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June 14, 2018

The Honorable Sheila J. Kuehl, Chair Los Angeles County Board of Supervisors 500 West Temple St. Los Angeles, CA 90012

RE: Parcel Tax Credit Program is Unacceptable for Businesses with Storm Water Permits

Dear Chair Kuehl:

SA Recycling was established in 1984 and currently 14 facilities in the cities of Los Angeles, South Gate, Vernon, Lynwood, El Monte Long Beach, Carson, Montebello, Irwindale and the Sun Valley area. We employ over 250 employees at these facilities with high-paying wages and benefits. SA Recycling provides a valuable service to the Los Angeles area by purchasing and recycling end of life cars, appliances, household metal scrap and industrial scrap that would otherwise go to a landfill. SA purchases over 40,000 tons of recycled metal each year. Recycled metal is a commodity that is sold around the world. Recycling scrap metal is a highly regulated industry, especially in California, and the cost to comply with these regulations can make it difficult to compete in a worldwide market

On November 19, 1991, the California SWRCB, under EPA authority, approved a general permit for California facilities with "storm water discharges associated with industrial activity." As a facility that falls under this permit, we are required to reduce or prevent storm water pollutant discharge.

SA Recycling has invested millions of dollars in storm water handling and treatment systems. SA captures and reuses much of the storm water and it only discharges storm water after significant treatment and processing. SA spends hundreds of thousands of dollars annually to adhere to a strict BMP programs, collect and file storm water samples, upgrade the facilities under a SWPPP, pay storm water permit fees, and dedicate employee time to storm water tasks.

SA's facilities are already subject to enforcement, fees and fines for storm water. The State Water Board and Regional Water Board have authority over our storm water activities. Most cities have their own storm water permits, and are required to check industrial facilities in their jurisdiction. SB 485 was signed into law in 2013 and requires weights and measures to check for storm water permits at metal facilities with a Weightmaster scale. And third party lawsuits from private attorneys are an ongoing risk to sites with storm water permits.

SA Recycling is a member of Bizfed as well as California Metals Coalition and it supports the position of these associations on this issue. SA feels that it is unfair for the County of Los Angeles to impose a new tax on companies that already participate—and invest—in storm water pollution reduction. Until a fair credit is given to parcel owners with industrial storm water permits, SA recycling opposes the Safe, Clean Water Ordinance and Program.

Jeff Farano Sr. Esq. Corporate Counsel for SA Recycling LLC.