

**HAZARDOUS WASTE SECTION - COMPLIANCE BRANCH
FILE TRANSMITTAL & DATA ENTRY FORM**

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Facility ID Number: NCS000001917

Facility Name: Wise Recycling

Document Group: General (G)

Document Type: G - Correspondence (C)

File Description/Comments: Self-Disclosure to UST & Hazardous Waste Sections, DWM, DEQ

Date of Document: 12/27/2012

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Underground Storage Tanks Section
Corrective Action Branch
North Carolina Department of Environment
and Natural Resources
1646 Mail Service Center
Raleigh, NC 27699-1646
robert.davies@ncdenr.gov

COPY

Re: Wise Recycling LLC, Clayton, NC — Voluntary Self-Disclosure
under DENR's Self-Disclosure Policy

Dear Mr. Davies:

I am writing in follow-up to our prior communications and submittals of information to the North Carolina Department of Environment and Natural Resources ("DENR") on behalf of Wise Recycling LLC ("Wise") regarding the above-referenced facility. Those earlier communications and submittals, which were in accordance with DENR's Self-Disclosure Policy, include August 14, 2012 telephone calls to DENR and a November 19, 2012 meeting in DENR's offices with you and Mike Williford of DENR'S Hazardous Waste Section. As you and Mike requested at that meeting, Wise hereby submits this summary of the issues that have been self-reported to DENR, as well as the follow-up corrective actions that have been and are being implemented by Wise.

The Facility

As background, Wise is in the business of collecting, sorting, processing, and selling ferrous and non-ferrous scrap metal, utilizing an environmentally responsible approach, and is a direct-from-the-public collector of aluminum beverage containers for recycling. Wise operates several recycling facilities, including its facility in Clayton, Johnston County, NC, which consists of a 19-acre parcel that includes a building and a scrap metal yard and a 13-acre parcel that is used to park vehicles such as trailers and roll-offs. The facility's delivery address is 555 Wise Road (formerly known as Exide Road), Clayton, NC 27520.

The Self-Audit

This summer, Wise undertook a self-audit of facility operations to assess compliance with environmental laws. In the course of that self-audit, Wise management learned of possible releases of suspected contaminants and/or improper handling of materials at the facility during a limited period between early- to mid-2010 and mid-2012 (the “relevant period”), which was during the tenure of three former employees. Wise engaged the services of a well-respected environmental consulting firm, ENVIRON International Corporation, to direct and conduct the self-audit, in conjunction with Wise in-house personnel and outside counsel. ENVIRON is a Registered Environmental Consultant (“REC”) in North Carolina.

Within 21 days after Wise management learned of the above-referenced allegations, Wise self-reported to DENR in accordance with the DENR policy memorandum entitled ENFORCEMENT PENALTY FOR SELF-REPORTED VIOLATIONS (effective September 1, 1995, and revised on July 10, 2000). Specifically, on August 14, 2012, the undersigned (outside counsel for Wise) contacted Mr. Dexter Matthews, Director, Division of Waste Management, and, subsequently, Ms. Elizabeth Cannon, Chief, Hazardous Waste Section, Division of Waste Management, by telephone and disclosed that in the course of a self-audit of the facility, Wise had uncovered the possible improper handling and/or leakage of certain regulated or potentially regulated substances. The disclosure also indicated that Wise had hired an environmental consultant to review—on an expedited basis—past operations to help Wise better understand specifics, and that while Wise anticipated meeting with DENR and submitting to DENR a written summary of the results, Wise in the meantime was making the telephonic report in compliance with the above-referenced policy.

Subsequent to the above-referenced August 14, 2012 telephone calls, Wise and ENVIRON continued the self-audit. Those efforts were followed up with targeted soil sampling at the facility on September 7, 2012.

As noted above, Wise met with DENR on November 19, 2012, at which meeting Wise and ENVIRON presented information on the September 7, 2012 sampling activities and the results thereof, and Wise’s intended path forward for further investigation at the facility. This included a possible interest in proactively addressing discovered contamination, if any, under a state voluntary cleanup program.

Potential historic releases, and measures taken in follow-up to the self-audit

Junk equipment and vehicles

As noted above, Wise discovered that improper handling and/or leakage or spillage of potentially regulated substances may have occurred during the relevant period. Specifically, Wise learned that, during the relevant period, some incoming junk equipment or vehicles for recycling may not have been thoroughly checked to ensure that all residual fluid had been drained or, if fluids were found, they may not have been handled properly. Potentially regulated substances possibly including fuel (diesel fuel, gasoline), motor oil/lubricant, hydraulic fluid, and/or antifreeze/coolant may have leaked or spilled onto the scrap metal or shredder piles and/or the ground surface, in the scrap yard behind the building at the facility.

Wise has since implemented more stringent standard procedures requiring all incoming junk equipment or vehicles to be checked to ensure that all potentially regulated fluids have been removed from junk equipment or vehicles. If present, these fluids are removed, collected into a labeled 55-gallon drum or other appropriate container, and characterized for appropriate off-site disposition.

And, as discussed at the November 19, 2012 meeting, Wise intends to evaluate and address any soil impacts in accordance with applicable U.S. Environmental Protection Agency ("USEPA") and DENR guidance. ENVIRON has been retained to perform this work.

Road Tar

In addition, during the self-audit Wise learned that material appearing to be road tar (or similar material) reportedly had leaked or spilled from a single tank truck or trailer. The tar is believed to have been contained at a single location near the back of the scrap yard.

During the self-audit, the presence of the tar was confirmed visually, initially in August 2012, and again during a September 2012 site inspection and targeted soil sampling event. The results of analysis of those samples confirm that the material is, or is similar to, road tar. A summary of those results and depictions of the sampling locations are attached hereto as **Attachment A**.

In follow-up to the self-audit, all incoming junk vehicles are now checked to ensure that all fluids have been removed, and, if fluids are found, they will be handled properly. And, as discussed at the November 19, 2012 meeting, Wise intends to arrange for the removal and proper disposition of the above-referenced tar at an appropriate offsite facility, and to evaluate and address any soil impacts in accordance with applicable USEPA and DENR guidance. ENVIRON has been retained to perform this work.

Fluorescent Tubes and CRT Monitors

Wise also investigated the possible handling of fluorescent tubes and/or CRT monitors, during the relevant period, which may have resulted in breakage of such materials on or in the scrap metal or shredder piles. However, there is no indication that the handling of such materials resulted in any release from the piles.

In follow-up to the self-audit, the facility does not accept these materials. If these materials are received with incoming scrap materials in the future, the facility will segregate them and dispose of them properly. Further, the self-audit confirmed that the facility does not generate hazardous waste.

As discussed at the November 19, 2012 meeting, Wise intends to evaluate and address soil impacts, if any, in the area of the scrap metal or shredder piles, in accordance with applicable USEPA and DENR guidance. ENVIRON has been retained to perform this work.

Transformer

Wise also received information that a transformer that appeared to contain fluid was present for several months at the site and was reportedly observed to be leaking at the top of the unit. The age, origin, and polychlorinated biphenyl (PCB) content, if any, of the transformer are not known. The transformer, which was staged in the northern portion of the scrap yard, was removed from the site earlier this year. Soil from the area where the transformer was situated reportedly was subsequently moved to an interior area of the yard.

As part of the self-audit, soils were sampled in the former transformer storage area and the soil relocation area (in September 2012). The test results indicate the presence of PCBs at low concentrations (up to 3.79 milligrams per kilogram [mg/kg]). Based on the low concentrations of PCBs observed in the soil samples, it is unlikely that the transformer contained PCB oils. A summary of those results and depictions of the sampling locations are attached hereto as **Attachment A**.

As discussed at the November 19, 2012 meeting, Wise intends to evaluate and address any soil impacts in the former transformer staging area and soil relocation area, in accordance with applicable USEPA and DENR guidance. ENVIRON has been retained to perform this work. In the short term, as part of such work, soil located in the former transformer storage area and the soil relocation area has been roped-off/isolated to prevent disturbance by vehicular traffic and prevent worker contact.

Other

During the site reconnaissance, ENVIRON identified additional locations where a potential release might have occurred (e.g., limited areas of soil staining). ENVIRON has been retained to conduct soil sampling in these additional areas of the site to evaluate the potential presence of impacts.

In addition, Wise learned that some trash and/or construction material may have been deposited in the area used to park vehicles such as trailers and roll-offs. Wise will further investigate the possible presence of these materials as part of the site investigation.

Non-Hazardous Waste Management

As noted above, the self-audit confirmed that the facility does not generate hazardous waste. Nonhazardous waste generated at the site consists of general trash, used oil, used tires, and scrap metal. General facility trash is collected in an on-site dumpster for collection by a general trash collection company. Used oil is collected in 55-gallon drums. The self-audit identified the presence of several unlabeled used oil drums and one used oil drum with no lid.

In follow-up to the self-audit, the drums are properly labeled and have lids.

Refrigerant

Wise also discovered that possible handling of air conditioning units during the relevant period may have resulted in leakage of some refrigerant to the atmosphere. The amount and type of refrigerant released, if any, are not known.

In follow-up to the self-audit, Wise has implemented a policy requiring all air conditioning units are inspected to ensure that refrigerants have been removed. If inspection of an air conditioning unit indicates that it contains refrigerant, the unit will be segregated, and certified technicians will deal with any refrigerant. And, written records will be kept for all releases of ozone depleting substances, such as refrigerants.¹

Air Permitting

The site was issued air permit No. 05584R11 (reissue date Dec 2, 2011) for operation of a scrap aluminum pulverizer-shredder, with a simple cyclone. Aluminum shredding operations are no longer conducted on-site, the cyclone has been dismantled, the pulverizer-shredder was removed from the site, and the air permit has been terminated.

* * *

As summarized above, upon discovery of the foregoing, Wise took immediate and effective action—under appropriate technical supervision—to cease or remedy any continuing violation, avoid repeated violations, and remedy the deficiency. By way of example, Wise has (a) interviewed personnel, (b) reminded personnel of (i) their responsibility to notify corporate management of any actual or suspected non-compliance, and (ii) proper procedures for accepting and handling in-coming materials, and (c) retained an environmental consultant (ENVIRON) that has (i) conducted an environmental compliance self-audit (the recommendations from which Wise is implementing and following), (ii) conducted targeted sampling of certain potential historic releases (a summary of the results of which were discussed at the November 19 meeting and are enclosed herewith), and (iii) developed a conceptual plan for further investigation of potential historic releases.

With the information provided on August 14, 2012 in telephone calls to DENR and the information provided at the November 19, 2012 meeting, as well as this follow-up letter, Wise believes that its disclosures meet the requirements of DENR's Self-Reported Violations Policy. Wise will continue to work cooperatively with DENR to resolve the potential issues described above.

In submitting this information, Wise has made its best efforts to fully disclose any and all pertinent information to this agency. Additionally, Wise makes no admission of law or fact beyond what has been disclosed previously and herein.

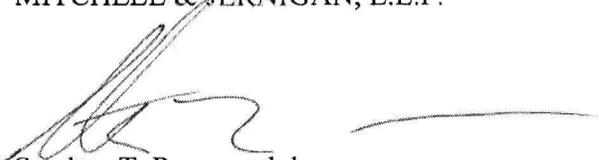
¹ Wise also self-reported to USEPA the alleged possible mishandling of refrigerant(s) at the facility in the past, even though the refrigerant(s) may not have contained any ozone-depleting substances. USEPA has been in contact with Wise's counsel about this matter, and further investigation into Wise's historic management and handling of refrigerants may be conducted by USEPA.

Thank you for your attention to this matter. Wise will be in contact with you regarding Wise's path forward in investigating and, if appropriate, addressing issues at the facility. In the meantime, please contact me if you have any further questions.

Sincerely yours,

SMITH, ANDERSON, BLOUNT, DORSETT,
MITCHELL & JERNIGAN, L.L.P.

By:

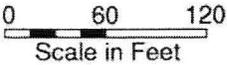
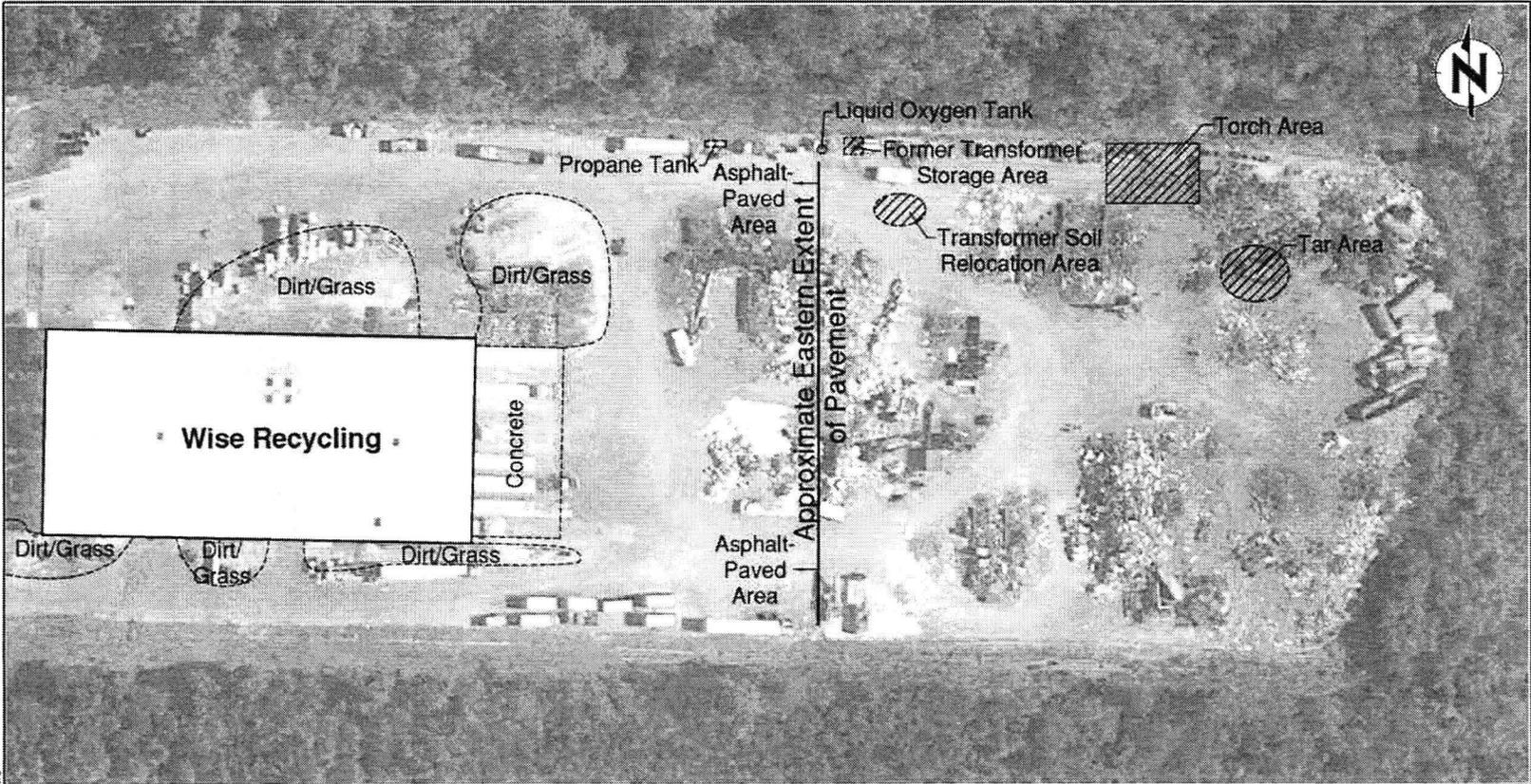


Stephen T. Parascandola

STP:sel

cc: Elizabeth Cannon, Chief
Hazardous Waste Section
Division of Waste Management, DENR
Wayne Randolph, Regional Supervisor – UST Program
Fayetteville Regional Office, DENR

ATTACHMENT A



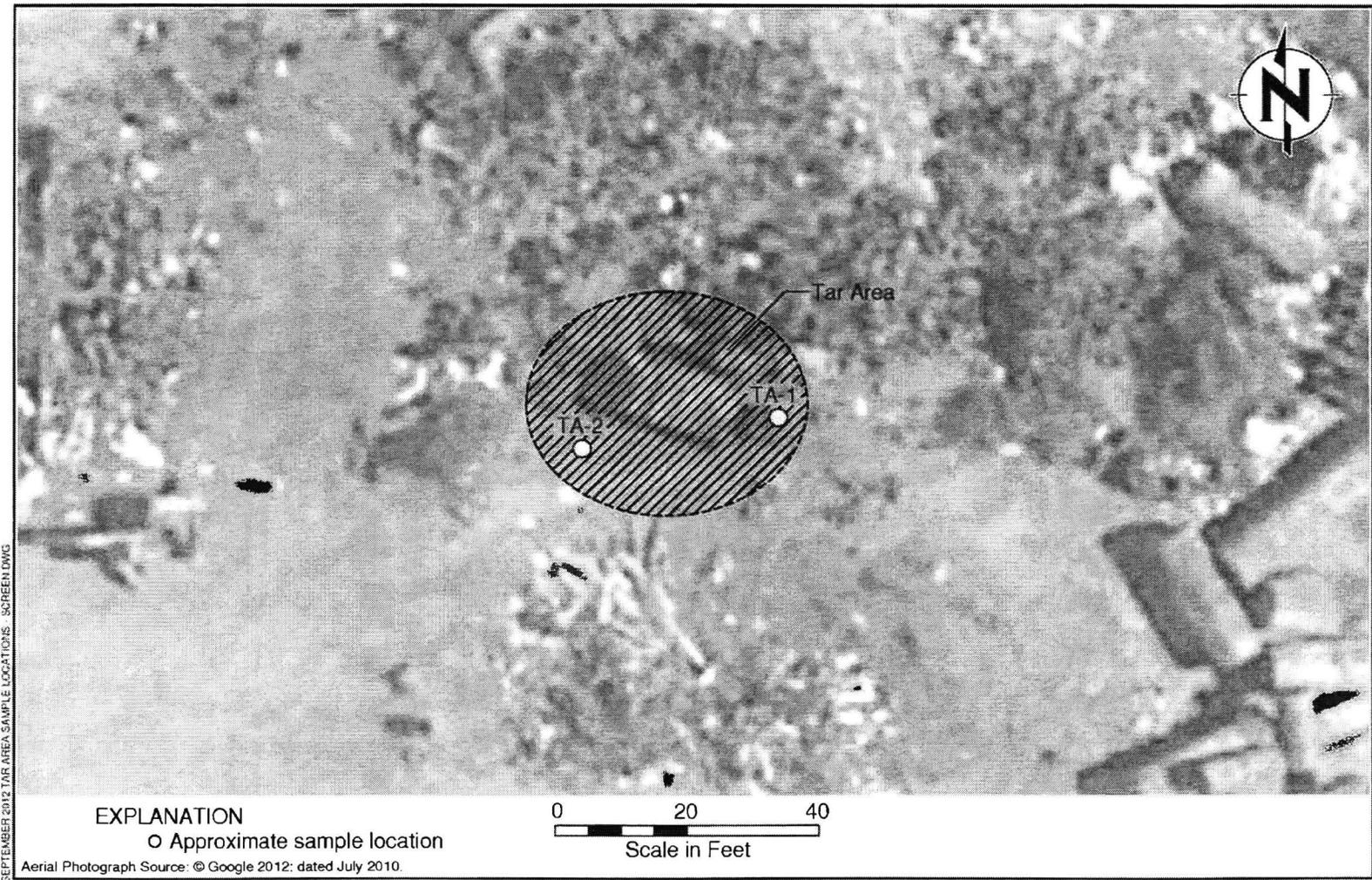
Aerial Photograph Source: © Google 2012, dated July 2010.

 **ENVIRON**

UNMATED BY JMW/EE DATE: 11-18-2013

Site Layout
Wise Recycling
 Clayton, North Carolina

Figure
1



ENVIRON

DRAFTED BY: GMILES DATE: 10/23/2012

September 2012 Tar Area Sample Locations
 Wise Recycling
 Clayton, North Carolina

Figure
2

**Summary of Detected Constituents in Tar-Like Material
Wise Recycling, Inc., Clayton, North Carolina¹**

Constituent	Preliminary Soil Remediation Goal (PSRG) ²		Maximum Soil Contaminant Concentrations ²		TA-1 (6-12")	TA-2 (6-9")
	Industrial Health	Protection of Groundwater	Soil to Water	Industrial Cleanup	9/7/2012	9/7/2012
Metals (mg/kg)						
Arsenic	1.6	5.8	NS	NS	15.6	23.7
Barium	38,000	580	290	81,000	171	190
Cadmium	160	3	NS	NS	3.55	0.632
Chromium ³	5.6 (100,000)	3.8 (360,000)	5.4 (4,200)	1,226 (613,200)	110	160
Lead	800	270	270	400	472	489
Silver	1,000	3.4	0.25	2,044	0.297 J	<0.119
Mercury	3.1	1	NS	NS	0.898	0.665
Total Petroleum Hydrocarbons (TPH) (mg/kg)						
TPH-DRO (C10-C28)	NS	NS	A		1,000 D	4,300 D
TPH-ORO	NS	NS			150,000	120,000
Volatile Organic Compounds (VOCs) (mg/kg)						
1,2,4-Trimethylbenzene	52	6.7	8.5	20,440	10 D	13 D
1,2-Dichloroethane	2.2	0.002	0.0019	63	< 0.037	0.17 D
1,3,5-Trimethylbenzene	180	6.7	8.3	20,440	5.1 D	4.4 D
4-Isopropyltoluene	NS	0.68	0.12	4,000	1.7 D	1.1 D
Ethylbenzene	27	8.1	4.9	40,000	0.83 D	1.5 D
Isopropylbenzene	NS	NS	1.7	40,880	0.49 D	0.82 D
m,p-Xylenes	390	NS	NS	NS	2.8 D	3.7 D
Naphthalene	18	0.21	0.16	8,176	5.6 D	6.9 D
n-Butyl Benzene	110	2.4	4.3	16,350	1.3 D	1.3 D
n-Propyl Benzene	NS	NS	1.7	16,350	1.3 D	2.4 D
o-Xylene	430	NS	NS	NS	3.5 D	4.2 D
sec-Butylbenzene	NS	2.2	3.3	16,350	0.64 D	0.68 D
Styrene	870	0.92	1.5	81,760	0.34 D	0.78 D
Toluene	820	5.5	4.3	32,000	0.33 D	0.37 D
Trichlorofluoromethane	680	24	29	122,640	0.70 D	0.55 D
Xylenes (Total)	260	5.8	4.6	81,760	6.2 D	7.8 D

**Summary of Detected Constituents in Tar-Like Material
Wise Recycling, Inc., Clayton, North Carolina¹**

Constituent	Preliminary Soil Remediation Goal (PSRG) ²		Maximum Soil Contaminant Concentrations ²		TA-1 (6-12")	TA-2 (6-9")
	Industrial Health	Protection of Groundwater	Soil to Water	Industrial Cleanup	9/7/2012	9/7/2012
Semi-Volatile Organic Compounds (SVOCs) (mg/kg)						
1-Methylnaphthalene	53	0.055	0.004	100	2.9 <i>JD</i>	< 1.3
2-Methylnaphthalene	370	1.6	3.6	1,635	3.7 <i>JD</i>	< 1.3
Acenaphthene	6,600	8.4	8.2	24,000	< 1.3	3.2 JD
Anthracene	34,000	660	940	122,000	< 1.7	4.9 JD
Benzo(a)anthracene	2.1	0.18	0.35	8	< 1.3	6.9 JD
Benzo(a)pyrene	0.21	0.059	0.096	0.78	< 1.5	5.0 JD
Benzo(b)fluoranthene	2.1	0.6	1.2	8	< 0.83	6.5 JD
Benzo(k)fluoranthene	21	5.9	12	78	< 1.5	3.2 JD
Bis(2-ethylhexyl)phthalate	120	7.2	6.6	410	8.0 <i>JD</i>	9.8 <i>JD</i>
Chrysene	210	18	39	780	< 1.4	6.3 JD
Fluoranthene	4,400	330	290	16,400	< 1.7	17 D
Fluorene	4,400	56	47	16,400	< 1.3	3.4 JD
Naphthalene	18	0.21	0.16	8,176	8.0 <i>JD</i>	17 D
Phenanthrene	NS	68	56	12,264	2.0 JD	16 D
Pyrene	3,400	220	270	12,264	1.9 JD	15 JD

Notes:

1 - Samples were analyzed for the presence of Resource Conservation and Recovery Act (RCRA) metals by USEPA methods 6010C and 7471B, total petroleum hydrocarbons (TPH) diesel range organics (DRO) by USEPA method 8015C; TPH-oil range organics (ORO) by USEPA method 8015C, volatile organic compounds (VOCs) by USEPA method 8260B, and semi-volatile organic compounds (SVOCs) by USEPA method 8270. Only detected constituents are summarized in this table.

2 - Concentrations were compared to the NCDENR Preliminary Soil Remediation Goals (PSRGs) for protection of human health at non-residential sites and for protection of groundwater established under the Inactive Hazardous Sites Program, and to the Maximum Soil Contaminant Concentrations established under the Division of Waste Management for non-underground storage tank releases of petroleum. Concentrations shown in italics exceed the PSRG or MSCC for protection of groundwater; concentrations shown in **bold** exceed the health-based PSRG for industrial sites, and underlined concentrations exceed the MSCC for industrial sites.

3 - Concentrations are provided for total chromium (based on the assumed presence of hexavalent chromium) and, in parenthesis, for trivalent chromium only.

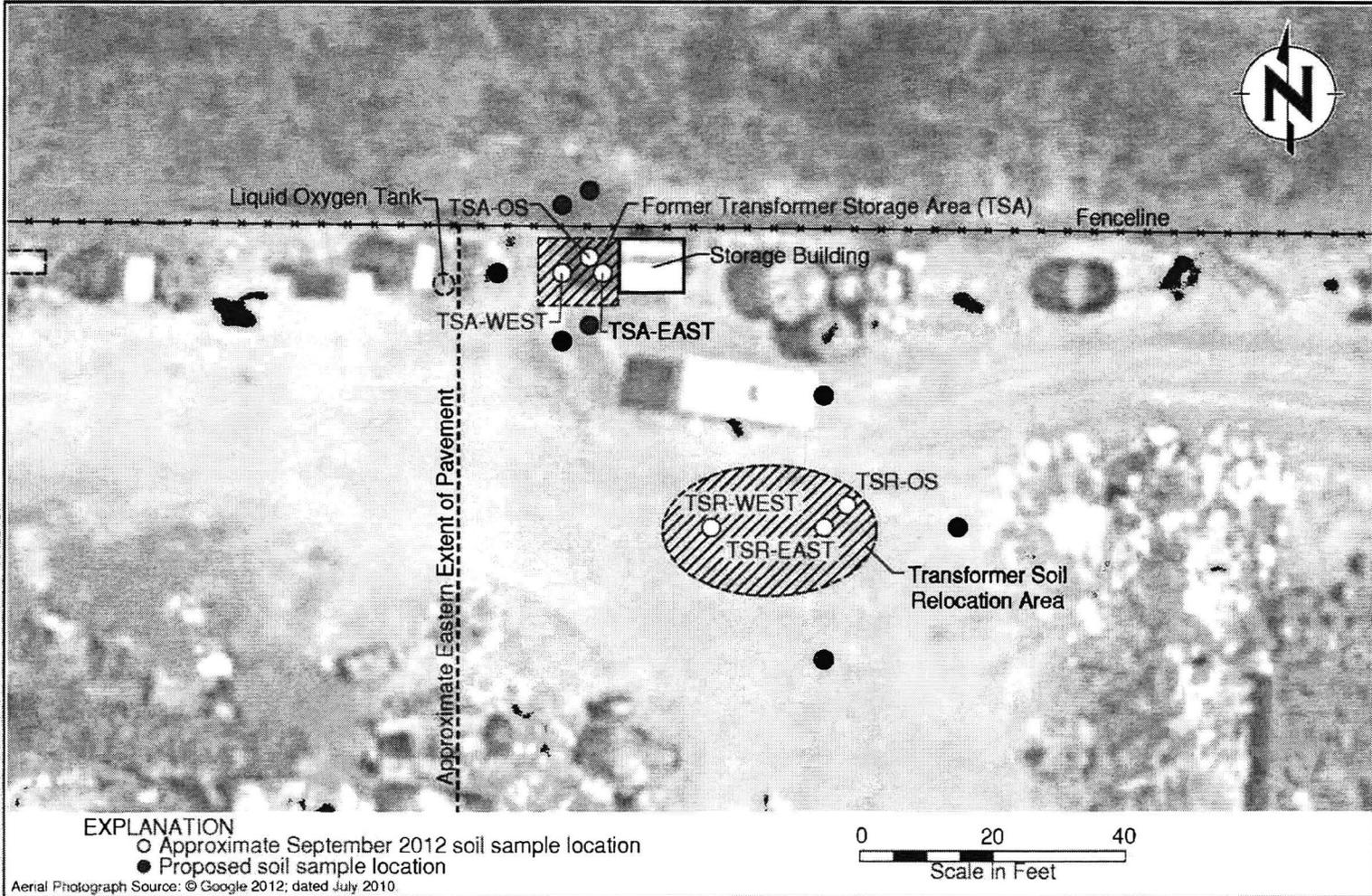
A - If petroleum hydrocarbons are detected, NCDENR may call for additional testing for other parameters, such as VOCs and SVOCs, and for petroleum fractions.

D - Sample was analyzed at a dilution.

J - Estimated value; result is above the method detection limit, but below the analytical reporting limit.

< - Constituent was not detected at the method detection limit shown.

mg/kg - milligrams per kilogram.



C:\PROJECTS\01-30603\A SEPTMBER 2012_T1445\FORMER AREA SAMPLE LOCATIONS - SCREEN.DWG

	
DRAFTED BY: JGMILES	DATE: 10.23.2012

September 2012 Transformer Area Sample Locations
 Wise Recycling
 Clayton, North Carolina

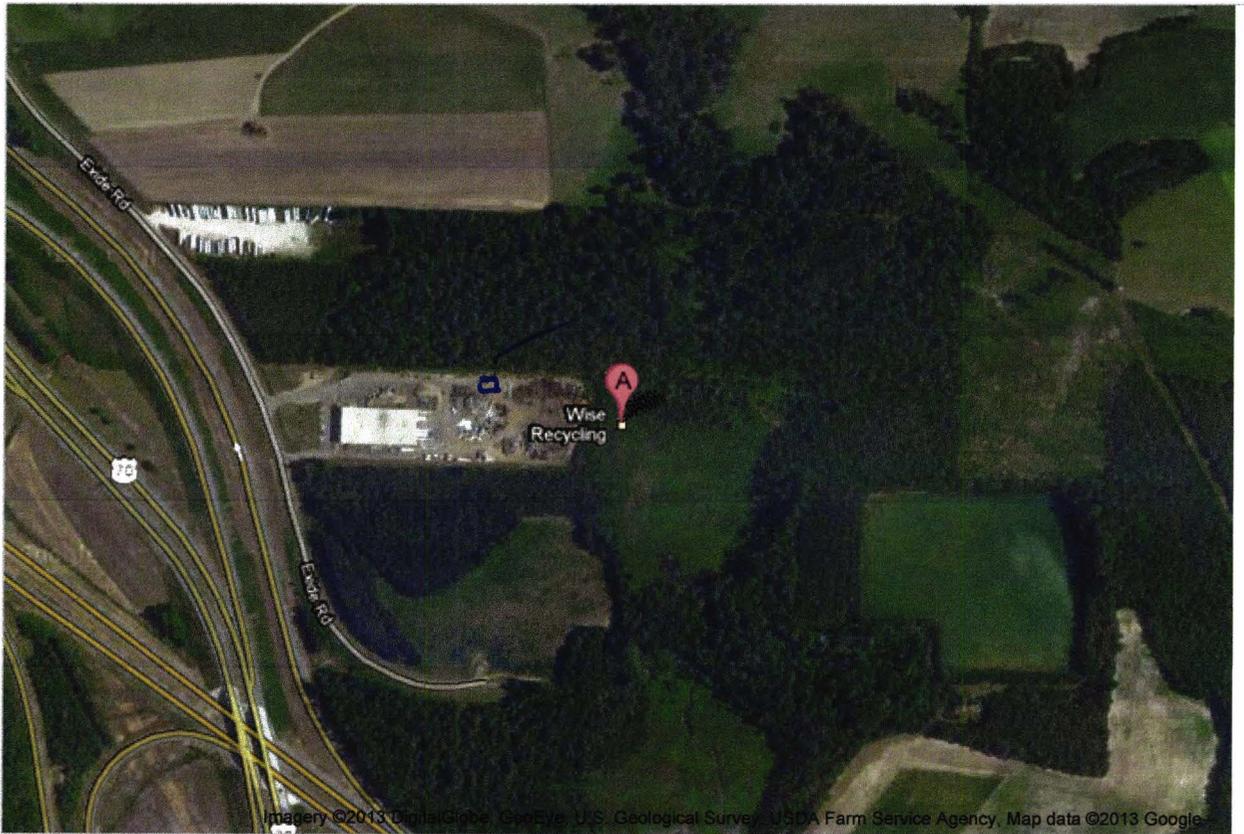
Figure
3

**Summary of Detected Constituents in Former Transformer Areas
Wise Recycling, Inc., Clayton, North Carolina**

Analyte	NCDENR Preliminary Soil Remediation Goal (PSRG)		Transformer Storage Area					Transformer Soil Relocation Area		
	Industrial Health	Protection of Groundwater	TSA-0S Grab	TSA-EAST (0-6") Composite	TSA-EAST (6-12") Composite	TSA-WEST (0-6") Composite	TSA-WEST (6-12") Composite	TSR-0S Grab	TSR-EAST (0-4") Composite	TSR-WEST (0-3.5") Composite
Polychlorinated Biphenyls (PCBs) (mg/kg)										
Total PCBs ¹	1.0	0.14	1.2 D	<i>0.39</i>	< 0.0363	3.79 D	< 0.0387	<i>0.76</i>	1.4 D	<i>0.8</i>
<p><u>Notes:</u> Results were compared to the NCDENR Preliminary Soil Remediation Goals (PSRGs) for protection of human health at industrial sites and for protection of groundwater. Concentrations depicted in italics exceed the PSRG for protection of groundwater; concentrations depicted in bold type exceed the PSRG for protection of human health at industrial sites.</p> <p>1 - PCB-1016/1242 was the only congener present in each of the two areas, except at location TSA West (0-6") where PCB-1254 was also present at a concentration of 3.3 mg/kg.</p> <p>< - Constituent was not detected at the numeric detection limit shown.</p> <p>D - Sample was run at a dilution.</p> <p>mg/kg - milligrams per kilogram.</p>										



To see all the details that are visible on the screen, use the "Print" link next to the map.



11:00

Tim Via, GENERAL MGR.; 2/7/13

PCRs BURIED / COMPLAINT

SHAWN MCKEE, MARY WHALEY,

ENTRANCE INTERVIEW

WHEN FORMER MGR. LEFT 6/15/12 & EMPLOYEES SPOKE OF ENVIRO CONTAM. TAR/ASPHALT BURIED. ALL EMPLOYEES WERE INTERVIEWED & INFO PASSED TO NCDENR

SOME CARS ARE

CARS & SCRAP GOING TO TT&E

UST ^{HAS} OVERSIGHT OF SELF-DISCLOSURE OF ASPHALT CONTAM.

Notes



Map of:
555 Wise Rd
Clayton, NC 27520-5007

552-9009



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WISE ALSO TAKES E-WASTE ; CREE SENDS SCRAP METAL TO FACILITY