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

TABLE OF CONTENTS

I. INTRODUCTION.....1

II. STERICYCLE'S MISREPRESENTATIONS, HALF-TRUTHS AND LACK OF CANDOR TO PLANNING COMMISSION.....2

A. Stericycle has Failed to Disclose the Real Facts Surrounding the Closure of the North Salt Lake Medical Waste Incinerator.....2

B. Stericycle Failed to Disclose the Facts Surrounding its Withdrawal of its SUP Request in North Las Vegas.....3

C. Stericycle Failed to Disclose Other Stericycle Shutdowns of Medical Waste Incinerators in the Western United States to the Storey County Planning Commission.....4

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.....5

III. SUMMARY OF STERICYCLE'S RECENT HISTORY OF CORPORATE IRRESPONSIBILITY.....5

IV. CONCLUSION.....7

TABLE OF APPENDICES

Stericycle Settlement with Utah Dept. of Air Quality and Amendment.. Appendix 1
North Las Vegas Staff Memo and Meeting Minutes June 12, 2019..... Appendix 2
News Articles re: North Las Vegas Water Pipeline..... Appendix 3
February 22, 2019 *Salt Lake Tribune* News Article ..... Appendix 4
News Articles re: Gila River and Oakland Incinerators..... Appendix 5
Rancho Cordova, California Civil Lawsuit; Judgment..... Appendix 6

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

4825-3222-2363.v2

APPENDIX 2

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/stericyIce/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/stericyIce/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/stericyIce/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.

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)

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/stericylce/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/stericylce/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/stericylce/DAQ-2018-013062.pdf) (205 KB) on July 26, 2013, asking for additional time to work towards a settlement. DAQ granted Stericycle an extension

(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

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.

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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

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

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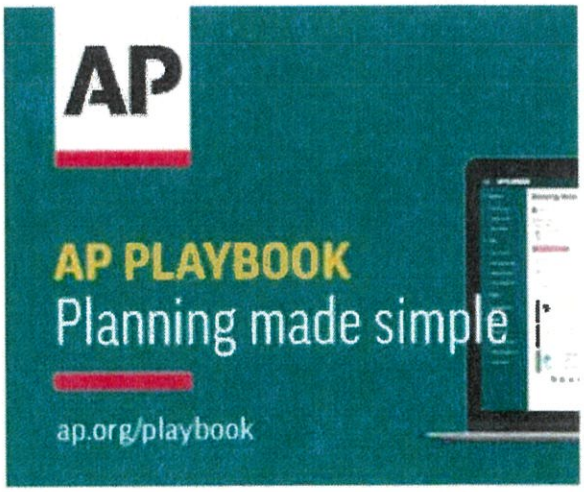

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Exhibit E

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.

Close

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.

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.

###

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."

Stericycle agreed to pay a $150,000 penalty after the 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.

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

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

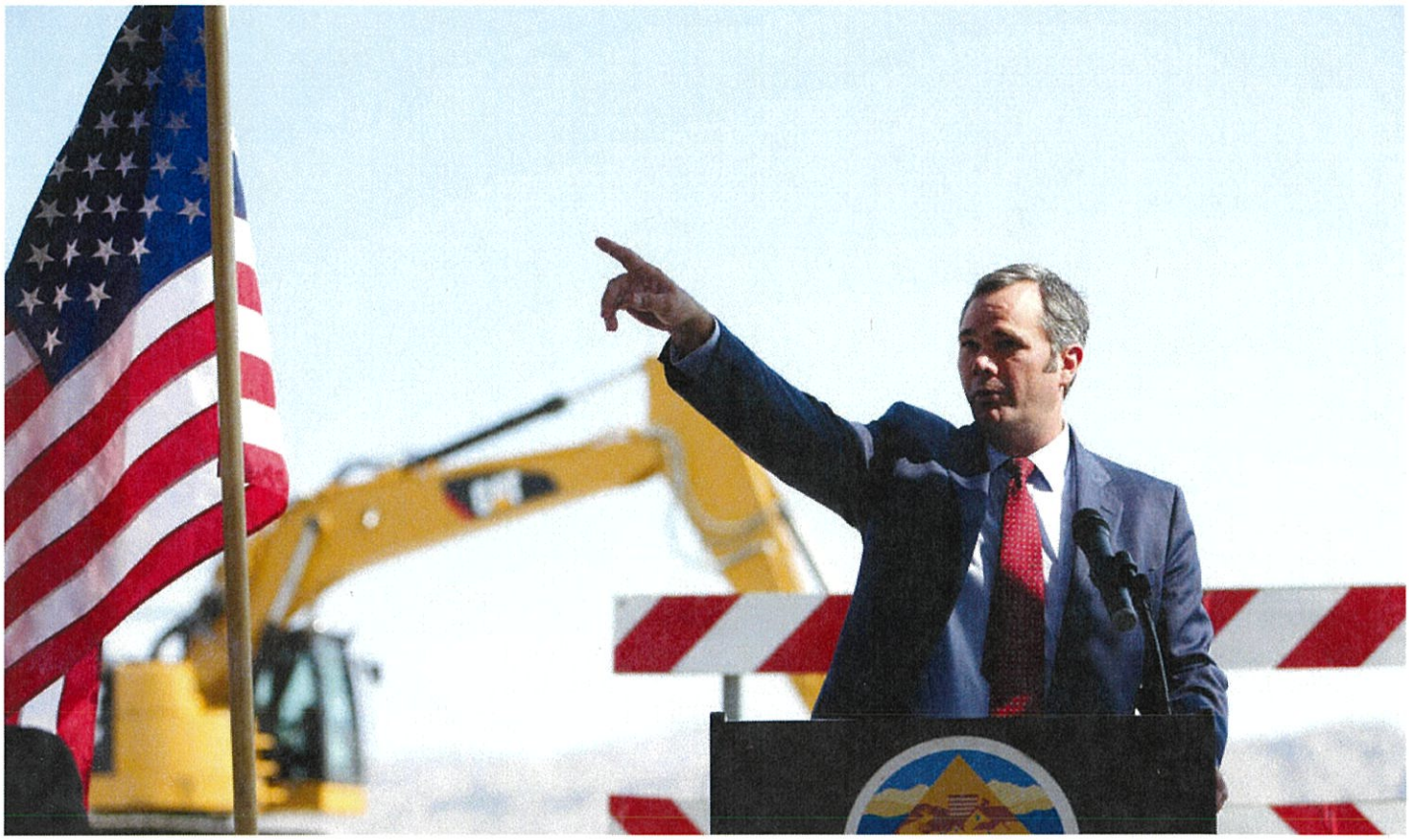
21. UN-44-19 (69243) THE GROVE (PUBLIC HEARING). APPLICANT: JEFFREY OWENS. REQUEST: A SPECIAL USE PERMIT IN A C-1 (NEIGHBORHOOD COMMERCIAL DISTRICT) TO ALLOW A FULL "ON-SALE" LIQUOR LICENSE IN CONJUNCTION WITH A CIGAR LOUNGE, WITH A REQUEST FOR A WAIVER FROM THE REQUIRED 400 FOOT SEPARATION FROM A PARK. 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.

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.

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.

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.

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

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.

"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.

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.

"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.

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"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 —

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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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 mega-corporation called Stericycle, will keep IES's trucks and its contracts with California hospitals and clinics.

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.

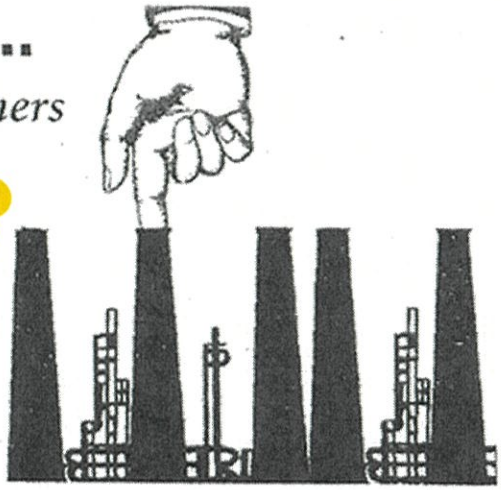
"This is the ultimate David-versus-Goliath victory," said Bradley Angel, executive director of Greenaction. "We've been deluged with messages from people across the country saying this victory is an inspiration to them."

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.

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



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.

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.

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.