

Future of Halaco's mountainous mess is uncertain

## Environmental Protection Agency officials have taken charge of the polluted property

By Scott Hadly (Contact)  
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The Halaco Files



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Al Sanders carefully trudged through the flowering yellow beach primroses along the edge of the Ormond Beach dunes where endangered least terns and snowy plover make their nests.

Sanders, his hair tied back in a stringy ponytail and a camouflage baseball cap on his head, stopped about a softball pitch away from what he'd been walking toward for 15 minutes what you couldn't ignore even from a mile away.

"Look at it," he said, scrunching his nose under slightly opaque glasses on a sunny day last month. "It's as big as the pyramids of Giza."

Halaco's slag heap rises four stories out of the Ormond Beach wetlands on the south side of Oxnard.

The 28-acre pile, and a collection of rust- and graffiti-covered buildings on an adjacent 11-acre plot, are what company officials left behind when Halaco went bankrupt and closed three years ago.

The Environmental Protection Agency stepped in earlier this year, not long after the company began liquidating its meager assets.

Spending more than \$5 million, the EPA's emergency response crews have carefully graded the mountain of waste laden with metals and radioactive isotopes. They pulled back its crumbling edges, covering the whole thing with a massive, tan jute blanket to prevent the contamination from seeping and drifting into surrounding wetlands, the Ormond Beach lagoon and the ocean beyond.

As Sanders stood marveling at the mound, an EPA worker putting in a fence around the property approached dressed in a hard hat, respirator and a white hazardous materials suit.

"You really shouldn't get any closer; it's not safe here," the worker said after pulling down his mask.

"I've been coming out here just about every day for 20 years," said Sanders, a Sierra Club member who works on wetlands restoration. "I guess I'm in trouble."

#### A continuing risk

On a Sunday three weeks ago, Daniel Cooper watched somewhat amazed as two guys on motorcycles roared across the ridge of Halaco's old waste pile.

The wiry and aggressive environmental attorney with San Francisco-based Lawyers for Clean Water visited the shuttered Halaco facility, noting a gaping hole in the fence EPA had erected and the fresh graffiti on the old buildings.

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Jason Redmond / Star staff Al Sanders of the Sierra Club stands next to Halaco in the wetlands he has worked for two decades to restore. The tan hill behind him is the jute-covered waste pile that he says is "as big as the pyramids of Giza."

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Photos by Jason Redmond / Star staff "Expense is not the issue. The question should be What's the right thing to do?" says Peter Brand, a senior project manager for the California Coastal Conservancy. Behind him is an aerial map of the Ormond Beach Wetland Restoration Project, on which he has worked for more than a decade.

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"Every time I go out there I see people," said Cooper.

For Cooper, the Halaco property still poses risks for people who use the beach and wetlands, not to mention the surrounding wildlife.

"I don't have particular examples of people dying of cancer after playing on the waste pile, but children playing around radioactive thorium and heavy metals and people fishing in the contaminated lagoon can't be good," he said.

That belief also gives Cooper a sort of avenging angel edge to his work.

Cooper filed a citizen's suit in federal court in November on behalf of the Environmental Defense Center and the Santa Barbara Channelkeeper. Unlike a suit filed in 2002 against Halaco, this one names the four former owners, Clarence Haack, his two grown sons, John and Robert, and the former general manager, David Gable.

"The Haacks can't walk away from this," said Cooper.

Adding up the claims and the associated daily fines attached to each claim could put the former owners on the hook for tens of millions of dollars in damages, potentially more money than Halaco generated in profits over the course of its existence, former company officials said.

"They won't be happy until we're broke, dead or both," said Gable.

Gable, a widower with an adult son who repeatedly had to be kicked off the grounds of the old Halaco plant by EPA workers after sneaking in to sleep, said he hasn't had an income for the last two or three years.

"I'm living off my Social Security and hoping that this will all blow over," he said.

The EPA is considering including the plant on a list of hazardous Superfund cleanup sites something Gable said he never saw coming.

#### **Invited by Oxnard**

"We thought we were doing the right thing," said Gable. "We were asked to take over that (Oxnard City) dump site. They (the city of Oxnard) asked us to come and that's why we always thought we were right."

He said he didn't believe the company had polluted the environment or left behind hazardous material.

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In a short interview, 92-year-old Clarence Haack, who until late last month continued to go to his cluttered office at the closed Halaco plant, said he had cooperated with the EPA and attempted to find a solution to the cleanup issue. Since the EPA swooped in and took control of the old plant, what happens next is out of his hands, he said.

The company is under bankruptcy protection, which requires each government agency to file claims for the potential cleanup costs in U.S. Bankruptcy Court. The state of California's claim alone amounts to more than \$19 million. But the EPA and the state essentially have to get in line with every other creditor for what will in all likelihood be pennies on the dollar.

Over the summer, attorneys with the EPA sent each of the four former owners notices saying they were "potentially responsible parties," a designation that could put them on the hook for the costs of cleanup.

In court documents filed in Cooper's case as well as in the bankruptcy case, there are allegations that the Haacks and Gable took Halaco assets a furnace, customer lists and the company's technology for recycling the material to Tennessee. There, they have started another company, MagPro, to recycle magnesium.

Gable said that's not true. Although it has offices and a handful of employees, MagPro isn't really up and running.

The company declared bankruptcy because it ran out of money, not to escape responsibility, Gable said.

"It's not like we thought we were getting away with something," he said.

Now that the company is gone and the federal government has stepped in, there are hopes the mountain of waste and beat-up buildings will be hauled away.

In late May, a scrap company out of Los Angeles began cutting up the big pieces of metal that remained at the plant and weren't coated with contamination. Workers had to char some of the scraps with gusts of fire to burn off the hazardous residue, but much of the material was too contaminated to take.

### Hope and frustration

Fresh from a tour of the site several weeks before, Peter Brand, a senior project manager for the California Coastal Conservancy, explained the pent-up hope mixed with frustration that a lot of people feel.

"I know for me and my colleagues, we walked away with a sense of anger," said Brand, who has worked for more than a decade on an effort to restore the Ormond Beach wetlands surrounding the property. "There's an element of environmental justice here. The people of Oxnard for many decades have lived with this mess that has contaminated their wetlands, possibly contaminated their community, and possibly poisoned some of the residents who worked at Halaco. And no one came to help for decades.

"Some people tried and they weren't successful and a lot of people are not going to be happy if they're told it's too expensive to remove the pile," Brand said. "Expense is not the issue. The question should be What's the right thing to do?"

The history of inaction at the site doesn't engender confidence among some residents.

At a recent meeting of local activists working on issues surrounding the Ormond Beach wetlands, Tisha Munro, a botanist with the California Native Plant Society, was concerned the company would be able to flimflam the government.

"I'm worried they're going to leave and force taxpayers to pay for the cleanup, and in the end the land will be developed for houses," she said.

The future of this remote corner of Oxnard is far from clear.

Unofficial estimates for the cost to clean up the old plant range wildly from \$10 million to \$70 million and even more.

There are 1,304 other Superfund sites across the country. The account to clean them up is overcommitted, and the federal government may be unable to save the day here, as some local politicians and activists hope.

The nonprofit and nonpartisan Center for Public Integrity recently detailed how the Superfund program is starved for cash.

"Just because a site makes the list doesn't mean it's going to be cleaned up," said Joaquin Sapien, a researcher with the group.

Sapien said there are many sites with "very pressing" pollution that have been on the list for almost two decades.

The Superfund was created in 1980 through the Comprehensive Environmental Response, Compensation and Liability Act. The trust fund set up to pay for cleanup of those sites came from a tax on polluters, but when the tax expired in 1995, Congress did not renew it.

### **A scramble for funds**

Since then, the \$3.5 billion in the trust account has slowly dried up. What's left amounts to "couch change," from what federal officials are able to collect from the companies responsible for the pollution, Sapien said.

This has forced the EPA into a sort of triage of hazardous waste cleanup, delaying work and looking for the cheapest options, according to the research done by the Center for Public Integrity.

Peter Guria, chief of the EPA's emergency response program in the western U.S., speculated that the size of the Halaco waste pile limited options. Whatever is ultimately done it will have to ensure the waste doesn't move into groundwater or surface water, he said.

"More than likely it's so large that it would be cost-prohibitive to move it," Guria said on a visit to Halaco in early March.

Even if the EPA finds the money and decides to haul the mess away, it could take a decade or longer to do the work.

Back at the base of the Halaco waste pile, Sanders ruminated on the different possibilities for the land.

With his binoculars at the ready to spot the dozen or so species of waterfowl and other birds that darted in and out of the stands of mule fat and bulrush in the wetlands nearby, he shook his head as he looked over at the barren mound of waste.

"I'm not so sure this will have a happy ending," said Sanders.