



DA O'Malley Announces \$4.1 Million Settlement with Schnitzer Steel Industries, Inc. for Environmental Violations in West Oakland

Oakland, CA- Alameda County District Attorney Nancy E. O'Malley, Attorney General Xavier Becerra, and the California Department of Toxic Substances Control (DTSC) today announced a \$4.1 million civil settlement with Schnitzer Steel Industries, Inc. (Schnitzer). The settlement resolves allegations that Schnitzer unlawfully caused hazardous waste from its metal recycling operations to be blown offsite into neighboring properties in West Oakland and the Oakland Estuary. The settlement also resolves claims that Schnitzer violated its air emissions permit and failed to adequately warn the community about exposure to lead and cadmium from the facility.

Schnitzer is located less than half of a mile from a West Oakland neighborhood designated as a disadvantaged community by the California Environmental Protection Agency. The company collects, processes, and sells recycled metals through use of a six-story tall scrap metal shredder which grinds cars and metal appliances into smaller pieces.

The settlement requires Schnitzer to significantly change its operations to protect the health of Oakland residents and the environment. Schnitzer has constructed and agreed to maintain equipment and containment structures that will mitigate future waste dispersal, and has agreed to install air pollution control equipment to eliminate potentially harmful air emissions. In addition, the company will conduct periodic inspections of the surrounding area for hazardous waste. The settlement also includes \$4.1 million in civil penalties and investments in environmental projects in the West Oakland community.

"As a result of this settlement, Schnitzer will address a root cause of pollution that has impacted West Oakland for years," DA O'Malley. "My Office will always take action and work collaboratively to protect the community from illegal operations that negatively impact the health of our community members and the health of our environment."

"Communities in West Oakland already experience a disproportionate share of environmental pollution and some of the highest asthma rates in the state," said Attorney General Becerra. "So, we won't sit back while corporate polluters make the situation worse by dispersing their toxic waste into these neighborhoods and surrounding waters. Everyone deserves to breathe clean air and drink clean water. This settlement should serve as a warning to any company that believes it can put profits ahead of people."

“The investigation of this metal shredding facility and the resulting settlement shows the power of our partnerships with other State and local agencies,” said DTSC Director Meredith Williams. “Strong enforcement underscores our commitment to those who live and work in communities impacted by a disparate level of pollution and potential exposure.”

Light fibrous material (LFM), a typically hazardous substance, is a byproduct of the shredding and metal recovery process composed of fabric fibers from auto upholstery and carpeting. In 2012, after LFM was found in the area surrounding Schnitzer facility, the District Attorney’s Office and DTSC opened an investigation. Examination of samples of LFM from 49 different locations surrounding the Schnitzer facility contained hazardous materials consisting of toxic metals including lead, zinc, copper, chromium, and cadmium.

When alerted to the investigation in 2014, Schnitzer agreed to cooperate with the District Attorney’s Office prosecutors and investigators and began work to mitigate the hazardous impact of their operations. They immediately constructed structures to capture and contain LFM during the shredding and metal recovery processes and inspected for and removed accumulations of LFM in surrounding neighborhoods. The terms of the settlement, signed on February 3rd, 2021 include:

- Maintenance of structures and equipment to contain LFM during shredding and metal recovery processes;
- Installation of air pollution control equipment that to lower annual emissions of volatile organic compounds by 98%;
- \$2.05 million in civil penalties and costs;
- \$1,853,145 to the West Oakland Environmental Indicators Project for installation and maintenance of mechanical air filtration systems in West Oakland community and public housing sites;
- \$93,855 to the Prescott Joseph Center for Community Enhancement (PJCCE) to funding of a mobile pediatric asthma clinic, the Breathmobile Program;

DA O’Malley awarded a \$103,000 portion of her civil penalties to the Alameda County Fish and Game Commission who will provide funding to non-profit organizations to undertake conservation projects benefitting fish and wildlife.

Schnitzer is now under a permanent injunction prohibiting similar future violations of law.

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