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DEPARTMENT

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CALIFORNIA



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October 6, 2006

Mr. Mego Godjamanian
11121 Pendleton Street
Sun Valley, CA 91352


Subject: American Waste Industries Cease and Desist Order (AWI -06-01)

Dear Mr. Godjamanian:

The Local Enforcement Agency is hereby transmitting to you a Cease and Desist Order for violation of Public Resources Code Sections 44002 and 44005 and California Code of Regulations, Title 14, Section 18304.3(a), operating a solid waste facility without a valid permit. You are to cease and desist all activities that require a solid waste facility permit until a solid waste facility permit that authorizes these activities is issued by the LEA.

Please contact me at (213) 978-3068 if you have any questions.

Sincerely,


Wayne Tsuda, Director
Local Enforcement Agency

C: Detrich B. Allen, EAD
Keith Pritsker, City Attorney's Office
Hutch Der Stepanian, AWI
Allen Abshez, Irell and Manella
Howard Levenson, CIWMB
Mark de Bie, CIWMB
Suzanne Hambleton, CIWMB



**LOCAL ENFORCEMENT AGENCY
FOR THE CITY OF LOS ANGELES**

In the Matter of:	)	CEASE AND DESIST ORDER FOR
	)	CONSTRUCTION AND DEMOLITION
AMERICAN WASTE INDUSTRIES	)	WASTE PROCESSING/RECYCLING
11121 Pendleton Street, Sun Valley, CA 91352	)	OPERATIONS AT AMERICAN WASTE
FACILITY NO. 19-AR-5581	)	INDUSTRIES FACILITY
	)	PUBLIC RESOURCES CODE
	)	§§44002 and 45005, and, CALIFORNIA
	)	CODE OF REGULATIONS, TITLE 14,
	)	§18304.3(a)
)	
	)	ORDER NUMBER: AWI- 06-01
)	

TO: American Waste Industries, operator located at 11121 Pendleton Street, Sun Valley, CA 91352, and Mr. Mego Godjamanian and Mrs. Elena Godjamanian, Owners, 5044 Hill Street, La Canada Flintridge, CA 91011;

PLEASE TAKE NOTICE THAT:

WHEREAS, the American Waste Industries (AWI) Facility, ("Facility"), a solid waste facility, is located at 11121 Pendleton Street, Sun Valley, California 91352; and

WHEREAS, the City of Los Angeles Environmental Affairs Department, Local Enforcement Agency ("LEA") has authority to act in the capacity of enforcement agency (EA) for this Facility pursuant to Public Resource Code (PRC) §43200 et seq., and is so acting; and

WHEREAS, AWI has a pending solid waste facilities permit application to the City of Los Angeles Environmental Affairs Department, acting as Local Enforcement Agency for the California Integrated Waste Management Board (CIWMB) pursuant to 27 California Code of Regulations Section 21570; and

WHEREAS, on January 25, 1999 the City of Los Angeles approved Conditional Use Permit ZA 98-0427 (CUZ) for AWI authorizing "establishment, use and maintenance of a Recycling Materials Process and Sorting Facility (Recycling Center) for mixed waste, construction and demolition waste for purpose of depositing, sorting, processing and transfer of sorted waste, in the M2-1G Zone." On Page 10, the Conditional Use Permit further states "[t]he proposed recycling center will recycle the following materials: green waste, wood, building construction materials and concrete." The Conditional Use Permit authorizes the processing of 1,500 tons per day of materials. The recycling of C&D did not require a solid waste facilities permit at that time but the receipt of mixed solid waste required a permit; and

WHEREAS, City of Los Angeles LEA became aware of this facility on December 28, 1999, when the LEA responded to a referral from the South Coast Air Quality Management District. During the LEA's inspection, it was observed that the facility's primary operation was Construction and Demolition (C&D) recycling. However the LEA noted that mixed solid was also received at the site; and

WHEREAS, upon receiving the referral and inspecting the facility, the LEA issued on December 28, 1999, the following four violations:

- 1) PRC, § 44002- Operating Without a Permit,
- 2) T14, CCR, § 17407.2-Cleaning Frequency,
- 3) T14, CCR, § 17410.1-Solid Waste Removal,
- 4) T14, CCR, § 17410.4-Vector/Bird & Animal Control; and

WHEREAS, construction and demolition and inert waste (CDI) processing regulations became effective in August 2003. Therefore, on August 27, 2003, the LEA requested that AWI submit tonnage records to determine what permit tier the operation would fall in relative to the new C&D processing regulations and permitting tiers; and

WHEREAS, on February 24, May 5, August 4, and October 6 of 2003 AWI submitted SWFP applications for a large volume transfer processing facility. All of these applications were deemed incomplete and/or incorrect by the LEA. AWI applied for a large volume transfer processing facility permit rather than a large volume CDI processing permit because AWI wanted to be able to accept solid waste; and

WHEREAS, on October 23, 2003 the LEA informed the operator in the inspection report that this facility would require a full permit for operating a large volume CDI processing facility. After this determination the operator had 180 days, or until April 20, 2004, to obtain a solid waste facility permit (SWFP); and

WHEREAS, on March 30, 2004, the LEA issued Cease and Desist Order No. 04-01. Order No. 04-01 found that the operator had been accepting solid waste without a SWFP and ordered the operator to stop accepting solid waste until the facility obtained a SWFP. Order No. 04-01 also directed the operator to submit by June 18, 2004, all necessary information and documents to complete the SWFP application of October 6, 2003. The operator has complied with the order; and

WHEREAS, on June 18, 2004, all necessary information and documents to complete the SWFP application of October 6, 2003 were submitted to the LEA by AWI; and

WHEREAS, civil litigation instituted by the City Attorney of Los Angeles against AWI and other recycling and solid waste handlers was resolved (with respect to AWI) by a Stipulated Final Judgment issued on July 29, 2004. AWI entered into the stipulated judgment without any admission of liability or wrongdoing. The stipulated judgment required the implementation of several operational and facility improvements. The stipulated judgment requires that AWI construct fully covered buildings that have misting systems and negative air pressure to contain most of its activities. The application of June 18, 2004 was withdrawn to incorporate the provisions of the July 29, 2004 Stipulated Judgment. The provisions of the stipulated judgment were thereafter incorporated into the SWFP application submitted on June 6, 2005; and

WHEREAS, after reviewing the application, CIWMB staff informed the LEA and City of Los Angeles Planning Department, that the CEQA documentation for the SWFP did not adequately describe the planned activities. It was also determined that the AWI site had not been included in the City of Los Angeles' Non-Disposal Facility Element. At this time the operator requested, and received, a waiver of time for the permit application from the LEA to address the CEQA and Non-Disposal Facility Element issues; and

WHEREAS, in November 2004 the City of Los Angeles amended its Non-Disposal Facility Element to include this site after concurrence from the CIWMB; and

WHEREAS, the Lead Agency, City of Los Angeles LEA, circulated a Mitigated Negative Declaration (SCH 2005011080) for public comment from December 9, 2004 through January 10, 2005 and through the State Clearinghouse from January 18, 2005 through February

16, 2005. Subsequent inclusion of the Transfer Processing Report, dated 2003, into the CEQA documentation provided an adequate description of the project. On August 18, 2005, the operator utilized its limited volume transfer operation notification and starting accepting mixed solid waste. The incoming materials are hand sorted and recyclable materials are removed. The permitted limited volume transfer operation operates as a separate operation from the unpermitted CDI processing facility; and

WHEREAS, a subsequent application for a large volume transfer station was filed with the LEA on June 6, 2005, and was deemed incomplete by the LEA. Between June 6, 2005 and November 29, 2005 AWI worked with the LEA to improve the application and accurately incorporate the July 29, 2004 Stipulated Judgment. The LEA accepted the application for a full permit on November 29, 2005 as complete and correct and provided the following determinations:

- Certification that the permit application package was complete and correct;
- Certification that the Transfer/Processing Report (TPR) meets the requirements of T14, CCR, §17403.9 and T14, CCR, §18221.6 and;
- The proposed permit is consistent with and supported by the California Environmental Quality Act (CEQA) analysis, Mitigated Negative Declaration (MND); and

WHEREAS, CIWMB staff conducted a pre-permit inspection of the site on February 23, 2006 and determined the limited volume transfer operation is in compliance with State Minimum Standards. The CDI processing facility is in violation of PRC, § 44002- Operating without a permit. This is not a violation of State Minimum Standards. However, the CDI processing

facility was in violation of State Minimum Standards, under T14, CCR § 17410.4-Vector/Bird & Animal Control.

WHEREAS, on February 27, 2006, the LEA did a follow up inspection and noted that new rodent control traps were in place. Receipts show that a pest control company had been to the site on February 24, 2006 to increase rodent control; and

WHEREAS, on March 13, 2006, the LEA inspected the Facility and did not note any violations of State Minimum Standards. The Mitigated Negative Declaration was approved by the Director of the Local Enforcement Agency for the City of Los Angeles on March 30, 2006, for the purpose of moving the application forward to the Board for its concurrence; and

WHEREAS, on May 2, 2006, CIWMB staff did an inspection of the facility and found no violation of State Minimum Standards therefore, as result, staff finds that the facility is compliant with all State Minimum Standards; and

WHEREAS, on the CIWMB staff report, it states that based on the documentation provided by the LEA and CIWMB staff's inspection and a thorough review of the Transfer Processing Report for the proposed Transfer/Processing Facility, CIWMB staff was able to make the determination that the facility has corrected all State Minimum Standard violations and is in compliance, and that if the AWI makes all the site improvements required in the proposed permit the site will be able to comply with State Minimum Standards in the future; and

WHEREAS, on April 3, 2006, at the Permitting and Enforcement Committee meeting there were several speakers that expressed concerns regarding the operations and permitting of

this facility. On April 7, 2006, in response to the April Permitting and Enforcement Committee meeting the operator, AWI, requested a 30-day time extension that was agreed upon by the LEA.

WHEREAS, on May 8, 2006, the Permitting and Enforcement Committee reconsidered AWI's permit application and moved the application without recommendation to the full board for its approval; and

WHEREAS, on May 9, 2006, the LEA conducted a public meeting at AWI's site to inform the public regarding AWI's permitting process and to receive additional public input; and

WHEREAS, on May 12, 2006, to allow the CIWMB and the LEA additional time to consider the above-referenced permits, application, and supporting CEQA documents, AWI requested a time extension through and including June 13, 2006, which was agreed upon by the LEA, and

WHEREAS, on June 2006, July 2006, and August 2006, the LEA conducted an inspection of the AWI facility and determined that AWI is still operating without an approved Large Volume Transfer Station Permit or a Construction and Demolition and Inert Waste Processing Permit, and PRC Section 44002 specifically requires immediate cessation of operations until the facility can obtain a Solid Waste Facility Permit, and that the LEA may not allow the facility to obtain a permit while it continues to operate,

THEREFORE, PURSUANT TO PRC SECTIONS 44002, AMERICAN WASTE INDUSTRIES (AWI) AND MR. MEGO GODJAMANIAN AND MRS. ELENA GODJAMANIAN, OWNERS, ARE ORDERED TO:

Upon receipt of this order, Cease and Desist all activities that require a solid waste facility permit until a solid waste facility permit that authorizes the activities is issued by the LEA;

PLEASE TAKE NOTICE THAT PURSUANT TO PRC SECTIONS 45011, 45014, AND 45023, if the above actions are not taken, completed or complied with the LEA may:

1. Immediately order AWI to cease and desist operations if the LEA finds conditions that pose an imminent and substantial threat to public health and safety or to the environment,
2. Amend this Cease and Desist to impose further restrictions on the operations allowed under this current Order,
3. Petition the superior court for injunctive relief to enforce this Cease and Desist Order. [PRC Section 45014],
4. Petition the superior court for civil penalties in an amount not to exceed \$10,000 per day for each violation. [PRC Sections 45023 and 45024],

5. Impose administrative civil penalties in an amount not to exceed \$5,000 per day for each day the Facility fails to achieve compliance with the conditions specified above. [PRC Section 45011]

Failure to meet comply with this order may result in the LEA expending funds to perform any cleanup, abatement, or remedial work required under the circumstances set forth in PRC section 45000, which, in the judgement of the LEA, is required by the magnitude of endeavor or the need for prompt action to protect public health and safety or the environment. If the LEA expends funds to perform any cleanup, abatement, corrective, or remedial work, the LEA may seek cost reimbursement from the operator or owner pursuant to PRC Section 45000(d).

Nothing in this Cease and Desist Order shall constitute or be construed as a satisfaction or release from liability for any conditions or claims arising as a result of past, current, or future operations. Notwithstanding compliance with the terms of this Cease and Desist Order, the owner and operator may be required to take further actions as necessary to protect the public health, safety, or the environment.

The LEA shall not be liable for injuries or damages to persons or property resulting from acts or omissions by the owner or operator or related parties in carrying out activities pursuant to this Cease and Desist Order, nor shall the LEA be held as a party to any contract entered into by the owner or operator or their agent(s) in carrying out activities pursuant to this Cease and Desist Order.

This Cease and Desist Order is supported by the accompanying declaration of Ms. Detrich B. Allen, General Manager, Environmental Affairs Department.

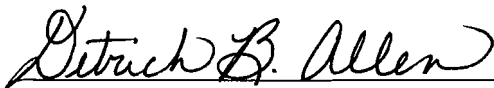
This Cease and Desist Order does not relieve the owner or operator from complying with all other local, state, and federal requirements, nor does it preclude the LEA or the CIWMB from taking any and all other actions allowed by law.

This Cease and Desist Order may only be amended in writing by an appropriate representative of the LEA.

PLEASE TAKE NOTICE THAT:

1. Pursuant to Title 14 CCR Section 18304(b)(8), the person(s) or entity named in this Cease and Desist Order has the right to appeal this Cease and Desist Order to the Independent Hearing Panel of the City of Los Angeles LEA. [PRC Section 44307]
2. A request for a hearing before the Hearing Panel must be filed within 15 days from the date of receipt of this Cease and Desist Order. [PRC Section 44310]
3. A Statement of Issues must be provided to the LEA with the request for an appeals hearing. [PRC Section 44310]
4. The filing of the request for a hearing before the Hearing Panel to hear the appeal of this order will stay the execution of this order until the Hearing Panel provides their written decision after the conclusion of the hearing

This Cease and Desist Order is issued as of the date set forth below.




Detrich B. Allen, General Manager
Environmental Affairs Department, City of Los Angeles

10-6-06

Date

**DECLARATION SUPPORTING THE FACTS AND FINDINGS OF THE CEASE AND
DESIST ORDER TO RESTRICT WASTE PROCESSING AND RECYCLING
OPERATIONS AT THE AMERICAN WASTE INDUSTRIES FACILITY**

I, Detrich B. Allen, declare under the penalty of perjury that the stated facts and findings of the foregoing Order are known to me to be correct, based on my personal knowledge and on information contained in the LEA inspection reports.



Detrich B. Allen, General Manager
Environmental Affairs Department
City of Los Angeles



Date