STATE OF CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY DEPARTMENT OF TOXIC SUBSTANCES CONTROL

IN THE MATTER OF:

Prime Wheel Corporation 23920 S. Vermont Avenue Harbor City, California 90710

ID NO. CAR000162149 Respondent. Docket SRPD: RPDD06/07SCC-4365

CORRECTIVE ACTION CONSENT AGREEMENT

Health and Safety Code Sections 25187 and 25200.14

INTRODUCTION

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

1.1. Jurisdiction exists pursuant to Health and Safety Code section 25187 and 25200.14, which authorize DTSC to issue an order to require corrective action when DTSC determines that there is or may be a release of hazardous waste or hazardous waste constituents into the environment from a hazardous waste facility.

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

1.3. Respondent is the owner and operator of a hazardous waste facility located at 24000 S. Vermont Avenue, Harbor City, California 90710 (Facility).

1.4. Respondent engages in the management of hazardous waste pursuant to a Permit By Rule issued by DTSC on July 22, 1993.

1.5. The terms used in this Consent Agreement are as defined in California Code of Regulations, title 22, section 66260.10, except as otherwise provided.

1.6. Respondent agrees to implement all DTSC-approved workplans and to undertake all actions required by the terms and conditions of this Consent

Agreement, including any portions of this Consent Agreement incorporated by reference.

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

FINDINGS OF FACT

2.1. On December 12, 1996, Respondent submitted a Phase I Environmental Assessment pursuant to Health and Safety Code section 25200.14 which concluded that no further action was needed.

2.2. On July 14, 2006, DTSC conducted a site inspection of the Facility. Based on the site inspection and the information available to DTSC, DTSC has identified the following six solid waste management units (SWMUs) and/or areas of concerns (AOCs) that either have released or may release hazardous waste or hazardous waste constituents into the environment.

- (a) Wastewater Treatment area
- (b) Plating Area
- (c) Chemical Storage Area
- (d) Polishing / Buffing Area
- (e) Filter Press Area
- (f) Wash Line Area

2.3. Based on the information available to DTSC, DTSC concludes that further investigation is needed to determine the nature and extent of any release of hazardous waste or hazardous waste constituents at the Facility.

2.4. The hazardous waste and hazardous waste constituents of concern at the Facility are those metals listed in California Code of Regulations, Title 22, including but not limited to copper, chromium, nickel and acids, bases, and hydrocarbon compounds

2.5. Hazardous wastes or hazardous waste constituents have migrated or may migrate from the Facility into the environment through the following pathways: airborne dust particulate matter or vapor, soil, surface water and sediments, and groundwater.

2.6. The Facility is located within 1/4 mile from residential, commercial and industrial developments.

2.7. Releases from the Facility may migrate or may have migrated toward area residents.

PROJECT COORDINATOR

3. Within 14 days of the effective date of this Consent Agreement, DTSC and Respondent shall each designate a Project Coordinator and shall notify each other in writing of the Project Coordinator selected. Each Project Coordinator shall be responsible for overseeing the implementation of this Consent Agreement and for designating a person to act in his/her absence. All communications between Respondent and DTSC, and all documents, report approvals, and other correspondence concerning the activities performed pursuant to this Consent Agreement shall be directed through the Project Coordinators. Each party may change its Project Coordinator with at least seven days prior written notice.

WORK TO BE PERFORMED

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

PRELIMINARY ENDANGERMENT ASSESSMENT

6. Respondent shall conduct a Preliminary Endangerment Assessment (PEA) for the entire Facility, and if necessary, further investigation and remediation of any release of hazardous waste or hazardous waste constituents at or from the Facility. Within 30 days of the effective date of this Consent Agreement, Respondent shall submit to DTSC a PEA Workplan and an implementation schedule for approval. Respondent shall implement the DTSCapproved PEA Workplan and schedule. Within 60 days upon completion of the PEA activities, Respondent shall submit to DTSC a Final PEA Report for approval. Respondent shall conduct the PEA in accordance with the Preliminary Endangerment Assessment Guidance Manual (State of California Environmental Protection Agency, Department of Toxic Substances Control, June 1999.)

ADDITIONAL WORK

7. If DTSC determines that further investigation and remediation are necessary at the Facility, DTSC and Respondent will negotiate another consent agreement or amend this Consent Agreement to address the additional work. If another consent agreement or an amendment is not reached within 60 days, DTSC reserves its right to issue an order or take any other action provided for by law. DTSC's costs incurred in negotiating the subsequent consent agreement or the amendment are considered costs incurred pursuant to this Consent Agreement and are payable under this Consent Agreement.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

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

DTSC APPROVAL

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

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

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

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

SUBMITTALS

10.1. Beginning with the first full month following the effective date of this Consent Agreement, Respondent shall provide DTSC with quarterly progress reports of corrective action activities conducted pursuant to this Consent Agreement. Progress reports are due on the first (1st) day of the first month following the close of each reporting period. The progress reports shall conform to the Scope of Work for Progress Reports contained in Attachment 5. DTSC may adjust the frequency of progress reporting to be consistent with site-specific activities.

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

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

I certify that the information contained in or accompanying this submittal is true, accurate, and complete. As to those portions of this submittal for which I cannot personally verify the accuracy, I certify that this submittal and all attachments were prepared at my direction in accordance with procedures designed to assure that qualified personnel properly gathered and evaluated the information submitted.

Signature:	

Name:

Title:

Date:

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

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

10.6 An electronic submittal of any required report or other document required under this Consent Agreement on or before a submittal deadline imposed by DTSC shall be considered by DTSC compliant in meeting the deadline. However, such electronic submittal does not relieve the Respondent from also submitting the required hard copies to DTSC as described in Paragraph 10.4 above. Such hard copies shall be submitted to DTSC by Respondent no later than 7 calendar days after submittal of an electronic copy.

PROPOSED CONTRACTOR/CONSULTANT

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

QUALITY ASSURANCE

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

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

SAMPLING AND DATA/DOCUMENT AVAILABILITY

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

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

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

<u>ACCESS</u>

14. Subject to the Facility's security and safety procedures, Respondent agrees to provide DTSC and its representatives access at all reasonable times to the Facility and any off-site property to which access is required for implementation of this Consent Agreement and shall permit such persons to inspect and copy all records, files, photographs, documents, including all sampling and monitoring data, that pertain to work undertaken pursuant to this Consent Agreement and that are within the possession or under the control of Respondent or its contractors or consultants.

RECORD PRESERVATION

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

> Steve Lavinger, Chief Tiered Permitting Corrective Action Branch Hazardous Waste Management Program Department of Toxic Substances Control 5796 Corporate Avenue Cypress, California 90630

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

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

DISPUTE RESOLUTION

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

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

16.3. If the Project Coordinators cannot resolve the dispute informally, Respondent may pursue the matter formally by placing its objection in writing. Respondent's written objection must be forwarded to Chief, Tiered Permitting Corrective Action Branch, Hazardous Waste Management Program, Department of Toxic Substances Control, with a copy to DTSC's Project Coordinator. The written objection must be mailed to the Branch Chief within 14 days of Respondent's receipt of DTSC's written decision. Respondent's written objection must set forth the specific points of the dispute and the basis for Respondent's position.

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

16.5. After the formal discussion period, DTSC will provide Respondent with its written decision on the dispute. DTSC's written decision will reflect any agreements reached during the formal discussion period and be signed by the Branch Chief or his/her designee.

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

RESERVATION OF RIGHTS

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

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

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

in writing as soon as practicable regarding the decision to perform any work described in this section.

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

17.5. This Consent Agreement is not intended to be nor shall it be construed to be a permit. This Consent Agreement is not a substitute for, and does not preclude DTSC from requiring, any hazardous waste facility permit, post closure permit, closure plan or post closure plan. The parties acknowledge and agree that DTSC's approval of any workplan, plan, and/or specification does not constitute a warranty or representation that the workplans, plans, and/or specifications will achieve the required cleanup or performance standards. Compliance by Respondent with the terms of this Consent Agreement shall not relieve Respondent of its obligations to comply with the Health and Safety Code or any other applicable local, state, or federal law or regulation.

OTHER CLAIMS

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

COMPLIANCE WITH WASTE DISCHARGE REQUIREMENTS

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

OTHER APPLICABLE LAWS

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

REIMBURSEMENT OF DTSC'S COSTS

21.1. Respondent shall pay DTSC's costs incurred in the implementation of this Consent Agreement. Such costs must include DTSC's costs incurred in the preparation and implementation of this Consent Agreement prior to the effective date of this Consent Agreement.

21.2. An estimate of DTSC's costs is attached as Exhibit A showing the amount of \$ 20,950. It is understood by the parties that this amount is only a cost estimate for the activities shown on Exhibit A and it may differ from the actual costs incurred by DTSC in overseeing these activities or in implementing this Consent Agreement. DTSC will provide additional cost estimates to Respondent as the work progresses under the Consent Agreement.

21.3. Respondent shall make an advance payment to DTSC in the amount of \$ 10,475 within 30 days of the effective date of this Consent Agreement. If the advance payment exceeds DTSC's costs, DTSC will refund the balance within 120 days after the execution of the Acknowledgment of Satisfaction pursuant to Section23 of this Consent Agreement.

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

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

21.6. Any dispute concerning DTSC's costs incurred pursuant to this Consent Agreement is subject to the Dispute Resolution provision of this Consent Agreement and the dispute resolution procedures as established pursuant to Health and Safety Code section 25269.2. DTSC reserves its right to recover unpaid costs under applicable state and federal laws 21.7. All payments shall be made within 30 days of the date of the billing statement by check payable to the Department of Toxic Substances Control and shall be sent to:

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

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

MODIFICATION

22.1. This Consent Agreement may be modified by mutual agreement of the parties. Any agreed modification shall be in writing, shall be signed by both parties, shall have as its effective date the date on which it is signed by all the parties, and shall be deemed incorporated into this Consent Agreement.

22.2. Any requests for revision of an approved workplan requirement must be in writing. Such requests must be timely and provide justification for any proposed workplan revision. DTSC has no obligation to approve such requests, but if it does so, such approval will be in writing and signed by the Chief, Tiered Permitting Corrective Action Branch, Hazardous Waste Management Program, Department of Toxic Substances Control, or his or her designee. Any approved workplan revision shall be incorporated by reference into this Consent Agreement.

TERMINATION AND SATISFACTION

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

EFFECTIVE DATE

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

SIGNATORIES

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

DATE: <u>March 30, 2007</u>

BY: Original signed by Henry Chen Representing Respondent Henry Chen Chairman and CEO Prime Wheel Corporation

Department of Toxic Substances Control

DATE: <u>Original March 7, 2007</u> BY: <u>Original signed by Stephen Lavinger</u> Stephen W. Lavinger, Chief Tiered Permitting Corrective Action Branch Hazardous Waste Management Program

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EXHIBIT A COST ESTIMATE WORKSHEET CORRECTIVE ACTION CONSENT AGREEMENT

Project Name: Prime Wheel Corporation

	Class		1177 a.		PEA		Risk	Community	Health &	Total	Rate	Total
PROGRAMS	Code	Class Name	CACA	Workplan	Oversight	Report	Assessment	Profile	Safety Plan	Hours	(\$/hr)	Cost
HWMP	3564	HSS	4	16	8	16	12	8	8	72	\$105	\$7,560
3	3566	SHSSI	2	4	4	4	2	2	2	20	\$121	\$2,420
	3565	SHSSI								0	\$124	\$0
	1181	WPT		2		2		2		6	\$55	\$330
	5373	PPS						8		8	\$98	\$784
	5372	PPSuperviso	r					2		0	\$112	\$0
Legal Counsel	5778	Supervisor	4							4	\$145	\$580
Toxicologist	7978	Staff				8	12			20	\$142	\$2,840
	7943	Senior								0	\$149	\$0
OPAEA	4713	Senior						5		0	\$123	\$0
Hydro/Geologist	3756	HSEG		12	8	12				32	\$123	\$3,936
	3751	SHSEGI								0	\$137	\$0
	3729	SHSEG								0	\$137	\$0
Industrial Hygienist	3852	Senior			4				16	20	\$125	\$2,500
		Total	10	- 34	24	42	-26	20	26	182	TOTAL	\$20,950
This estimate assumes only Priliminary Endangerment Assessment. Review/comment on PEA workplan/report and field oversight. * Note: This cost estimate worksheet does not include Further Investigation, Corrective Measure Study (CMS), Corrective Meaures												
Implementation (C												
to facility.						· ••		· ·			······	
+ Community Profile	e: Review	//comment of (Communi	ity Profile d	ata and rep	port - Fa	ct Sheet, Pub	lic Notice, P	ublic meeting)		
+ Hourly Rates are		Intract Estimat	ion Rate	s effective	7/01/06 - 6	/30/07 (Hourly Rate +	Indirect @	157 67%)			