury than adults. Mercury in the mother's body passes to the fetus and it can also pass to a nursing infant through breast milk.

Hydrogen Chloride - Hydrogen chloride is a colorless gas with a pungent odor. Heavier than air, it accumulates in low-lying areas. Hydrogen chloride is irritating and corrosive to any tissue it contacts. Brief exposure to low levels causes throat irritation; exposure to higher levels can result in rapid breathing, narrowing of the bronchioles, blue coloring of the skin, accumulation of fluid in the lungs, and even death. Some people may develop an inflammatory reaction to hydrogen chloride, called reactive airways dysfunction syndrome (RADS), a type of asthma caused by irritating or corrosive substances. It is not known if hydrogen chloride causes cancer or reproductive problems.

Nitrogen Oxide - Low levels of nitrogen oxides in the air can irritate your eyes, nose, throat, and lungs, possibly causing coughs and shortness of breath, tiredness, and nausea. Breathing high levels of nitrogen oxides can cause rapid burning, spasms, and swelling of tissues in the throat and upper respiratory tract, a build-up of fluid in your lungs, and death. Exposure of pregnant animals to nitrogen oxides has resulted in toxic effects in developing fetuses. Nitrogen oxides have also caused changes in the genetic material of animal cells. We do not know if exposure to nitrogen oxides causes reproductive or developmental effects in humans.

Lead - Lead is one out of four metals that have the most damaging effects on human health. Lead is highly toxic and can enter the human body through uptake of contaminated food, water and air. Health effects include anemia, elevated blood pressure, kidney damage, miscarriages and subtle abortions, disruption of nervous systems, brain damage, and declined fertility of men through sperm damage. Lead is particularly harmful to children, and exposure can result in diminished learning abilities, and behavioral disruptions, such as aggression, impulsive behavior and hyperactivity.

Cadmium - Cadmium is an extremely toxic metal and causes cancer. Acute exposure may result in flu-like symptoms of weakness, fever, headache, chills, sweating and muscular pain. Chronic or long-term exposure is lung and/or prostate cancer, and kidney damage. Cadmium also is believed to cause pulmonary emphysema and bone disease. Cadmium may also cause anemia, teeth discoloration and loss of smell.

Sulfur dioxide - High concentrations of sulfur dioxide can result in breathing problems with asthmatic children and adults who are active outdoors. Short-term exposure has been linked to wheezing, chest tightness and shortness of breath. Other effects associated with longer-term exposure include respiratory illness, alterations in the lungs' defenses and aggravation of existing cardiovascular disease.

Carbon monoxide - Carbon monoxide is an odorless, colorless, toxic gas and results from incomplete combustion. It is impossible to see, taste or smell the toxic fumes. At lower levels of exposure, carbon monoxide causes mild effects hat are often mistaken for the flu. These symptoms include headaches, dizziness, disorientation, nausea and fatigue. The effects of carbon dioxide exposure can vary greatly from person to person depending on age, overall health and the concentration and length of exposure.

Particulate matter - Particle pollution, especially fine particles, contains microscopic solids or liquid droplets so small that they can get deep into the lungs and cause serious health problems. Numerous scientific studies have linked particle pollution exposure to a variety of problems, including increased respiratory symptoms, such as irritation of the airways, coughing, or difficulty breathing, decreased lung function, aggravated asthma, development of chronic bronchitis, irregular heartbeat, nonfatal heart attacks and premature death in people with heart or lung disease. People with heart or lung diseases, children and older adults are the most likely to be affected by particle pollution exposure. However, even if you are healthy, temporary symptoms may result from exposure to elevated levels of particle pollution.

The President's Cancer Panel recently issued a new report on the dangers of chemicals in our environment. The report concluded that tens of thousands of chemicals and other substances currently in use have never have been evaluated, and it is not known how many cause cancer. Only a handful of chemical mixtures have been assessed, and virtually nothing is known about the toxicity of the *combinations of various chemicals* under various situations. New chemicals are created from the incineration process, and these are not tested or regulated. Stericycle's draft permit allows for more waste to be incinerated. Do we really want to place our communities at greater risk for illness and disease when there are cleaner, safer alternatives?

NOTES

This map is for assessment use only and does NOT represent a survey.

No liability is assumed for the accuracy of the data delineated herein. Information on roads and other non-assessed parcels may be obtained from the Road Document Listing in the Assessor's Office.

This map is compiled from official records, including surveys and deeds, but only contains the information required for assessment. See the recorded documents for more detailed legal information.

USE THIS SCALE(FEET) WHEN MAP REDUCED FROM 11X17 ORIGINAL

0 | 100 | 200 | 400 | 600 | 800

ASSESSOR'S PARCELS - CLARK COUNTY, NV.

Briana Johnson - Assessor

MAP LEGEND

- PARCEL BOUNDARY
- SUB BOUNDARY
- PM/LD BOUNDARY
- ROAD EASEMENT
- NON-PARCEL LOT LINE
- MATCH / LEADER LINE
- HISTORIC SUB BOUNDARY
- HISTORIC PM/LD BOUNDARY
- SECTION LINE

CONDOMINIUM UNIT
- AIR SPACE PCL
- RIGHT OF WAY PCL
- SUB-SURFACE PCL

DOT ROAD ID NUMBER
001 PARCEL NUMER
1.00 ACREAGE
202 PARCEL SUB/SEQ NUMBER
PB 21-43 PLAT RECORDING NUMBER
5 BLOCK NUMBER
LOT NUMBER
GL2 GOV. LOT NUMBER

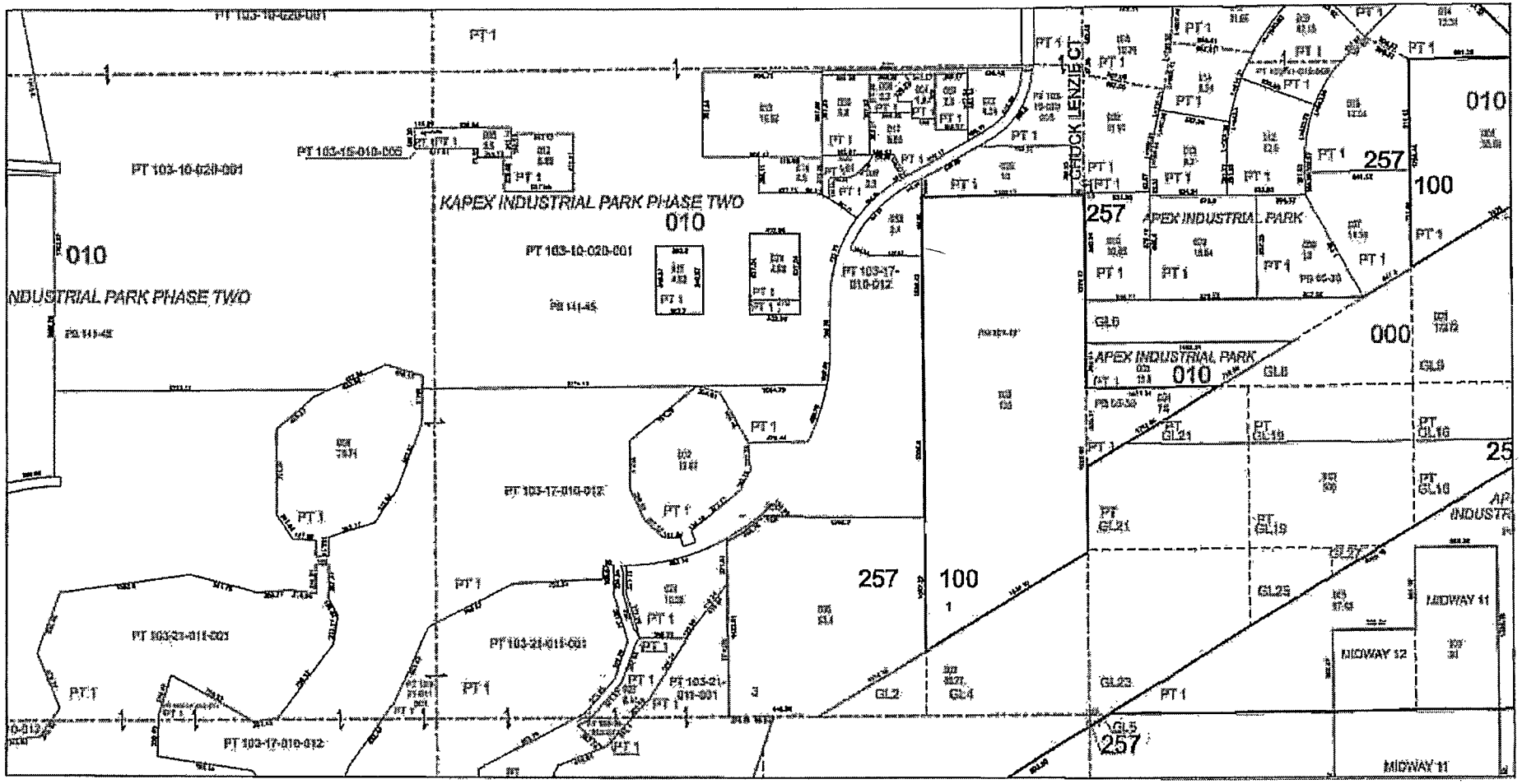
BOOK	SEC	SEC
T18S R63E	15	ALL SEC

085	084	083
102	103	104
123	122	121

Scale: 1" = 800'

Rev: 1/7/2019

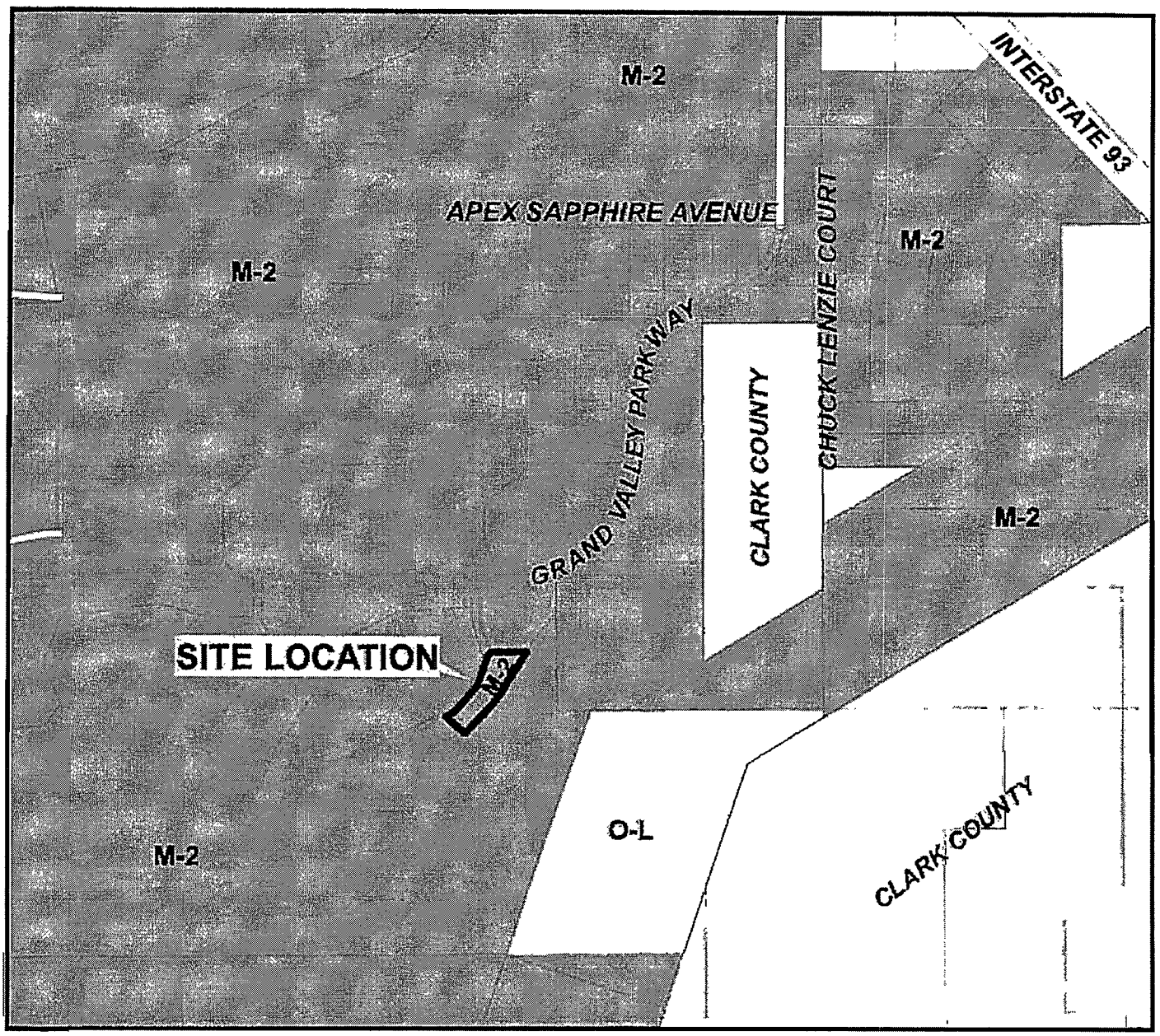
103-15-0



TAX DIST 257,100

THE CITY OF NORTH LAS VEGAS

Location & Zoning Map



Applicant: Stericycle, Inc.
Application: Special Use Permit
Request: To Allow a Medical Waste Incinerator Facility
Project Info: Approximately 4,600 feet south of Apex Sapphire Avenue and 800 feet southwest from the end of Grand Valley Parkway
Case Number: UN-45-19

5/29/2019

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APPENDIX D

WASTEDIVE

BRIEF

Stericycle abandons plans for North Las Vegas site following pushback over health and environmental risks

By E.A. Crunden

Published Dec. 19, 2019

Dive Brief:

- Stericycle officially confirmed it has abandoned plans to build a medical waste incinerator in the city of North Las Vegas, Nevada, as reported by the Las Vegas Sun. The incinerator, which was to be based at Apex Industrial Park, would have replaced a facility near Salt Lake City, Utah that is closing. The final plans included a 44,000 square foot facility that would have taken medical waste from throughout the West, with ash stored on-site.
- Back in June, Stericycle withdrew an application for a special permit from the North Las Vegas Planning Commission paving the way for the facility. Initially, the city expressed interest in the project and approved a special permit in December 2016 that later expired and prompted a new application. But concerns over health and environmental risks ultimately jeopardized the project as officials became skeptical, seemingly prompting the company to back out.
- Jennifer Koenig, Stericycle vice president for corporate communications, told Waste Dive the company abandoned the Nevada project over "broader business considerations and

000201

facility planning." It is unclear what the abandoned North Las Vegas effort might mean for medical waste incineration and disposal in the region, or where the waste might now be sent.

Dive Insight:

Stericycle has operations around the world, but the Illinois-based company has struggled with pushback over public health risks and environmental concerns in these regions.

For years, the North Salt Lake City plant has been a source of particular contention. Environmentalist Erin Brockovich once joined a protest against the facility in 2013 after Stericycle received a violation notice for exceeding emissions limits on dioxins and other hazardous pollutants. A year later, the medical waste giant agreed to a $2.3 million fine — the highest in history for the Utah Division of Air Quality and the maximum that could be levied. That move came after Stericycle misreported emissions from the incinerator, in violation of limits under the Clean Air Act.

Part of the company's settlement with Utah entailed leaving the North Salt Lake City facility and seeking a site elsewhere in Tooele County, around two hours away. The state said the $2.3 million fine would be cut in half if the move was completed within three years of receiving operational permits for the new site.

But that plan fell through in February as Stericycle reportedly became more concerned about the mounting costs associated with the move. Because the Tooele County site is in a a desert, this would have have entailed transporting water and other costly efforts. When backing out of the move, Stericycle indicated the North Salt Lake City site would remain a transfer station for trucks en route to other facilities, including one in Kansas City, Missouri. The company also pointed to the planned Nevada site as an alternative.

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Docket 82806 Document 2021-16771

Stericycle argued the company worked to improve conditions in Utah and that similar problems would not occur at a new facility. The company also worked closely with North Las Vegas on many components of the site, including designs for the facility. But Marc Jordan, who oversees land and development planning for the city, ultimately recommended against approving the project over concerns about toxins that could "impact people and the wildlife," according to the Sun. The city of North Las Vegas did not respond to a request for comment.

Brian Moench, president of the group Utah Physicians for a Healthy Environment, was among the activists opposed to Stericycle's work in his own state. He expressed similar sentiments to Waste Dive about the failed North Las Vegas project.

"Incinerators in general and medical waste incinerators in particular are well documented public health hazards," Moench wrote in an email, going on to say "the pollution actually spreads many of the toxins and metals further, including radioactive elements, and creates new ones, like dioxins, furans, and polycyclic aromatic hydrocarbons."

Koenig of Stericycle declined to answer Waste Dive's questions about where the waste intended for the planned Nevada facility might go. She also did not indicate whether or not the company plans to build elsewhere in the region.

Waste-to-energy plants more generally have long been a hard sell for companies as communities and lawmakers become more skeptical due to potential risks to human health and the environment. A previously proposed facility in North Las Vegas by the company EnviroPower Renewable fell through in 2014 after community pushback. But the company is still seeking to build in the area. In June 2018, EnviroPower applied for renewable energy

tax abatement, and the company still lists a local pyrolysis facility as a planned future project.

APPENDIX E

POLLUTION CONTROL HEARINGS BOARD
STATE OF WASHINGTON

BURLINGTON ENVIRONMENTAL, LLC; PSC ENVIRONMENTAL SERVICES, LLC; STERICYCLE ENVIRONMENTAL SOLUTIONS, INC.; and STERICYCLE, INC., Appellants, v. STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY, Respondent.	PCHB No. 19-078 SETTLEMENT AGREEMENT

Respondent State of Washington, Department of Ecology (Ecology), represented by Robert W. Ferguson, Attorney General, John A. Level, Assistant Attorney General, and Nels Johnson, Senior Counsel, and Appellants Burlington Environmental, LLC, PSC Environmental Services, LLC, Stericycle Environmental Solutions, Inc. (now known as Clean Earth Environmental Solutions, Inc.), and Stericycle, Inc. (collectively, "Stericycle"), appearing by and through counsel Beth Ginsberg and Jason T. Morgan, hereby submit this Settlement Agreement (Agreement) to the Pollution Control Hearings Board (Board) as a full and final settlement of the above-referenced appeal, and request the Board dismiss the appeal with prejudice.

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Ecology Division
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I. BACKGROUND

1. On October 7, 2019, Ecology issued Notice of Penalty No. 16831 (Penalty) for $1,956,000 and Administrative Order No. 16830 (Order) to Stericycle.

2. On November 5, 2019, Stericycle appealed the Penalty and Order to the Board.

3. In addition to the violations outlined in the Penalty and Order, Ecology has documented additional violations of WAC 173-303 and Permit WAD020257945 (Permit) at Stericycle's Tacoma facility (Facility).

4. Ecology and Stericycle have agreed to resolve the appeal of the Penalty and Order through the settlement outlined below.

II. SETTLEMENT AGREEMENT

The parties desire to resolve all outstanding claims and violations under WAC 173-303 and the Permit as specified below and avoid the cost and time associated with further litigation. The parties therefore stipulate and agree as follows:

A. SCOPE

This Agreement constitutes the entire agreement between the parties to this appeal, and settles all issues that have arisen between the parties at the Facility as of the effective date of this Agreement as specified herein. Ecology agrees to deem the Penalty and Order satisfied upon Stericycle's satisfactory and timely completion of its obligations under this Agreement. This Agreement applies to and resolves all enforcement, both pending and prospective, regarding:

- The 19 violations of provisions of Ecology Dangerous Waste Management Facility Permit WAD020257945 and the violations of State Dangerous Waste Regulations (WAC 173-303) described in the Penalty and Order.
- All other violations at the Facility under WAC 173-303 and the Permit noted in Ecology's informal enforcement actions against Stericycle and those that Stericycle self-reported to Ecology, which have occurred through the effective date of this Agreement.

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This Agreement does not in any way limit Ecology's authority to issue other penalties or enforcement actions for any violations of the Permit or WAC 173-303 that Ecology discovers after the effective date of this Agreement. In the event Ecology issues enforcement actions against Stericycle in the future, any past violations by Stericycle may be considered relevant for purposes of determining the reasonableness of a penalty, whether or not such violations are resolved under this Agreement.

B. NO ADMISSION OF LIABILITY

This Agreement is executed for the sole purpose of settling the appeal described herein, and it is expressly understood that this Agreement shall not constitute or be construed as an admission of liability.

C. RESOLUTION OF PENALTY AND ORDER

1. Cash Penalty Payment

Ecology and Stericycle have agreed that the amount of $1,956,000 will be paid in full within thirty (30) days of the Board's dismissal of this appeal in settlement of Administrative Order No. 16830 and Notice of Penalty No. 16831. Ecology and Stericycle have also agreed that an additional amount of $300,000 will be paid in settlement for violations Ecology cited as part of informal enforcement actions at the Facility subsequent to the issuance of the Penalty and Order and those violations that Stericycle has self-reported to Ecology from January 1, 2019, through the effective date of this Agreement. Stericycle shall make the required payments by check. If payment is made by mail, Stericycle shall make the check directly payable to "Department of Ecology" and make reference to Penalty No. 16831 on the check, and shall send the payment to:

Department of Ecology
Attn: Cashiering Unit
P.O. Box 47611
Olympia, WA 98504-7611

An extension to the Cash Penalty Payment date shall be granted only if a request for an extension is submitted at least fifteen (15) days before the completion date, good cause exists for

granting the extension, and Ecology provides written approval of the extension. Any extension shall be requested in writing. The request shall specify: (1) the length of the extension sought, and (2) the reason(s) for the extension.

The written extension request shall be sent to:

Michelle Underwood
Department of Ecology
Southwest Regional Office
P.O. Box 47600
Olympia, WA 98504-7600

If Ecology does not receive Stericycle's payment within thirty (30) days of the effective date of the Settlement Agreement, Stericycle shall be liable for the late penalty payment(s) in the amount set forth in paragraph C.3 (Late Penalty Payment).

2. Settlement Conditions

a. Stericycle agrees to comply with the directives issued by Ecology to restrict or cease activities, and to promptly pay any late penalty payments.

b. Within thirty (30) days of the Board's dismissal of this appeal, Stericycle will submit an initial draft for Ecology review and approval of the following Class I prime modifications to Permit WAD020257945:

(i) Modification of Permit Conditions within WAD020257945 Sections C and D to clarify Process Under Supervision Only (PUSO) requirements discussed in the January 22, 2020 meeting. The permit must be modified to require that the PUSO requirement be marked on the profile and subsequent process forms.

(ii) Modification of conditions within WAD020257945 Section C5.4 and other related sections to further refine profiling criteria, the modification must include the following requirements:

(A) Profiles must accurately and specifically describe the characteristics of the waste streams they represent.

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(B) Profiles must accurately reflect the physical characteristics, metals method, applicable waste, shipping information, process codes, and chemical constituent concentrations listed as part of the chemical composition of the waste.

(C) Chemical constituents with characteristic limits and/or properties that contribute to the dangerous waste characteristics or criteria, such as the toxicity, ignitability, corrosivity, persistence, or ecotoxicity, may not be listed at a lower range of zero percent (0%).

(D) Section J of the profile, which specifies special disposal instructions, must include the applicable process codes, such as STAB02, INC13, or LFB07.

(E) If any sections of the profile are developed upon the basis of generator knowledge, then Stericycle must retain records with the profile addressing how the requirements stipulated in WAC 173-303-300(2)(a)(i) through (2)(a)(iv) and (2)(b) have been met.

(iii) Profiles shall include a certification signed by the generator's authorized representative describing the rationale applied to identify and characterize the waste material, if designation is completed without using information from documented studies or representative samples.

(iv) Modification of conditions within Permit WAD020257945 Sections C and D that states the Plant Manager or Plant Supervisor shall be responsible for certification of completion of the enhanced free liquids test for wastes processed using the filter press, wastewater bench treatments, and compatibility tests for bulk consolidations. These sections of Permit WAD020257945 include:

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(A) C4.3: Addition of Section C4.3.4 stipulating that the Plant Manager or Plant Supervisor certify all process analyses listed in Sections C8.7.1.1 for bulk consolidations, C8.7.1.2, C8.7.1.3, and C8.7.1.4, including but not limited to required enhanced free liquid tests, wastewater bench treatments, and compatibility tests for bulk consolidations. Wastes will not be processed further until the Plant Manager or Plant Supervisor certifies, by signature, that the results of the aforementioned analyses are within acceptable limits.

(B) C8.12.3.1.3: Revision of the second sentence: "Documentation of compatibility testing will be retained with these forms *to be routed to the Plant Manager or Plant Supervisor for approval prior to further processing.*

(C) C8.12.3.2: Revision of the fourth sentence: "Compatibility tests are performed by the facility laboratory, *and certified by the Plant Manager or Plant Supervisor*, prior to offloading.

(D) Table C2-7: Addition of the symbol "*" to the bench test and LDR conformance test. Add a footnote to table C2-7 that states "* = Wastes undergoing these process analyses must have these process analyses certified by the Plant Manager or Plant Supervisor."

(E) Table C2-7: Addition of the symbol "**" to the compatibility test. Add a footnote to table C2-7 that states "** = Consolidation, transfer, and treatment of wastes in tanks from other tanks, containers, or transportation vehicles must have compatibility test analyses certified by the Plant Manager or Plant Supervisor."

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(F) Revise and submit to Ecology process forms that document the requirement for certification by the Plant Manager or Plant Supervisor for the aforementioned process analyses.

(G) D2.2.8.6.4: Addition of one sentence: The enhanced free liquid test must be certified by the Plant Manager or Plant Supervisor prior to moving the filter press solids container.

(H) D3.4.1.2.1.3: Addition of one sentence: The enhanced free liquid test must be certified by the Plant Manager or Plant Supervisor prior to transferring stabilized and solidified waste to transportation containers.

(I) D3.5.4.1: Addition of one sentence: The compatibility test must be certified by the Plant Manager or Plant Supervisor prior to treatment.

(v) Modification of container stacking requirements specified in Figures D1-12 and D1-12(a) to maximize safety and stack stability.

(vi) Modifications to permit Section H that stipulate certification by the Plant Manager, Plant Supervisor, or Supervisor that staff have been evaluated for competency prior to managing or processing dangerous waste without direct supervision.

(vii) Modification to the following Section C permit conditions, by the addition of a reference to the requirements in proposed Table C2-8:

- C1.4.4
- C7.2.6
- C8.11.1
- C8.5 (which shall apply to all subsections of C8.5)
- C8.7.1

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- C8.7.1.1
- C8.7.1.2
- C8.7.1.3

(A) Tables C2-2 and C2-7 will be updated with footnotes, referring to the requirements in proposed Table C2-8, which will highlight the updated reporting requirements for the pertinent Mandatory Verification Analysis (MVA) and process analyses listed in the aforementioned Section C permit conditions.

(B) A table (Table C2-8) or a table of substantially, similar nature will be proposed as an additional table to Section C to summarize the updated reporting requirements that Ecology must be notified within five (5) business days upon discovery of failure to meet the aforementioned Section C permit conditions as a result of this Settlement:

Permit Condition	**Reporting Time**
C1.4.4	Within five (5) business days
C7.2.6	
C8.11.1	
C8.5 – all subsections	
C8.7.1	
C8.7.1.1	
C8.7.1.2	
C8.7.1.3	
Table C2-2 – Mandatory Verification Analyses	
Table C2-2 – Process Analyses	
Table C2-7 – Summary of Processing Analysis Tests	

(viii) Include an additional appendix to Permit WAD020257945 Section C that includes a worksheet intended for use by facility environmental technicians to guide proper process analyses and management of process-generated wastes to meet the requirements of Table C2-7.

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3. Late Payment Penalty

Stericycle shall be liable and pay a penalty of $10,000 per day that the payment pursuant to paragraph C.1 (Cash Penalty Payment) is not made by the required due date.

4. Restrictions or Cessation of Dangerous Waste Management and/or Processing Activities at the Stericycle Tacoma Facility

If Ecology determines that Stericycle has violated Permit WAD020257945 or WAC 173-303, then Ecology may notify Stericycle in writing that it must immediately cease the activities related to those violations. Ecology's notification to Stericycle will include a reference to the applicable provision of the Permit or WAC 173-303 and a description of the facts giving rise to the violation. The period of cessation will continue until Stericycle demonstrates to Ecology's satisfaction that Stericycle has cured the violation(s) of the Permit or WAC 173-303.

5. Modification or Revocation of the Permit

In the event of continued noncompliance, pursuant to WAC 173-303-830 and -840, Ecology may modify or revoke/terminate the Permit for Stericycle's violations of the Permit or WAC 173-303.

D. REMEDIES

In the event that Stericycle violates the terms of this Agreement, Ecology may pursue all remedies available by law. By entering into this Agreement, Stericycle shall have waived its right of administrative or judicial review on the underlying merits of the Penalty and Order. However, Stericycle does not waive the right to contest whether violations of this Agreement have occurred.

E. VENUE

Stericycle agrees that the venue for any judicial action to enforce this Agreement and/or to collect the penalty, or any portion thereof, shall be in Thurston County Superior Court.

F. SERVICE

In the event Ecology pursues any remedy in Thurston County Superior Court, Stericycle agrees to accept service of the summons and complaint by United States mail in lieu of personal

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service, at Ecology's option. Service by mail shall be deemed complete upon the third day following the day the summons and complaint are placed in the mail. The current address that Ecology has for Stericycle is: 1701 E. Alexander Avenue, Tacoma, Washington 98421. Stericycle agrees to accept service at this address unless Stericycle informs Ecology in writing of any changes to its address.

G. WAIVER OF APPEAL RIGHTS

Stericycle understands that it has the right to contest the Penalty and Order by presenting evidence at a Board hearing. Stericycle voluntarily waives its right to a hearing upon signature and acceptance of this Agreement by representatives for Stericycle and Ecology.

H. RELEASE OF LIABILITY

Stericycle and its assigns, or other successors in interest, agree to release and discharge the Department of Ecology and its officers, agents, employees, agencies, and departments from any damages and causes of action of any nature arising out of the incidents that gave rise to this appeal.

I. DISMISSAL OF APPEAL

The parties consent to the submission of this Agreement to the Board and request that, based upon a full and final settlement having been reached, the Board dismiss this appeal with prejudice. Both parties further agree to bear their own costs and attorneys' fees associated with this appeal.

J. EFFECTIVE DATE

This Agreement shall become effective upon issuance of the Board's order dismissing this appeal.

K. SIGNATORIES AUTHORIZED

The undersigned representatives for Ecology and Stericycle certify that they are fully authorized by the party whom they represent to enter into the terms and conditions of this Agreement and to legally bind such party thereto.

ATTORNEY GENERAL OF WASHINGTON
Ecology Division
PO Box 40117
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360-586-6770

L. EXECUTION

This document may be executed in counterparts and may be executed by facsimile, and each executed counterpart shall have the same force and effect as the original instrument.

M. PARTIES BOUND

This Agreement shall apply to and be binding upon Stericycle, their successors and assigns. No change in ownership or corporate status shall alter Stericycle's responsibility under this Agreement. Stericycle shall provide a copy of this Agreement to any corporate entity that may acquire Stericycle's Tacoma facility.

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY	STERICYLE, INC.
Darin Rice Darin Rice, Program Manager Hazardous Waste & Toxics Reduction Program	Richard M. Moore Executive Vice President of N. American Operations
Dated: 5/12/2020 e-signed per approval	Dated:
ROBERT W. FERGUSON	STOEL RIVES LLP
John A. Level, WSBA #20439 Assistant Attorney General Nels Johnson, WSBA #28616 Senior Counsel Attorneys for Respondent 360-586-6770	Beth S. Ginberg, WSBA #18523 Jason T. Morgan, WSBA #38346 Attorneys for Appellant 206-624-0900
Dated: 5/14/2020	Dated:

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L. EXECUTION

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STATE OF WASHINGTON DEPARTMENT OF ECOLOGY	STERICYLE, INC.
_____ Darin Rice, Program Manager Hazardous Waste & Toxics Reduction Program	_____ Richard M. Moore Executive Vice President of N. American Operations
Dated: _____	Dated: 5/5/20
ROBERT W. FERGUSON Attorney General	STOEL RIVES LLP
_____ John A. Level, WSBA #20439 Assistant Attorney General Nels Johnson, WSBA #28616 Senior Counsel Attorneys for Respondent 360-586-6770	_____ Beth S. Ginberg, WSBA #18523 Jason T. Morgan, WSBA #38346 Attorneys for Appellant 206-624-0900
Dated: _____	Dated: _____

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ATTORNEY GENERAL OF WASHINGTON
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PO Box 40117
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BURLINGTON ENVIRONMENTAL, LLC

Jon S. Ploetz
Secretary
Dated: 5/8/2020

PSC ENVIRONMENTAL SERVICES, LLC

Jon S. Ploetz
Secretary
Dated: 5/8/2020

STERICYCLE ENVIRONMENTAL SOLUTIONS, INC.
(now known as CLEAN EARTH ENVIRONMENTAL SOLUTIONS INC.)

Jon S. Ploetz
Secretary
Dated: 5/8/2020

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Department of Ecology News Release - Oct. 7, 2019

Dangerous fire on Tacoma tideflats leads to $1.9 million fine

Stericycle-Tacoma given 30 days to fix waste handling problems

The interior of a processing building at Stericycle-Tacoma following a fire in July 2018.

TACOMA – A dangerous fire erupted on the Tacoma tideflats in 2018 after a company mismanaged hazardous waste. That fire and other compliance problems at the Stericycle-Tacoma hazardous waste facility spurred a $1.9 million fine from the Washington Department of Ecology.

Stericycle-Tacoma, which operates under the name "Burlington Environmental," is one of two businesses in the state that collect, manage and dispose of hazardous waste generated by industries and businesses. Because their business manages dangerous chemicals, it is legally required to safely and properly handle material with the utmost care.

"People could have been injured or killed by Stericycle's mismanagement of these dangerous materials," said Maia Bellon, Ecology's director. "They are required by law to meet strict permit conditions. This incident shows a complete disregard for the safety of their employees and nearby communities, and that's totally unacceptable."

In July 2018, Stericycle-Tacoma accepted a shipment of 510 drums of tetrazole – a hazardous powdered chemical used to inflate vehicle airbags. The company was required to send the drums to a licensed incinerator. Instead, Stericycle emptied several dozen drums with the intention of loading the material onto a rail car to ship to a landfill. As the waste was being processed, it ignited and caused a large fire. Fortunately, the facility's employees were able to escape unharmed.

During Ecology's investigation of the fire, Stericycle provided misleading and incomplete documentation. Ecology inspectors also discovered that the company failed to properly manage the waste and residue left by the fire.

During a follow-up inspection in August 2018, Ecology found a serious lack of training and failure to follow proper procedures at the facility. Then, in November 2018, there was a second, smaller fire in the facility's shredder after Stericycle allowed containers with leftover liquid chemicals to mix. Ecology inspectors issued a compliance letter to the company in 2017 specifically warning against allowing liquids to enter the shredder. Again, no employees were harmed in the incident.

Because of the repeated problems with training, oversight and abiding by the facility's permit conditions, along with the $1.9 million fine, Ecology gave Stericycle 30 days to come into compliance or face revocation of its operating permit.

The company has 30 days to appeal the penalty to the Washington State Pollution Control Hearings Board.

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Contact information

Andrew Wineke
Communications
andrew.wineke@ecy.wa.gov
360-407-6932 or 360-791-1939
Twitter: ecologywa

share:

Email

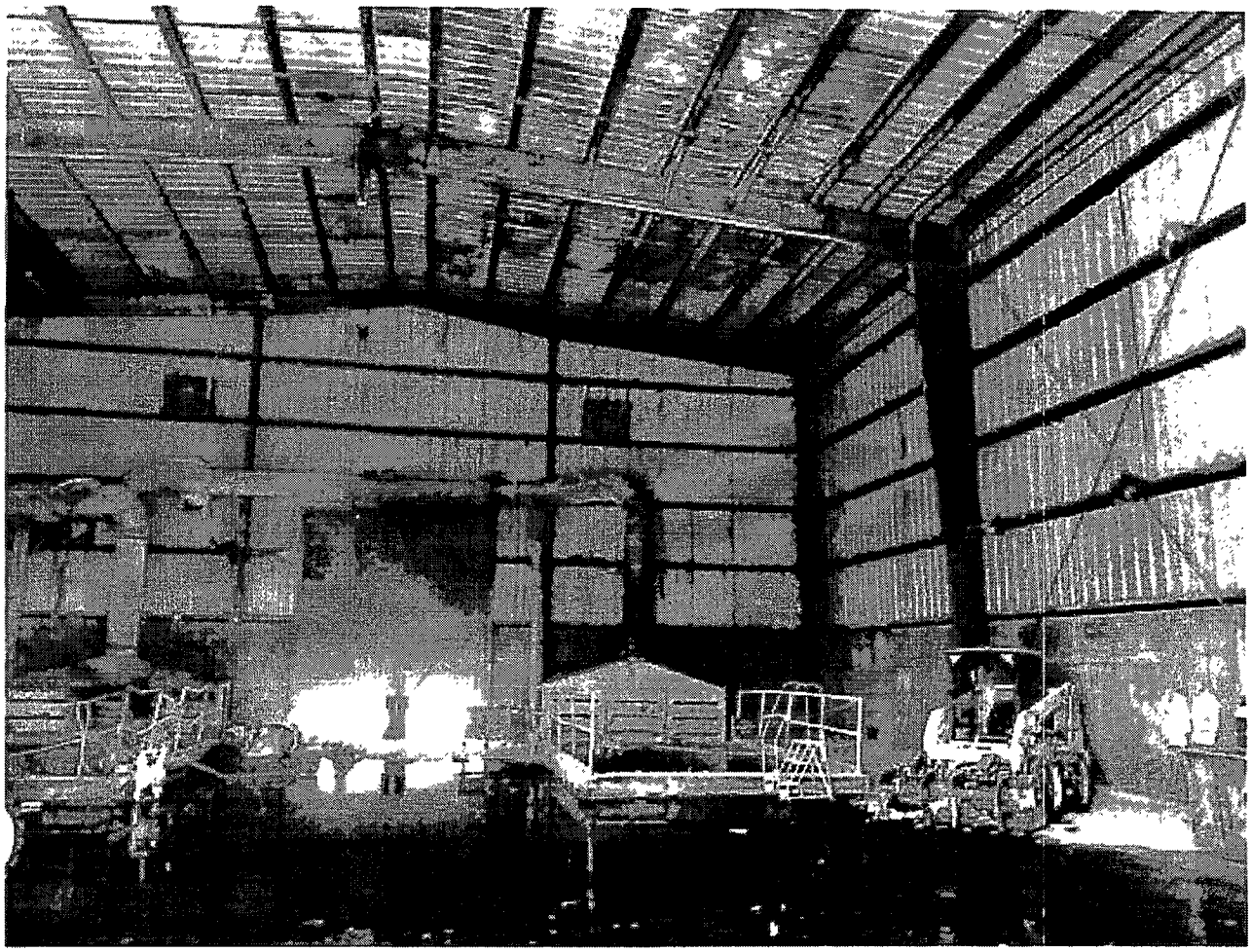
Share

Tweet

000219

Department of Ecology News Release - June 9, 2020

Ecology settles 2019 penalty with Tacoma hazardous waste facility



Interior of a Stericycle warehouse after dangerous 2019 fire.

TACOMA –
The Stericycle hazardous waste facility in Tacoma has agreed to settle $2.2 million in penalties issued in 2019 by the Washington Department of Ecology. The facility, formerly owned by Stericycle, has since changed ownership and is now a Clean Earth company. It is one of two commercial businesses in the state that collect, manage and dispose of hazardous waste generated by households, industries and businesses.

In 2018, a warehouse fire erupted at the tideflats facility after the company mismanaged its hazardous waste. That fire and other compliance issues at the same location led to the penalty, which the company appealed in late 2019. The settlement agreement effectively ends the appeal process.

"It's unacceptable for any business to put its workers, the public and the environment in serious danger," said Ecology Director Laura Watson. "The company must meet all training and operational commitments in the settlement to ensure that this doesn't happen again."

According to the settlement's terms, Stericycle has agreed to pay the amount in full and the current operator will comply with new permit modifications that Ecology included to help prevent further violations. These permit changes – such as requiring management to certify crucial tests done while processing wastes and ensuring employees have the training they need to work safely – will help the company do a better job evaluating dangerous wastes before they arrive at the facility.

"It is important to point out that these violations occurred almost two years prior to our ownership of the facility and run contrary to our vision, mission and shared values," said Averil Rance, Clean Earth's Senior Vice President of Environmental Health and Safety. "We are confident that, since our acquisition two months ago, the facility has put in place robust compliance, governance, safety and

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environmental procedures to prevent another unfortunate incident from taking place."

In July 2018, several drums of tetrazole (a hazardous powdered chemical used in vehicle airbags) caught fire as it was being processed. Had it not ignited at the facility, the highly reactive tetrazole waste would have been shipped through communities by rail. After the fire, inspectors discovered that the company failed to properly designate and manage the waste and residue left by the fire. Later that year, another fire in the facility's shredder ignited after Stericycle allowed containers with leftover liquid chemicals to mix. Ecology inspectors had issued a compliance letter to the company in 2017 specifically warning against allowing liquids to enter the shredder. Fortunately, no employees were harmed in either incident, however there was concern about potentially sensitive populations downwind of the fire being adversely affected.

By settling the case, the state avoids costly future litigation and can use the penalty funds to further enhance Ecology's work.

Related links

Dangerous fire on Tacoma tideflats leads to $1.9 million fine

Contact information

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APPENDIX F

News Release

T – 14 – 19
Barbara A. Lee, Director

FOR IMMEDIATE RELEASE
October 25, 2018

Contact: Russ Edmondson
(916) 323-3372
Russ.Edmondson@dtsc.ca.gov

DTSC Enforcement Action Results in $1.4 Million in Penalties for Hazardous Waste Operator

SACRAMENTO – A Department of Toxic Substances Control (DTSC) enforcement action against a hazardous waste facility in Rancho Cordova has resulted in $1.4 million in penalties against the facility's operator for violations of California's hazardous waste laws.

Among the violations was a fire at the facility in 2017, caused when employees intentionally ignited hazardous waste that contained naphthalene, which is made from crude oil or coal tar. There were also two earlier fires and an explosion at the facility.

> "We take these violations very seriously, and this settlement should serve as a message to other potential violators that we will hold those who break the state's hazardous waste laws accountable," said DTSC Director Barbara A. Lee. "Compliance with hazardous waste laws is critical for the safety of the public and the environment."

The settlement of DTSC's enforcement action, approved by the Sacramento County Superior Court on Oct. 19, is with General Environmental Management of Rancho Cordova LLC; Stericycle Environmental Solutions Inc.; and Stericycle Inc. (collectively "GEM/Stericycle") for numerous violations related to the mismanagement of hazardous waste. The facility handles a wide variety of hazardous waste. A primary part of the business at the facility involves bulking and consolidating hazardous waste.

In addition to the fires and explosion, violations included:

- Failure to properly manage and/or store incompatible hazardous wastes
- Failure to properly bulk and consolidate hazardous waste
- Failure to comply with conditions of the hazardous waste facilities permit issued by DTSC
- Failure to train facility staff who are responsible for safely managing hazardous waste
- Failure to follow the DTSC-approved Emergency Action and Contingency Plan

A majority of the $1,412,400 penalty will go into DTSC's Orphan Site fund and will be used to help fund hazardous waste cleanup efforts. The settlement stemmed from a civil complaint filed on behalf of DTSC by the California Attorney General's Office.

In addition to the penalty, the settlement required GEM/Stericycle to take action to prevent future violations, including enhanced training and documentation, and hiring an independent auditor to conduct hazardous waste audits. The auditor will prepare and submit reports to DTSC that evaluate GEM/Stericycle's ongoing compliance with hazardous waste laws. In addition, GEM/Stericycle has agreed not to handle reactive waste at the facility. Reactive waste is ignitable and can undergo violent reactions.

GEM/Stericycle has also agreed that the past violations are deemed proven for the purpose of a future DTSC enforcement or permitting action. GEM also does business as PSC Environmental Services of Rancho Cordova LLC.

View documents related to this case on our Enforcement Cases page.

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News Release

T – 5 – 20
Meredith Williams, Director

FOR IMMEDIATE RELEASE
March 17, 2020

Contact: Russ Edmondson
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DTSC Files Civil Complaint Against Sacramento-Area Hazardous Waste Facility for Repeat Violations of Hazardous Waste Laws

SACRAMENTO – The Department of Toxic Substances Control has filed suit against General Environmental Management of Rancho Cordova LLC, Stericycle Environmental Solutions Inc., and Stericycle, Inc. (GEM/Stericycle), because of numerous serious and repeat alleged violations of California's hazardous waste laws.

The complaint, filed in Superior Court in Sacramento County, stems from a 2018 DTSC inspection at the GEM/Stericycle facility located at 11855 White Rock Road in Rancho Cordova. The violations include the mismanagement of incompatible hazardous wastes, the improper storage of hazardous waste, and the failure to follow required safety protocols while combining hazardous waste onsite.

The Hazardous Waste Control Law authorizes DTSC to assess a penalty up to $70,000 for each separate violation, and for ongoing violations, for each day it continues.

In a 2018 settlement with DTSC, for violations identified between 2011-17, GEM/Stericycle, which handles a wide variety of hazardous waste with a focus on combining and consolidating it, agreed to pay more than $1.4 million in civil penalties. In 2017, employees intentionally ignited hazardous waste containing naphthalene, a flammable substance. Two earlier fires and an explosion at the facility were caused by the mismanagement of incompatible hazardous wastes or wastes that can become dangerous when mixed together.

View the complaint here and other GEM /Stericycle related documents here.

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FOR GENERAL INQUIRIES: Contact the Department of Toxic Substances Control by phone at (800) 728-6942 or visit www.dtsc.ca.gov. To report illegal handling, discharge, or disposal of hazardous waste, call the Waste Alert Hotline at (800) 698-6942.

The mission of DTSC is to protect California's people and environment from harmful effects of toxic substances by restoring contaminated properties, enforcing hazardous waste law, reducing hazardous waste generation, and encouraging the manufacture of chemically safer products.

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PLAINTIFF EXEMPT FROM FILING FEES
GOVERNMENT CODE § 6103

FILED/ENDORSED
FEB 18 2020
By: R. Gomez
Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

PEOPLE OF THE STATE OF CALIFORNIA, EX REL. MEREDITH WILLIAMS, DIRECTOR, DEPARTMENT OF TOXIC SUBSTANCES CONTROL,

Plaintiff,

v.

GENERAL ENVIRONMENTAL MANAGEMENT OF RANCHO CORDOVA LLC DBA PSC ENVIRONMENTAL SERVICES OF RANCHO CORDOVA, LLC, STERICYCLE ENVIRONMENTAL SOLUTIONS, INC., STERICYCLE, INC., AND DOES 1 THROUGH 10, INCLUSIVE,

Defendants.

Case No. 34-2020-00275561

COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF

(Hazardous Waste Control Law, Health and Safety Code § 25100 et seq.)

Plaintiff, the People of the State of California, ex rel. Meredith Williams, Director, Department of Toxic Substances Control ("Department" or "DTSC"), alleges the following:

STATEMENT OF THE CASE

1. Defendants General Environmental Management of Rancho Cordova, LLC, dba PSC Environmental Services of Rancho Cordova, LLC ("GEM"); Stericycle Environmental Solutions, Inc. ("Stericycle Environmental") and Stericycle, Inc. (collectively "Stericycle"); and DOES 1 through 10 (collectively, "Defendants"), at all times relevant to this Complaint, owned, operated, and managed the hazardous waste treatment and storage facility located at 11855 White Rock Road, Rancho Cordova, California (referred to as the "Facility").

2. **Enforcement History**: Defendants have a long and troubled history of violating the Hazardous Waste Control Law, chapter 6.5 of division 20 of the California Health and Safety Code and its implementing regulations set forth in the California Code of Regulations, title 22, division 4.5, section 66260.1 et seq. ("HWCL") in connection with their operations of the Facility. As set forth below in detail, the Department found violations of the HWCL at Defendants' Facility in 2009, 2011, 2013, 2014, 2015, 2016, 2017, and 2018. Pursuant to a consent order with the Department entered on October 12, 2010, Defendant GEM admitted to the 2009 violations, agreed to a schedule of compliance, and paid $574,000 in penalties to the Department ("2010 Consent Order"). The Department and Defendants settled the 2011-2017 violations in a Final Judgment on Consent and Permanent Injunction entered by this Court on October 19, 2018 ("2018 Final Judgment") pursuant to which Defendants paid the Department $1,412,000 in civil penalties and agreed to be bound by the injunctive terms in the 2018 Final Judgment. *People of the State of California v. GEM and Stericycle,* Sacramento Superior Court, Case No. 34-2017-00221348. As part of the 2018 Final Judgment, Defendants stipulated that the violations alleged in the 2017 Complaint ("2017 Complaint") against Defendants for violations identified by the Department between 2011-2017 are deemed proven and may be considered as a basis for, inter alia, enhanced penalties in any future HWCL enforcement or the Department's determination in a permitting proceeding, decision, and/or process (2018 Final Judgment at ¶13).

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A copy of the 2010 Consent Order, 2017 Complaint, and 2018 Final Judgment are attached as Exhibits A, B, and C, respectively, to this Complaint.

3. **The Current Action:**

The Department inspectors conducted an inspection at the Facility on June 25-26, 2018 ("2018 Inspection"), reviewed the Facility's documents and identified, once again, that Defendants violated the HWCL by mismanaging hazardous waste, including many serious and repeat violations as described below.

4. The Department hereby seeks injunctive relief and civil penalties against the Defendants for the violations identified in this Complaint pursuant to Health and Safety Code sections 25181, 25184, 25188, 25189, and 25189.2, and enhanced civil penalties against the Defendants for repeat and continued violations of the HWCL.

PLAINTIFF

5. The Department is a state agency organized and existing pursuant to section 58000 et seq. of the California Health and Safety Code. The Department is the state agency responsible for administering and enforcing the HWCL.

6. Meredith Williams is the Director of the Department.

7. Health and Safety Code sections 25181, subdivision (a), and 25182 authorize the Attorney General of the State of California, at the request of the Department, to commence an action in the name of the People of the State of California for civil penalties and injunctive relief under the HWCL. The Department has requested the Attorney General to apply to this Court for injunctive relief and civil penalties pursuant to Health and Safety Code sections 25181, 25184, 25188, 25189, and 25189.2 for violations of the HWCL by Defendants.

DEFENDANTS

8. Based on information and belief, Defendant GEM has owned and operated the Facility from at least 2009 to at least the date of the 2018 Inspection and did and does business under the name PSC Environmental Services of Rancho Cordova, LLC.

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9. Based on information and belief, Defendant Stericycle Environmental or Defendant Stericycle, Inc., or both, owned and/or operated the Facility from on or about 2014 to at least the date of the 2018 Inspection.

10. When reference is made in this Complaint to any act of Defendants, such allegation shall mean that the officers, directors, employees, agents, or representatives of Defendants did, or authorized, such acts or intentionally and/or negligently failed to adequately or properly supervise, control, or direct their employees and/or agents while engaged in the management, direction, operation, or control of the affairs of the Facility.

11. Defendants are each "persons" as that term is defined by Health and Safety Code section 25118.

12. The names and capacities, whether individual, corporate, or otherwise, of defendants named herein as Does 1 through 10, inclusive, are unknown at this time to the Department. The Department therefore sues said defendants by such fictitious names. The Department will seek leave to amend this Complaint to show their true names and capacities when the names have been ascertained. Plaintiff is informed and believes, and on that basis alleges, that each defendant designated as a DOE defendant is responsible, along with the named Defendants, for the hazardous waste violations alleged in this Complaint.

13. Each reference in this Complaint to "Defendants" refers not only to the named Defendants, but also all DOE defendants sued under fictitious names.

JURISDICTION AND VENUE

14. This Court has jurisdiction pursuant to California Constitution Article VI, section 10 and Health and Safety Code section 25181.

15. This Complaint has been filed within five (5) years of the Plaintiff discovering the HWCL violations alleged herein.

16. Venue is proper in this Court pursuant to Health and Safety Code section 25183 in that the violations at issue occurred at the Facility, which is in Sacramento County.

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17. This action is an unlimited civil case because the amount of penalties requested exceeds twenty-five thousand dollars ($25,000) and because none of the Plaintiff's causes of action meets the criteria for limited civil cases in the Code of Civil Procedure.

STATUTORY AND REGULATORY BACKGROUND

18. The State of California has enacted a comprehensive statutory and regulatory framework for the generation, handling, treatment, transport, and disposal of hazardous wastes. The framework contained in the HWCL mandates a "cradle to grave" registration, tracking, storage, treatment, and disposal system for the protection of the public from the risks posed by hazardous wastes and for the protection of the environment—i.e., soil, air, surface water, groundwater—from contamination by hazardous wastes and their constituents. All terms defined in the Complaint shall be interpreted as provided in, and consistent with, the HWCL.

19. Pursuant to Health and Safety Code sections 25101, subdivision (d) and 25159-25159.9, California administers the HWCL in lieu of federal administration of the federal Resource Conservation and Recovery Act ("RCRA"), which is codified at 42 United States Code section 6901 et seq. Federal law prohibits California from imposing any requirements less stringent than those authorized under RCRA. (42 U.S.C. § 6929.) Certain provisions in the HWCL are stricter than the analogous provisions in RCRA.

20. The HWCL provides that the Department shall adopt, and revise when appropriate, standards and regulations for the management of hazardous waste to protect, inter alia, the public health and environment. (Health & Saf. Code § 25150.) Accordingly, the Department has promulgated regulations setting forth numerous and extensive environmental and health protective requirements for the day-to-day operation of hazardous waste generators, transporters, and owners and operators of hazardous waste facilities. (See Cal. Code. Regs. tit. 22, § 66260.1 et seq.)

21. The HWCL, at Health and Safety Code section 25201, subdivision (a), provides that an owner or operator of a hazardous waste facility may not "accept, treat, store, or dispose of a hazardous waste at the facility, area, or site, unless the owner or operator holds a hazardous waste facilities permit or other grant of authorization from the Department to use and operate the

facility, area, or site..."

22. The HWCL, at Health and Safety Code section 25200, subdivision (a), authorizes the Department to issue operating permits, called hazardous waste facilities permits, to the owners and operators of facilities managing hazardous wastes.

23. The HWCL requires that the owner and operator of a hazardous waste facility comply with the provisions of the facility's hazardous waste permit.

a. Health and Safety Code section 25202, subdivision (a) requires the owner or operator of a hazardous waste facility who holds a hazardous waste facilities permit to "comply with the conditions of [that] permit."

b. California Code of Regulations, title 22, section 66270.30 subdivision (a) requires that the "permittee comply with the conditions of the permit" and specifies that any "noncompliance . . . constitutes a violation of the [HWCL] and is grounds for" enforcement.

ENFORCEMENT AUTHORITY UNDER THE HWCL

24. The HWCL authorizes the Court to impose civil penalties under two distinct and alternative statutory provisions. Section 25189 of the Health and Safety Code creates liability for any negligent or intentional violation of the HWCL. Section 25189.2 is a strict liability provision, which creates liability for any violation of the HWCL. A person may not be held liable for a civil penalty under both section 25189 and section 25189.2 for the same act. (Health & Saf. Code, § 25189.2, subd. (f).)

25. Effective January 1, 2018, the HWCL authorizes the Court to impose a civil penalty of up to seventy thousand dollars ($70,000) per day for each violation of a separate provision of the HWCL. For continuing violations, the HWCL authorizes the Court to impose a penalty of up to seventy thousand dollars ($70,000) for each day that a violation continues. (see, e.g., Health & Saf. Code, §§ 25189, subd. (b) and 25189.2, subd. (b).)

26. In addition, Health and Safety Code section 25188 provides that a person subject to an order under Health and Safety Code section 25187 who does not comply with that order shall be subject to a civil penalty of not more than seventy thousand dollars ($70,000) for each day of noncompliance.

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27. Defendants are subject under Health and Safety Code section 25187 to comply with the Imminent and Substantial Endangerment Determination and Enforcement Order that was issued by the Department in 2013 ("2013 ISE Order") after two fires and an explosion occurred at the Facility resulting from the mismanagement of hazardous waste by Defendant GEM as more fully described in Paragraphs 37-42.

28. Health and Safety Code sections 25181 and 25184, authorizes and directs the Court to enjoin any ongoing or potential violation of the HWCL.

29. Section 25181 of the Health and Safety Code provides:

> "when the Department determines that any person has engaged in, is engaged in, or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of the HWCL or any rule, regulation, covenant, standard, requirement or order issued, promulgated or executed thereunder, and when requested by the [D]epartment, . . . the Attorney General may apply to the superior court for an order enjoining such acts or practices, or for an order directing compliance, and upon a showing by the [D]epartment that the person has engaged in or is about to engage in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted."

30. Health and Safety Code section 25184 provides that in civil actions brought pursuant to the HWCL in which an injunction or temporary restraining order is sought:

> It shall not be necessary to allege or prove at any stage of the proceeding that irreparable damage will occur should the temporary restraining order, preliminary injunction, or permanent injunction not be issued; or that the remedy at law is inadequate, and the temporary restraining order, preliminary injunction, or permanent injunction shall issue without such allegations and without such proof.

GENERAL ALLEGATIONS

The Facility:

31. The Facility is situated on a 4.5-acre parcel adjacent to White Rock Road and is identified by Sacramento County Assessor Parcel Number 072-0530-001. The Facility includes, but is not limited to, an administrative building, a lab, truck parking, a loading and unloading area, five hazardous waste management units known as Areas A, B, C, and D, and a drum crusher unit. The drum crusher unit is currently undergoing regulatory closure as required by California Code of Regulations, title 22, division 4.5, chapter 14, article 7 (Closure and Post-Closure).

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32. At the times relevant to this Complaint, one or more of the Defendants owned and/or operated the Facility and continue to own and operate the Facility.

33. Defendants have operated and continue to operate the Facility as an active permitted hazardous waste management facility. The Facility has a permitted capacity of approximately 82,320 gallons of hazardous waste. The Facility's current hazardous waste permit, ("Permit"), which also incorporates by reference the Part A and Part B permit application ("Permit Part A" and "Permit Part B"), was issued by the Department on April 25, 2007 and was subsequently modified. The Permit expired on April 25, 2017.

34. Defendants continue to operate the Facility pending the Department's review of a permit renewal application submitted to the Department in October 2016.

35. Under the Permit, Defendants are authorized by the Department to engage in the following hazardous waste management activities at the Facility: (1) sampling, (2) storage, (3) packaging and re-packaging, (4) bulking and consolidation of containers, and (5) container crushing and equipment flushing, in accordance with the conditions set forth in the Permit.

Defendants' History of HWCL Violations at the Facility Between 2009 – 2017 Including Fires and an Explosion Due to Mixing of Incompatible Hazardous Waste and Intentional Conduct

36. Pursuant to the terms of the 2010 Consent Order, Defendant GEM admitted to HWCL violations, including the storage of incompatibles, and paid five hundred seventy-four thousand dollars ($574,000) in penalties. Defendants have repeatedly stored incompatible hazardous waste at the Facility in violation of the HWCL. The Department identified violations for the storage of incompatible hazardous waste in 2009, 2011, 2013, 2015, 2016, and most recently during the 2018 inspection of the Facility.

37. Since 2011, one (1) explosion and three (3) fires have occurred at the Facility due to the mixing of incompatible hazardous waste and/or intentional conduct by Defendants while managing hazardous waste. The explosion occurred on March 8, 2011, when Defendant GEM mixed incompatible hazardous waste by bulking soluble organics with twenty-two (22) gallons of nitric acid into a drum, resulting in a violent and uncontrolled reaction. The reaction

caused an explosion that ruptured the drum and launched it approximately fifteen (15) feet in the air, spraying hot, concentrated acid throughout most of the Facility's repackaging area. The explosion also released vapors and hazardous waste to the surrounding environment.

38. The first fire at the Facility occurred on August 2, 2011, when Defendant GEM mixed incompatible hazardous waste by consolidating oxidizing pool chemicals, including acids and oxidizers, into a 55-gallon drum, and then closed the drum's lid. Shortly thereafter, the drum began to emit a yellowish-green gas. The drum pressurized sufficiently to blow the lid off the drum, and the drum caught fire. The fire spread to consume a total of four (4) plastic drums of hazardous waste. The local fire department subsequently arrived and extinguished the fire, but their response efforts resulted in two firefighters being sent to the local hospital for observation.

39. The second fire at the Facility occurred in March 2013. Beginning on February 28, 2013, Defendant GEM mixed incompatible waste by consolidating hazardous waste solids and trash into a roll-off bin. On March 3, 2013, the bin that Defendant GEM mixed hazardous waste in began to smolder. A passerby observed flames coming from the Facility and called the fire department who arrived and extinguished the fire. The fire, which burned for five hours and released smoke and potentially toxic constituents into the environment, was caused by an exothermic reaction that occurred from mixing incompatible wastes.

40. In response to the 2011 explosion and 2011 and 2013 fires, the Department issued the 2013 ISE Order to Defendant GEM, ordering Defendant GEM to immediately cease the bulking and consolidation of all hazardous waste operations at the Facility until the Department authorized Defendant GEM to resume operations because of the "... continuing inability of Respondent [Defendant GEM] to take precautions sufficient to prevent fires, explosions, or other violent or non-violent reactions that could potentially release hazardous wastes to the environment ..." (2013 ISE Order at p. 5.) A copy of the 2013 ISE Order is attached as Exhibit D to this Complaint. The 2013 ISE Order applies to Defendant GEM, "and its officers, directors, agents, employees, contractors, consultants, receivers, trustees, successors, and assignees, including but not limited to individuals, partners, and subsidiary and parent corporations." (2013 ISE Order at p.10.).

41. Defendant GEM was authorized to resume bulking and consolidation operations at the Facility on October 21, 2013 after it agreed to revise its existing Standard Operating Procedures ("SOP") and modify the Permit to institute a safety protocol to prevent the reoccurrence of fires and explosions due to incompatibles being mixed together. Permit Part B, section V, Attachment V8-A, "Container Process Form-Permit Specific" ("Permit Process Form") was part of the revised SOP and embodies the safety protocol that was developed in response to the 2013 ISE Order to prevent the reoccurrence of fires and explosions. The Permit Process Form is attached as Exhibit E to this Complaint.

42. The safety protocol required Defendants to conduct screening and/or testing for incompatible wastes prior to bulking or consolidating wastes together, to record the screening and/or testing results on the Permit Process Form, and to have a chemist or facility management personnel review the screening and/or test results to determine whether bulking or consolidation can occur. Review and approval by the chemist or facility management would be evidenced by their respective signature on the Permit Process Form.

43. The third fire at the Facility occurred on August 7, 2017. The fire occurred when two (2) employees intentionally poured liquid naphthalene (flammable) onto paper and lit the paper on fire with a lighter where other employees were also consolidating hazardous waste and where other ignitable hazardous waste was located.

44. The Department also inspected the Facility in 2014, 2015, 2016, and 2017. The Department found that Defendants violated the HWCL during each of these inspections. The Department filed the 2017 Complaint, which included the violations at the Facility identified by the Department between 2011 and 2017. As noted above, the violations alleged in the 2017 Complaint were resolved pursuant to the terms of the 2018 Final Judgment.

Current Action for Violations of the HWCL in 2018 by Defendants

45. The Department's 2018 inspection of the Facility again found multiple instances of serious and/or repeat HWCL violations by Defendants, including,

a. Fifty (50) instances of stored and/or failed to properly segregate incompatible hazardous waste from one another,

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b. One hundred forty-two (142) instances of failing to use the safety protocol to prevent incompatibles from being mixed together during bulking activities as required by the Permit and 2013 ISE order,

c. Forty-seven (47) instances of storing hazardous waste beyond the Facility's 10-day storage limit,

d. At least twenty (20) instances of failing to mark when hazardous waste containers became empty,

e. Incorrectly labeling hazardous waste during storage,

f. Failing to remove spills, leaks, and/or liquids from secondary containment systems,

g. Storing hazardous waste in containers that were not in good condition (e.g., some of the containers had structural defects) during storage, and

h. Forty-two (42) instances of failing to use the required air pollution control device (i.e., an organic air scrubber) designed to vent organic vapors, e.g., flammable vapors when bulking organic hazardous waste.

FIRST CAUSE OF ACTION
REPEAT VIOLATION
(Management of Incompatible Wastes in Violation of Health & Saf. Code § 25202, subd. (a), Cal. Code Regs., title 22, §§ 66264.177, subds. (a) and (c) and 66270.30, subd. (a))

46. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

47. California Code of Regulations, title 22, section 66260.10 defines "incompatible waste" as "a hazardous waste which is unsuitable for (a) placement in a particular device or facility because it may cause corrosion or decay of containment materials (e.g., containment inner liners or tank walls); or (b) commingling with another waste or material under uncontrolled conditions because the commingling might produce heat or pressure, fire or explosion, violent reaction, toxic dusts, mists, fumes, or gases or flammable fumes or gases."

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48. California Code of Regulations, title 22, section 66264.177 subdivision (c) provides that, a "container holding a hazardous waste that is incompatible with any waste or other materials transferred or stored nearby in other containers, piles, open tanks, or surface impoundments shall be separated from the other materials or protected from them by means of a dike, berm, wall, or other device."

49. Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) provides that the owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit.

50. Sections VIII(D)(1)(d)(1) and VIII(E)(1) (b) of the Permit Part B requires the separation of containers of incompatible hazardous waste in Area A.

51. Sections VI(E)(8) and VIII(H)(1)(h) of the Permit Part B prohibit containers of incompatible wastes from being placed within the same cell in Area B. In addition, section VIII(H)(1)(h) of the Permit Part B requires that containers of incompatible waste stored in different cells in Area B, be segregated in accordance with California Code of Regulations, title 22, section 66264.177, subdivision (c).

52. Sections VI(G)(1) and (4) of the Permit Part B prohibits the storage of incompatible material within Area C. Section VIII(H)(1)(h) of the Permit Part B states that Area C will follow the requirements [segregation requirements] specified in Section V, Paragraph (G)(3)(a) of the permit.

53. Defendants violated Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, sections 66264.177, subdivisions (a) and (c), and 66270.30, subdivision (a) and the Permit by failing to appropriately separate incompatible hazardous waste by means of a dike, berm, wall, or other device as follows:

a. On or prior to June 25, 2018, Defendants failed in at least nine (9) instances to properly separate containers of incompatible wastes such as oxidizers and flammable liquids, by a dike, berm, wall or other device in Areas B and C. (Health & Saf. § 25202, subd. (a) and Cal. Code Regs., tit. 22, §§ 66270.30, subd. (a) and 66264.177, subd. (c).)

b. On June 25, 2018, the Department requested the Facility's daily inspection logs ("daily logs") from January 2018 through June 2018. After reviewing the daily logs provided by the Defendants, the Department also determined that Defendants failed to separate containers of incompatible hazardous waste at least an additional forty-one (41) times in Areas A, B, and C between January 2018 and June 2018. (Health & Saf. § 25202, subd. (a) and Cal. Code Regs., tit. 22, §§ 66270.30, subd. (a) and 66264.177, subd. (c).)

c. This is the seventh inspection of the Facility in which the Department found that Defendant(s) improperly stored and/or failed to properly segregate incompatible hazardous waste. Defendant(s) previously stored incompatible hazardous waste together in violation of the HWCL and the Permit Part B at the Facility in 2009, 2011, 2013, 2015, 2016, and 2017, which at times resulted in fires and explosions at the Facility.

54. Each violation of Health and Safety Code section 25202 subdivision (a), California Code of Regulations, title 22, sections 66264.177, subdivisions (a) and (c), and 66270.30, subdivision (a) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code section 25189.2, subdivision (b).

55. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

56. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

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SECOND CAUSE OF ACTION
REPEAT VIOLATION

(Failure to Follow Safety Protocol Encapsulated in Permit Process Form for the Management of Ignitable, Reactive, or Incompatible Hazardous Wastes and Improper Bulking in Violation of Health & Saf. Code, §§ 25202, subd. (a), 25188 and Cal. Code Regs., tit. 22, §§ 66270.30, subd. (a), 66264.17, subds. (a) and (b), and 2013 ISE Order)

57. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

58. Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) provides that the owner and/or operator of a hazardous waste management facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit.

59. California Code of Regulations, title 22, section 66264.17, subdivision (a) requires that an owner and/or operator of a facility take precautions to prevent accidental ignition or reaction of ignitable or reactive waste.

60. California Code of Regulations, title 22, section 66264.17, subdivision (b) requires that an owner and/or operator of a facility prevent reactions which generate extreme heat or pressure, fire or explosions, or violent reactions.

61. The Schedule of Compliance, section 4.2.1 of the 2013 ISE Order issued pursuant to Section 25187 required Defendants to revise its Permit and SOP to implement a safety protocol to prevent fires and explosions or other violent or non-violent reactions that could potentially release hazardous waste to the environment by ensuring incompatible wastes are not bulked or consolidated together.

62. The Schedule of Compliance, section 4.3 of the 2013 ISE Order issued pursuant to Section 25187 provides that after the Department approves the safety protocol, Defendants will implement the plans.

63. Permit Part B sections V(C)(10), V(D)(1), V(G)(1), and the Permit Process Form are part of the safety protocol instituted and required to be followed to ensure "safe and appropriate methods of handling of wastes within the facility" and ensure proper oversight for bulking and consolidation of hazardous waste.

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64. The Permit Process Form encapsulates the safety protocol Defendants are required to follow, including documenting the physical state of the hazardous waste, performing a radioactivity screen, conducting commingled hazardous waste compatibility testing before bulking hazardous waste and obtaining the signature of a chemist or facility manager who has reviewed and approved the Permit Process Form to ensure that the safety protocol has been followed, no evidence of an incompatible reaction was observed, and that bulking or consolidation is appropriate. The commingled hazardous waste compatibility test involves pouring small amounts of liquid from each source container to be bulked, into a separate, small container, where the liquids are stirred, and the mixture must sit for a set period time. If any incompatible reactions (e.g., signs of heat or bubbling) are observed, those reactions are noted on the Permit Process Form as potential incompatible reactions, and the waste intended to be bulked will not be bulked.

65. Between January 1, 2018 and June 25, 2018, Defendants violated Health and Safety Code section 25202, subdivision (a), California Code of Regulations, title 22, sections 66270.30, subdivision (a) and 66264.17, subdivisions (a) and (b), and the 2013 ISE Order by failing to perform and/or document compliance with the safety protocol, including the comingled compatibility testing and/or failing to obtain written approval by the chemist or facility management prior to bulking wastes on at least one hundred and forty-two (142) occasions.

66. Only six (6) months earlier, on July 28, 2017, Defendants represented to the Department that it had "reinstalled" the Permit Process Form in response to a similar violation where Defendants had failed to obtain the approval of the facility chemist prior to bulking hazardous waste. In a letter to DTSC on July 28, 2017, Defendants informed the Department they had "reinstalled the permit sample form that includes signatures as a gesture of cooperation. GEM is planning to re-work the associated approval methods and documentation to preclude future misunderstandings." ("7/28/17 Letter" at p. 3). A copy of the 7/28/17 Letter is attached as Exhibit F to the Complaint.

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67. Each violation of Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, sections 66270.30, subdivision (a), 66264.17, subdivision (a) and (b), subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code section 25189.2 subdivision (b).

68. Failure to comply with the terms of the 2013 ISE Order subjects Defendants to costs and penalties for any costs incurred by the Department resulting from Defendants failure to comply.

69. Health and Safety Code section 25188 provides that any person subject to a Schedule of Compliance issued pursuant to Section 25187 who does not comply with that schedule shall be subject to a civil penalty of not more than seventy thousand dollars ($70,000) for each day of noncompliance.

70. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

71. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

THIRD CAUSE OF ACTION

(Failure to Use Air Pollution Control Device in Violation of Health & Saf. Code § 25202, subd. (a), and Cal. Code Regs., tit. 22, § 66270.30, subd. (a))

72. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

73. The owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code § 25202, subd. (a) and Cal. Code Regs., tit. 22, § 66270.30, subd. (a).)

74. Section VIII(E)(1)(b) of the Permit Part B requires that Defendants use the appropriate scrubber, an air pollution control device, during bulking operations. This requirement

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helps to vent or capture vapors from the hazardous waste management operations before vapors can build up in the room, be released outside of the Facility, or be harmful to employees.

75. Between January 2018 and June 2018, Defendants violated Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) by failing to use the organic scrubber at the Facility as required by the Permit at least 42 times while bulking organic hazardous waste, e.g., flammable waste inside Area C.

76. Each violation of Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code sections 25189, subdivisions (a) and (b) or in the alternative, Health and Safety Code section 25189.2, subdivisions (a) and (b).

77. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

78. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

FOURTH CAUSE OF ACTION
REPEAT VIOLATION

(Improper Storage of Hazardous Waste in Area A in Violation of Health & Saf. Code, § 25202, subd. (a), Cal. Code Regs., tit. 22, § 66270.30, subd (a))

79. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

80. The owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code § 25202, subd. (a) and Cal. Code Regs., tit. 22, § 66270.30, subd (a).)

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81. Permit Part IV, Unit Area A and sections VI(D) and VIII(E)(1)(b) of the Permit Part B specifies that Area A is a temporary staging area for receiving, inspecting, repackaging, and preparation of containerized waste for shipping. Hazardous waste containers can only be stored in Area A for no longer than ten (10) days.

82. Between January 2018 and June 2018, Defendants violated the Health and Safety Code section 25202, subdivision (a), California Code of Regulations, title 22, section 66270.30, subdivision (a), and the Permit by storing hazardous waste containers in Area A for longer than ten (10) days on at least forty-seven (47) separate days.

83. This is the fourth inspection of the Facility in which the Department found that Defendant(s) improperly stored hazardous waste for longer than the ten (10)-day limit in Area A. Defendant(s) previously stored hazardous waste containers for longer than the allowed ten (10) days in Area A in violation of the HWCL, Permit, and Permit Part B in 2014, 2016, and 2017.

84. Each violation of Health and Safety Code, section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code section 25189.2, subdivision (b).

85. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

86. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

FIFTH CAUSE OF ACTION
REPEAT VIOLATION
(Failure to Properly Mark Containers in Violation of Health & Saf. Code § 25202, subd. (a), and Cal. Code Regs., tit. 22, §§ 66270.30, subd. (a), 66266.80, subd. (a))

87. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

88. The owner and/or operator of a hazardous waste management facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code, § 25202, subd. (a) Cal. Code Regs., tit. 22, § 66270.30, subd. (a).)

89. California Code of Regulations, title 22, section 66266.80, subdivision (a) requires spent lead-acid storage batteries or their components be managed as hazardous waste (unless specifically exempted in California Code of Regulations, title 22, Chapter 16, Article 7).

90. Section VIII(D)(1)(f)(2) of the Permit Part B specifies that containers must be labeled with the Department of Transportation (DOT) hazard class and proper shipping description.

91. On, and prior to, June 25 and 26, 2018, Defendants violated Health and Safety Code section 25202, subdivision (a), California Code of Regulations, title 22, sections 66270.30, subdivision (a), 66266.80, subdivision (a), and the Permit Part B by: (1) improperly affixing a universal waste label to two fifty–five gallon drums containing "Automotive Type" spent lead batteries instead of identifying the batteries as hazardous waste; and (2) mislabeling formaldehyde solution as a DOT Class 6 and Class 8 DOT hazardous material instead of a Class 3 DOT flammable material.

92. This is the third inspection of the Facility in which the Department found that Defendant(s) improperly labeled hazardous waste, including waste Automotive Type spent lead acid batteries. In addition to the 2018 violations, Defendant(s) previously improperly labeled hazardous waste containers in violation of the HWCL and the Permit Part B in 2014 and 2016.

93. Each violation of Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, sections 66270.30 subdivision (a) and 66266.80 subdivision (a) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code section 25189.2, subdivision (b).

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94. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

95. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

SIXTH CAUSE OF ACTION
REPEAT VIOLATION
(Failure to Properly Mark Empty Containers in Violation of Health & Saf. Code § 25202, subd. (a) and Cal. Code Regs., tit. 22, §§ 66270.30, subd. (a) and 66261.7, subd. (f))

96. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

97. The owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code § 25202, subd. (a) and California Code of Regulations, title 22, section 66270.30, subd. (a).)

98. California Code of Regulations, title 22, section 66261.7, subdivision (f) provides that a container larger than five (5) gallons in capacity shall be marked with the date it has been emptied.

99. Section VIII(E)(2) of the Permit Part B requires that empty containers at a hazardous waste facility must be marked to identify them as empty.

100. On or prior to June 25, 2018, Defendants violated Health and Safety Code section 25202, subdivision (a), California Code of Regulations, title 22, section 66270.30, subdivision (a), and Permit Part B by failing to mark approximately twenty to forty (20-40) empty containers larger than five (5) gallons in capacity that once held hazardous waste with the dates the containers were emptied.

101. This is the fifth inspection of the Facility in which the Department found that Defendant(s) failed to mark containers to identify them as empty. Defendant(s) previously failed to mark containers to identify them as empty in violation of the HWCL and Permit Part B in

2011, 2015, 2016, and 2017.

102. Each violation of Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, sections 66270.30, subdivision (a) and 66261.7, subdivision (f) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code section 25189.2, subdivision (b).

103. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

104. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

SEVENTH CAUSE OF ACTION
REPEAT VIOLATION

(Failure to Properly Manage Containers in Violation of Health and Safety Code § 25202 subd. (a), California Code of Regulations, title 22, §§ 66264.171,66264.173 subd. (b), and 66270.30 subd. (a))

105. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

106. California Code of Regulations, title 22, sections 66264.171 and 66264.173 subdivision (b) provide that containers holding hazardous waste must be in good condition and cannot be stored in a manner that may cause the containers to leak and if containers holding hazardous waste begin to leak, the owner and/or operator shall transfer the hazardous waste to a container in good condition.

107. The owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code § 25202, subd. (a) and California Code of Regulations, title 22, section 66270.30, subd. (a).)

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108. Section VIII(H)(1)(b) of the Permit Part B requires that if a container holding waste is found to be damaged during receiving or any phase of storage or processing, the operator will overpack, transfer, or re-package the container.

109. On and prior to June 25, 2018, Defendants violated California Code of Regulations, title 22, sections 66264.171 and 66264.173, subdivision (b) by storing hazardous waste in Areas B and C in seven (7) separate containers with structural defects. Containers were torn, dented, or damaged.

110. This is the second inspection of the Facility in which the Department found that Defendant(s) used containers that were not in good condition. In addition to the 2018 violations, Defendant(s) previously stored hazardous waste in containers that were not in good condition in violation of California Code of Regulations, title 22, sections 66264.171 in 2016.

111. Each violation of California Code of Regulations, title 22, sections 66264.171 and 66264.173 subdivision (b) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code 25189.2, subdivision (b).

112. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

113. The Department is further entitled to injunctive relief to and prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

EIGHTH CAUSE OF ACTION
(Failure to Properly Close Containers in Violation of Cal. Code Regs., tit. 22, § 66264.173, subd. (a))

114. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

115. California Code of Regulations, title 22, section 66264.173 subdivision (a) provides that containers holding hazardous waste shall always be closed during transfer and storage, except when it is necessary to add or remove waste.

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116. On and prior to June 25, 2018, Defendants violated California Code of Regulations, title 22, section 66264.173, subdivision (a) by failing to ensure that at least five (5) containers of hazardous waste in Area C were closed.

117. Each violation of California Code of Regulations, title 22, section 66264.173 subdivision (a) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code 25189.2, subdivision (b).

118. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

119. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

NINTH CAUSE OF ACTION

(Failure to Remove Spilled or Leaked Hazardous Waste in a Timely Manner as Necessary in Violation of Cal. Code Regs., title 22, § 66264.175, subd. (b)(5))

120. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

121. California Code of Regulations, title 22, section 66264.175, subdivision (b)(5) provide that the containment system shall be operated to drain and remove liquids resulting from leaks, spills, or precipitation and that spilled or leaked waste and accumulated precipitation shall be removed from the sump or collection area in as timely a manner is necessary.

122. From at least January 2018 through June 2018, Defendants violated California Code of Regulations, title 22, section 66264.175, subdivision (b)(5) by failing to operate the containment system(s) in Area C to remove spilled or leaked waste or accumulated precipitation in a timely manner.

123. Each violation of California Code of Regulations, title 22 sections 66264.175, subdivision (b)(5) subjects Defendants to a separate penalty for each day during which each

violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivision (b) or in the alternative, Health and Safety Code section 25189.2, subdivision (b).

124. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

125. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

TENTH CAUSE OF ACTION

(Failure to Properly Stack and Palletize Containers in Violation of Health & Saf. Code § 25202, subd. (a) and Cal. Code Regs., tit. 22, § 66270.30 subd. (a))

126. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

127. The owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code § 25202, subd. (a) and Cal. Code Regs., tit. 22, § 66270.30, subd. (a).)

128. Sections VI(E)(7) and VIII(E)(1)(b) of the Permit Part B require that Defendants store containers on pallets and only allows for double stacking of containers in Area B.

129. On or prior to June 25, 2018, Defendants violated Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) by triple stacking containers in Area B, Cell 5.

130. On or prior to June 25, 2018, Defendants also violated Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) by stacking five-gallon buckets on top of other containers instead of placing them on pallets. In addition, Defendants' daily logs note three (3) of containers stacked improperly or on broken pallets.

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131. Each violation of Health and Safety Code section 25202, subdivision (a) and California Code of Regulations, title 22, section 66270.30, subdivision (a) subjects Defendants to a separate penalty for each day during which each violation occurred or continued, according to proof at trial, pursuant to Health and Safety Code section 25189, subdivisions (a) and (b) or in the alternative, Health and Safety Code section 25189.2, subdivisions (a) and (b).

132. Pursuant to the terms of the 2018 Final Judgment, the Department further seeks enhanced penalties against Defendants in this action. Defendants stipulated that the 2011-2017 violations alleged in the 2017 Complaint are deemed proven and may be used in a future enforcement action as a basis for enhanced penalties. (2018 Final Judgment ¶ 13).

133. The Department is further entitled to injunctive relief to prevent future violations of the HWCL pursuant to Health and Safety Code section 25181, subdivision (a).

ELEVENTH CAUSE OF ACTION
(Storage of Containers in Unauthorized Areas in Violation of Health & Saf. Code § 25202, subd. (a) and Cal. Code Regs., tit. 22, § 66270.30 subd. (a))

134. Paragraphs 1 through 45 are re-alleged as if fully set forth herein.

135. The owner and/or operator of a hazardous waste facility who holds a hazardous waste facilities permit is required to comply with the conditions of the hazardous waste permit. (Health & Saf. Code § 25202, subd. (a) and Cal. Code of Regs., tit. 22, § 66270.30, subd. (a).)

136. Section V(G)(3)(a) of the Permit Part B prohibits the storage of DOT class 6 poisonous liquid hazardous waste in Area B, Cell 5. Area B, Cell 5 is intended for Flammable Solids, including Water Reactives.

137. Section V(G)(3)(a) of the Permit Part B prohibits the storage of DOT Class 3 flammable hazardous waste in Area B, Cell 4. Area B, Cell 4 is intended for corrosives (alkaline) oxidizers and organic peroxides. At the time of the inspection, Area B, Cell 4 contained both corrosives (alkaline) and oxidizers.

138. On and prior to June 25, 2018, Defendants violated Health and Safety Code section 25202, California Code of Regulations, title 22, section 66270.30, subdivision (a), and Permit Part B by storing DOT Class 6 poisonous liquid hazardous waste (barium sulfate and