

JERRY PETROWSKI

WISCONSIN STATE SENATOR

Senate Bill 890

January 31, 2022

Good afternoon, Mr. Chairman and members, and thank you for taking the time to hear Senate Bill 890 requiring the Department of Natural Resources (DNR) to contract for the cleanup of contaminated glass and other electronic waste materials left behind by 5R Processors Limited.

5R Processors was an electronics recycling company formerly based in Ladysmith. Investigations by the Wisconsin DNR and the Environmental Protection Agency (EPA) led to the prosecution of the leadership of the company by the U.S. Attorney for the Western District. While most of the legal matters that arose from the situation have been resolved, what's left behind is millions of pounds of electronic waste without a responsible party to clean it up. While this burden might ultimately fall on local governments and taxpayers, this would be an unfair and perhaps unmanageable outcome.

The very simple bill before you today directs the DNR to contract with a third party for the removal and proper disposal of this waste using not more than \$2.5 million in segregated funds from the environmental management account. The balance in that account is projected to be \$33.8 million at the end of fiscal year 2022, and the expenditure of these funds will not impact the federal maintenance of effort requirements.

The electronic waste is currently contained in several semi-trailers and warehouse facilities located in Rusk, Price and Washington Counties. We have officials from some of these locations with us here today, and I believe the committee has received letters from others.

My office worked with the DNR to make this proposal as simple as possible for them to administer and I really believe this is the best available solution to a bad situation.

Thank you again for hearing SB 890 this afternoon, and I would be happy to answer any questions.

29TH SENATE DISTRICT

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**Wisconsin Senate Committee on Natural Resources and Energy
Support for SB-890
Public Hearing | January 31, 2022**

Jessica Wildes, Communications and Economic Development Director
Mark Piotrowicz, Development Director
City of West Bend

Chairman Cowles and Committee Members:

Thank you for the opportunity to speak today. My name is Jessica Wildes and I am the Communications and Economic Development Director for the City of West Bend. I'm here with my colleague, Development Director Mark Piotrowicz, representing the City of West Bend in support of the proposed Senate Bill 890. This legislation will create a new and continuing appropriation of \$2.5M to enable the Department of Natural Resources to contract with third parties to perform any necessary assessment, collection, transportation, and disposal of cathode ray tube glass and related waste generated from activities undertaken by 5R Processors or its successors.

5R Processors is the owner of record for 133 Oak Street—a dangerous and contaminated 105,000-sq.-ft. facility on a 7-acre parcel located in the heart of downtown West Bend, Wisconsin. The site is surrounded by single-family homes and the Eisenbahn State Trail.

The site operated as a facility for finishing wood for caskets in the 1920s. In the 1940s, the site housed an operation that varnished poles used for soldier's tents in World War II. It was later used as a brake shoe manufacturer, metal painting firm, and garage door manufacturer. Since 5R Processors acquired the site in October 2014, serious safety violations immediately followed. A Conditional Use permit granted in January 2015 to allow for solid waste collection, a recycling center, and retail sales was revoked after the organization neglected to meet building, fire and zoning codes. The facility ceased operations and, shortly after, became completely abandoned by 5R Processors. No taxes or assessments have been paid for this property since 2015. There is \$133,179.84 in outstanding back taxes and charges. The City of West Bend performs regular site safety checks which often result in our city staff boarding windows or doors to keep hazardous contents safely secured inside. The building has no heat or fire protection. In the last five years, the City of West Bend Police Department responded to 272 calls for service to the property. From trespassing, vandalism, drug use, sexual offenses, and other suspicious and illegal activities, this is a seriously dangerous and concerning property.

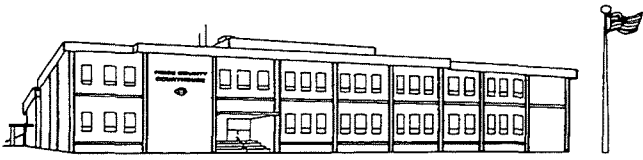
The Wisconsin Department of Natural Resources (DNR) has placed a lien or deed affidavit/notice at this site associated with environmental cleanup obligations or costs. The DNR's Bureau for Remediation and Redevelopment Tracking System website currently lists 60 actions and 38 documents related to environmental investigations of this property dated from 1988 to 2021. This site contains high volumes of hazardous chemicals and waste that could be accessible and threatening to the health of trespassers. The DNR and contracted parties are needed to perform the necessary assessment, collection, transportation, and waste disposal at this facility.

Thank you in advance for supporting Bill 890, the community of West Bend will become a safer place once this cleanup has occurred. This legislation will enable the City of West Bend to move forward in collaboration with the DNR to remediate this dangerous brownfield site, giving it a chance for future development.

Thank you for your time and consideration. Mark and I are happy to answer any questions.

Respectfully,

Jessica Wildes, M.S.
Communications & Economic Development Director
City of West Bend



ROBERT KOPISCH • County Board Chair • Price County

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To: Senator Jerry Petrowski
Senate District 29
Room 123 South, State Capitol
PO Box 78892
Madison, WI 53707

Re: SB890

Dear Senator Petrowski,

This letter is in support of the above SB890 regarding a continuing appropriation for the Department of Natural Resources to clean up electronics waste generated from activities undertaken by 5R Processors at properties located in Rusk, Price and Washington counties.

Price County has been involved with properties owned by 5R Processors located in the Village of Catawba in Price County due to delinquent taxes since the 2015 property tax bill. The County generally takes delinquent properties through the In Rem process. However, when we become aware of any environmental issues, we assess the potential liability for the County before proceeding. Due to the amount of environmental waste discovered on this property and the estimated cost to dispose of it, it was determined that a clean-up of the property is cost prohibitive for the County. Therefore, we have not proceeded with the In Rem process.

We would very much appreciate financial assistance from the state to properly dispose of this waste and be able return the property to the tax rolls. Therefore, we wholly support the passage of SB890 which would provide the funding to do the necessary assessment, collection, transportation, and disposal of the waste located on this site.

Thank you for your efforts on this issue.

Sincerely,

Robert D. Kopisch
Price County Board Chair



Senate Committee on Natural Resources and Energy

2021 Senate Bill 890 *Removal of Electronics Recycling Waste* *January 31, 2022*

Good afternoon Chair Cowles and members of the Committee. My name is Brad Wolbert, and I am the Waste and Materials Management Program Director for the Wisconsin Department of Natural Resources. Thank you for the opportunity to testify, for informational purposes, on Senate Bill 890, related to cleanup of electronics recycling waste.

This bill would provide the department with \$2,500,000 from the environmental fund to clean up electronic waste in certain areas of the state. The locations in question were operated by 5R Processors, a Wisconsin company that was formerly in the electronics recycling business. The company utilized six locations in Wisconsin, including those in Ladysmith, Catawba, Glen Flora and West Bend, as well as one location in Tennessee, to store electronics it had collected. 5R is now out of business and has left behind millions of pounds of unprocessed and partially processed cathode-ray tube glass and other electronics-related materials. Cathode-ray tube glass contains significant amounts of lead and is considered hazardous waste.

5R's owners and operators have been the subject of federal criminal prosecution for federal and state hazardous waste violations and other crimes. The company has no net assets and there is no realistic possibility that the restitution ordered in the criminal cases would be enough to address the sites in question. The department does not have an existing program that can pay for the removal of this material. The US Environmental Protection Agency (EPA) has evaluated the sites and determined that they are not eligible for EPA-funded cleanup programs. Responsibility for removing these materials and ensuring the sites are safe from hazardous substances now lies with the current owners of the properties.

Cleaning up these properties would help to abate any environmental or public health concern and return the sites to productive use. Money appropriated under this bill would go to private contractors performing the cleanup under DNR oversight. The amount in the bill is based on third-party contractor estimates compiled by the department as a part of the federal criminal investigation.

On behalf of the Department of Natural Resources, we would like to thank you for your time today. I would be happy to answer any questions you may have.