



NEWS RELEASE

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ENVIRONMENTAL GROUPS AND HALACO SETTLE POLLUTION LAWSUITS

OXNARD, CA — Today, environmental groups and Halaco Engineering Co. announced a settlement agreement that will end the lawsuits filed by Environmental Defense Center and Santa Barbara Channelkeeper in 2001. Instead of continuing to spend money to fight in court, Halaco, EDC and Channelkeeper agreed to settle the cases so Halaco can focus on remediating the site. Halaco's agreement is due in large part to new leadership that has emerged at Halaco. John Haack, son of the company's founder, has taken the lead in beginning the process of turning Halaco around. For example, under Haack's leadership, last year Halaco stopped its decades-old practice of discharging over a million gallons per month of wastewater effluent into a waste pile built near the Ormond Wetland.

The settlement agreement requires Halaco to install measures to ensure that polluted stormwater does not run off the site, and polluted air is not released into the environment from the facility. In addition, Halaco must install vegetation and matting on the waste pile before the start of this year's rainy season. In the coming years, Halaco must also install a barrier throughout the rest of the facility to prevent polluted storm water from entering waters of the state.

Under the settlement agreement, Halaco is also given an incentive to remove the waste pile. Over a 30-year period, Halaco must remove a portion of this waste material or pay a penalty that goes into a fund that can be used for environmental enhancement projects in the area. If Halaco fails to remove the waste, it will pay \$25,000 into this fund in the early years, and a total of \$500,000 over the 30-year term of the Agreement.

Halaco must also clean up its air discharges. The Settlement requires that Halaco install an air leak detection technology in its air pollution equipment. To ensure compliance with Prop 65, the Settlement requires Halaco to post signs within its facility warning that the area contains chemicals known to cause cancer and birth defects or reproductive harm. In addition, Halaco must publish quarterly warnings in the Los Angeles Times.

Under the Settlement, Halaco will also pay an additional \$60,000 to fund environmental projects that reduce or eliminate the impact of pollutants in the Oxnard area. And, the Settlement requires Halaco to pay \$50,000 for a consultant to monitor Halaco's compliance with the Settlement. If Halaco fails to comply, EDC and Channelkeeper can go back to federal court to enforce the Settlement.

EDC is the only nonprofit environmental law firm between Los Angeles and San Francisco. Since 1977, EDC has been working with community groups on environmental issues such as protecting water quality, preserving open spaces, saving species from extinction and guarding public health. Website: www.edcnet.org.
Santa Barbara Channelkeeper's mission is to protect and restore the Santa Barbara Channel and its watersheds through enforcement, citizen action, and education. Website: www.sbck.org.

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