

Department of Ecology News Release - Dec. 1, 2003

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Legal agreement reached to complete toxic cleanups

OLYMPIA - The public is invited to comment on a legal agreement under which Philip Services Corp. has agreed to clean up several contaminated sites across the state, but will be released from having to clean up some other sites.

The agreement with the state Department of Ecology assures that all of the contaminated properties that Philip Services owns or is liable for will be cleaned up, according to Greg Sorlie, who manages Ecology's hazardous-waste program.

"Without this agreement, several cleanups were at risk because of the company's bankruptcy reorganization," Sorlie said. "We intervened in the bankruptcy to protect taxpayers from cleanup and environmental costs."

In fact, concerns about the financial health of hazardous-waste management facilities such as Philip Services have led Ecology to propose revising the financial-responsibility requirements in the state's dangerous-waste rule, said Sorlie.

Philip Services (PSC) is a national corporation with a number of subsidiaries, including Burlington Environmental Inc. The company currently operates facilities that accept hazardous waste for treatment and/or storage in Kent and Tacoma. PSC also owns or leases properties in Seattle and Washougal that have been used for handling hazardous waste in the past. Soil and groundwater contamination from hazardous substances exists at all these facilities.

In addition, PSC is potentially liable for cleanup at two additional Washington sites it does not own: the Pasco Sanitary Landfill and the Landsburg Mine near Ravensdale. The properties were contaminated by companies purchased by PSC that operated there and transported hazardous materials to the sites. The company assumed liability for the acts of the corporations it acquired.

In June, PSC filed for Chapter 11 bankruptcy reorganization. In September, a federal court approved the sale of a reorganized PSC. One of the purchase conditions requires the company to eliminate at least \$30 million in environmental liability.

Ecology and PSC have drafted a legal agreement, called a consent decree, to resolve and protect the cleanups in Washington at risk due to the bankruptcy, reorganization and sale.

Ecology is inviting the public to review and comment on the cleanup settlement and agreement through Dec. 27.

Under the proposed consent decree, PSC will be released from liability for cleanup at the Pasco Landfill, Landsburg Mine (Ravensdale) and Pier 91 (Seattle). Other potentially liable companies and entities at these sites will continue with the cleanups.

Meanwhile, PSC will retain its properties in Washougal, Georgetown (Seattle), Kent and Tacoma, with cleanup obligations intact.

To review documents at one of Ecology's regional offices or a local library, contact Stacie Singleton of Ecology at 360-407-6708, or ssin462@ecy.wa.gov online, for information.

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Consent decree Web site: <http://www.ecy.wa.gov/programs/hwtr/foia/index.html>
For more consent-decree information: <http://www.ecy.wa.gov/biblio/0309106.html>