

Recommendation to place Precision Castparts on
City's Corporate Securities Do-Not-Buy List 10/26/2016

Hello, my name is Julie, I live in SE Portland. I'm a volunteer with South Portland Air Quality- ~~a which was~~ founded in response to the identification of toxic hotspots by the US Forest Service moss study, earlier this year which showed elevated levels of nickel and arsenic in the neighborhoods around Precision Castparts.

In conjunction with a public comment to the Socially Responsible Investment Committee, I'd like to address City Council directly to formally request that it divests its \$4.8 million in holdings from Precision Castparts and that the company is placed on the City's Corporate Securities Do-Not-Buy List.

The Oregon DEQ has since monitored the air around Precision and recent results show levels as much as 4 times higher than health-based benchmarks for nickel, arsenic and hexavalent chromium; exposing more than 10,000 people to toxic air. The Oregon Health Authority has launched an Environmental Health Assessment to determine how toxics found in the neighborhoods surrounding Precision have impacted the health of our community.

More than 35 years ago they dumped over 21,000 cubic feet of toxic waste, including radioactive, into the Johnson Creek Landfill which was unlined and currently being look into for leachage. Three studies in 11 years show increasing levels of nickel, hexavalent chromium and PCB's downstream from their outfall. In 2014 Timet- a subsidiary of Precision was given a \$13.75 million fine for illegally making 84,000 pounds of PCB's per year; the largest fine in the history of the federal Toxic Substances Control Act. That same year 20.5 tons of toxic waste was discovered in the drain pipe beneath Precision which leads directly into Johnson Creek.

Their labor practices are controversial. 1998, the National Labor Relations Board arranged a settlement for a former employee who had been wrongfully terminated for attempting to unionize. Investigators found Precision had issued rules against the distribution and discussion of pro-union support, threatened employees with termination and relocating the plant to Washington if they voted in favor. However, they allowed anti-union supporters to use company resources and distribute on company time. In 2001 an employee died after falling into a vat of caustic acid and since 2008 OSHA has issued Precision at least 62 serious violations; 9 of which may have resulted in death. OSHA investigated complaints from employees include respiratory protection, materials handling and fall protection.

Their market practices are questionable due to their high volume of acquisitions over the years. In 1999 the Federal Trade Commission filed charges against PCC due to the acquisition of Wyman-Gordon. FTC alleged that "by eliminating competition in these highly concentrated markets, the acquisition would have allowed PCC to exercise market power and increase prices."

When the City of Portland made history by choosing to divest from Walmart, Commissioner Novick was quoted as saying, "We care about working people, we care about the environment, we care about human health—and money talks." Precision Castparts has committed toxic trespass, fostered a negligent work environment, spent decades cornering the market and mistreated union supporters. To take taxpayer dollars and have them invested in a company which exploits our community is adding insult to injury and does not truly reflect the values of our city. Thank you.

Julie Reardon

South Portland Air Quality

THE PRECAUTIONARY PRINCIPLE:

1

HEALTH
COMES
FIRST.

2

POLLUTER
BEARS THE
BURDEN
OF PROOF.

3

TRANSPARENCY
IS MANDATORY.

“When an activity raises threats of harm to human health or the environment, precautionary measures should be taken even if some cause and effect relationships are not fully established scientifically. In this context the proponent of an activity, rather than the public, should bear the burden of proof. The process of applying the precautionary principle must be open, informed and democratic and must include potentially affected parties. It must also involve an examination of the full range of alternatives, including no action.”

– Wingspread Statement on the Precautionary Principle, January 1998

DON'T KNOW? DON'T DO IT.

FACT SHEET | Precision Castparts Corporation

ABOUT

A Portland based, Fortune 500 company that makes special metal parts for aerospace, military, energy and commercial applications. Leading supplier worldwide for nickel and titanium based castings used in drones, offshore oil drilling rigs, gas turbines, and more. Precision Castparts has three local plants — in Clackamas, Milwaukie and Portland. Its main Johnson Creek facility is adjacent to several Southeast Portland and Milwaukie residential neighborhoods including Brentwood-Darlington, Woodstock, Eastmoreland, Lewelling and Ardenwald. Several schools are within blocks of the factory.

PRECISION CASTPARTS TIMELINE

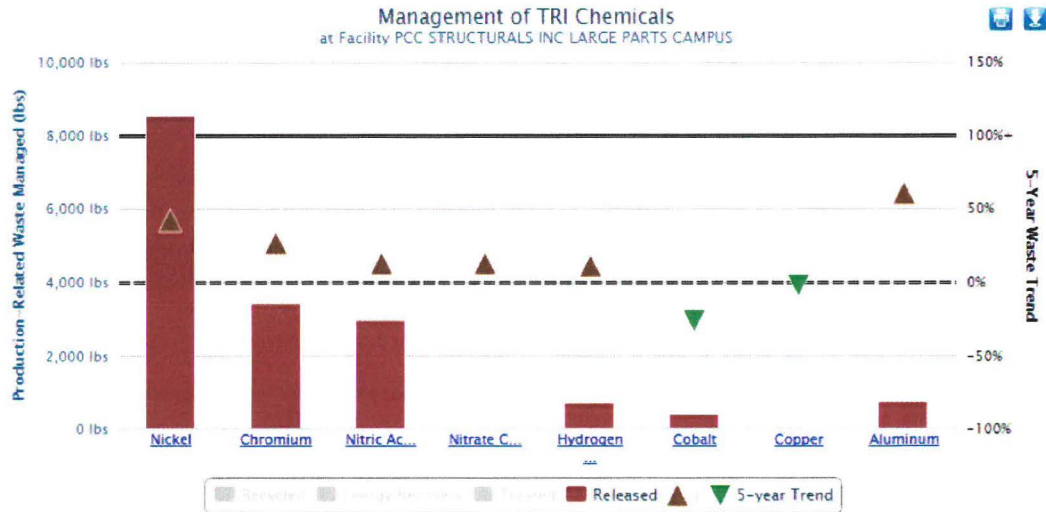
2007	2008	2009	2010
Sept. 8 Fire at Precision Castparts causes \$400,000 in damage. Black smoke escapes plant. Brushfire near plant.	OSHA found eight serious violations at the campus, with more than 600,000 square feet of buildings. OSHA issued a hazard letter “to address the disconnect that appears to exist” between operations and the safety department.	OSHA issued 24 serious violations after two injuries that required hospitalization. A report cited “systematic occurrences of electrical hazards” and “a lack of hazard recognition or a gap in the existing programs for recognizing and controlling the hazards.”	May 11, 2011 Fire and toxic orange cloud at PCC. Major HazMat incident. Precision Castparts faces fines for a leak that created a toxic cloud. The Oregon Occupational Safety and Health Administration cited the company for 2 serious violations exposing employees to hazardous air, and for not training employees how to address an emergency like this.

2012	2013	2015	2016
OSHA cites Precision Castparts for 32 safety violations relating to May 2011 incident. 28 serious violations, 9 violations having potential to cause death. Fined \$26,050.	<ul style="list-style-type: none"> • A hazardous material cloud escapes Precision Castparts. Emergency responders reported the presence of a toxic cloud in the area as crews worked to contain the chemicals. Officials urged residents within a halfmile to shut doors and windows and stay inside while crews worked at the scene Wed and Thurs. • UMass Political Economy Research Institute (PERI) names Precision Castparts the nation’s #1 Air Polluter, based on toxicity and proximity to population centers, based on data provided by the company in 2010. 	<ul style="list-style-type: none"> • Berkshire Hathaway buys the company in a deal worth \$37.2 billion. • Berkshire Hathaway earned \$17.36 billion in operating profit in 2015. • Investigators are blaming a faulty thermocouple for a fire that forced employees to evacuate one of Precision Castparts Corp.’s Milwaukie area plants Monday afternoon. 	<ul style="list-style-type: none"> • U.S. Forest Service study shows high levels of nickel and arsenic in moss samples in neighborhoods around PCC Large Structurals plant. • DEQ places the permit renewal for Precision Castparts on hold but will allow it to be administratively extended until the DEQ can come up with new guidelines.

2014 EMISSIONS FOR PCC LARGE STRUCTURALS PLANT

2,175,172 lbs of Nickel and 918,235 lbs of Chromium was processed in 2014. Of the releases noted below, 187 lbs of Nickel and 31 lbs of Chromium is released into the air in 2014 (Source: 2014 EPA TRI)

Waste Management by Chemical – Select Year: 2014



Chemical	Possible Health Impacts (source: EPA Air Toxics Web Site)
Aluminum (fume or dust)	Lung inhalation problems, such as coughing, decreased neurological function, bone or brain diseases.
Chromium and chromium compounds	Chromium occurs in the environment primarily in two valence states, trivalent chromium (Cr III) and hexavalent chromium (Cr VI). Chromium III is less toxic than chromium (VI). Shortness of breath, coughing, and wheezing were reported from a case of acute exposure to chromium (VI), while perforations and ulcerations of the septum, bronchitis, decreased pulmonary function, pneumonia, and other respiratory effects have been noted from chronic exposure. Human studies have clearly established that inhaled chromium (VI) is a human carcinogen, resulting in an increased risk of lung cancer. Animal studies have shown chromium (VI) to cause lung tumors via inhalation exposure.
Cobalt and cobalt compounds	Acute (short term) exposure to high levels of cobalt by inhalation in humans and animals results in respiratory effects, such as a significant decrease in ventilatory function, congestion, edema, and hemorrhage of the lung. Respiratory effects are also the major effects noted from chronic (long term) exposure to cobalt by inhalation, with respiratory irritation, wheezing, asthma, pneumonia, and fibrosis noted. Cardiac effects, congestion of the liver, kidneys, and conjunctiva, and immunological effects have also been noted in chronically exposed humans.
Copper and copper compounds	High levels of copper can cause liver and kidney damage.
Hydrogen Fluoride	Acute (short term) inhalation exposure to gaseous hydrogen fluoride can cause severe respiratory damage in humans, including severe irritation and pulmonary edema. Severe ocular irritation and dermal burns may occur following eye or skin exposure in humans.
Nickel and nickel compounds	Nickel dermatitis, consisting of itching of the fingers, hands, and forearm. Respiratory effects. Increased risk of lung and nasal cancers from exposure to nickel refinery dusts and nickel subsulfide. Animal studies of soluble nickel compounds (i.e., nickel carbonyl) have reported lung tumors. EPA has classified nickel refinery dust and nickel subsulfide as Group A, human carcinogens, and nickel carbonyl as a Group B2, probable human carcinogen.

Parsons, Susan

Subject: FW: Giving a testimony for the DNB list

From: julie reardon [<mailto:julierrdn@yahoo.com>]
Sent: Monday, September 19, 2016 11:04 PM
To: Moore-Love, Karla <Karla.Moore-Love@portlandoregon.gov>
Subject: RE: Giving a testimony for the DNB list

Hello again,

I would like to sign up to give a testimony during the city council meeting on October 26th. My testimony will be about placing a neighborhood polluter on the do-not-buy list.

Thank You,
Julie Reardon

[Sent from Yahoo Mail on Android](#)

From: julie reardon [<mailto:julierrdn@yahoo.com>]
Sent: Tuesday, September 13, 2016 10:27 AM
To: Moore-Love, Karla <Karla.Moore-Love@portlandoregon.gov>
Subject: Giving a testimony for the DNB list

Hello,

I'm interested in giving a testimony to request the City of Portland take their corporate bond investments out of certain business'. I was wondering when would be a good day/time to show up to a council meeting? I looked over the agenda pdf and didn't see anything that stuck out. I know there is a committee for responsible investments but I'd like to speak for myself directly to the city council.

Thank you,

Julie

[Sent from Yahoo Mail on Android](#)

From: Samuel Pastrick [mailto:samuel@oregoncub.org]
Sent: Friday, October 07, 2016 10:28 AM
To: Parsons, Susan <Susan.Parsons@portlandoregon.gov>
Subject: Re: Council Communications Time - 10/26

Hi Susan,

Sorry for not responding sooner re: the description of CUB's Council Communications slot on the 26th.

I think keeping it simple is just fine.

Something along the lines of "Regarding City of Portland information and communications technology opportunities".

Thanks and let me know if you've questions.

Sam

On Mon, Sep 26, 2016 at 4:29 PM, Parsons, Susan <Susan.Parsons@portlandoregon.gov> wrote:

Hello Sam,

Just right to email me. Thank you for your email. I've scheduled you for a Communications spot on 10/26. Please send a sentence or two about the subject you'll be speaking on.

Here is further information for you on the Communications portion of the agenda:

- You will have three minutes to address the Council and may also submit written material (please provide seven copies).
- We start the meeting at 9:30 and Communications are the first item on the agenda.
- Please note communications allow the Council to hear issues that interest our citizens, but do not allow an opportunity for dialogue.
- The Council meeting takes place at City Hall, 1221 SW 4th Ave., 2nd Floor, Council Chambers.

Kind regards,
Susan

From: Samuel Pastrick [mailto:samuel@oregoncub.org]
Sent: Monday, September 26, 2016 3:34 PM
To: Parsons, Susan <Susan.Parsons@portlandoregon.gov>
Subject: Council Communications Time - 10/26

Hi Susan,

Sam Pastrick here with Oregon Citizens' Utility Board.

I'm ignorant to the process of requesting a Council "Communications" slot, so I thought it best to email you directly. Is it possible to get on the agenda for October 26th?

Thanks, and please be in touch with related questions.

Cheers, Samuel Pastrick
Advocacy + Development Associate
Citizens' Utility Board of Oregon
CUB Policy Center

samuel@oregoncub.org 503-227-1984 x19

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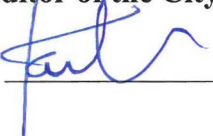
Request of Julie Reardon to address Council regarding placing a neighborhood polluter on the do-not-buy list (Communication)

OCT 26 2016

PLACED ON FILE

Filed OCT 18 2016

MARY HULL CABALLERO
Auditor of the City of Portland

By  Deputy

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
1. Fritz		
2. Fish		
3. Saltzman		
4. Novick		
Hales		