UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TENNESSEE MEMPHIS DIVISION

UNITED STATES OF AMERICA and STATE OF TENNESSEE,)))
Plaintiffs,)) Civil Action No.
v.))
SECURITY SIGNALS, INC.,))
Defendant.)))

COMPLAINT

The United States of America, by authority of the Attorney General of the United States, acting at the request of the Administrator of the United States Environmental Protection Agency ("EPA"), and the State of Tennessee, by authority of the Attorney General of the State of Tennessee, acting at the request of the Tennessee Department of Environment and Conservation (generally, the "State"), through the undersigned attorneys, file this Complaint and allege as follows:

NATURE OF THE ACTION

1. This is a civil action against Security Signals, Inc. ("SSI" or "Defendant") for injunctive relief and recovery of costs pursuant to Sections 106 and 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended ("CERCLA"), 42 U.S.C. §§ 9606 and 9607(a). The State also brings this action against Defendant for injunctive relief pursuant to the Tennessee Hazardous Waste Management Act of 1983 ("HWMA"), Tenn.

Code Ann. §§ 68-212-206 and 68-212-227 and recovery of costs pursuant to Section CERCLA 107(a), 42 U.S.C. § 9607(a).

2. The United States and the State seek: (a) performance of response actions by Defendant at Operable Unit Two ("OU2") of the National Fireworks Superfund Alternative Site (the "Site"), located in Cordova, Shelby County, Tennessee, consistent with the National Oil and Hazardous Substances Pollution Contingency Plan ("NCP"), 400 C.F.R. Part 300 (as amended); (b) reimbursement of response costs EPA and the Department of Justice incurred related to OU2, together with any accrued interest; (c) reimbursement of response costs the State of Tennessee incurred related to OU2, together with any accrued interest; and (d) a declaratory judgment of liability for response costs that the United States and the State will incur related to OU2.

JURISDICTION AND VENUE

- 3. This Court has jurisdiction over the subject matter of this action and the parties hereto pursuant to 28 U.S.C. §§ 1331, 1345 and 1367, and 42 U.S.C. §§ 9606(a), 9607(a) and 9613(b).
- 4. Venue is proper in this district pursuant to 42 U.S.C. §§ 9606(a) and 9613(b), and 28 U.S.C. § 1391(b) and (c), because the Site is primarily located, the claims arose, and the threatened and actual releases of hazardous substances that gave rise to these claims occurred within this judicial district.

DEFENDANT

5. Defendant SSI is a Tennessee corporation and a "person" within the meaning of Section 101(21) of CERCLA, 42 U.S.C. § 9601(21), and Tenn. Code Ann. § 68-212-202(b) of HWMA (incorporating definition from Tenn. Code Ann. § 68-212-104(14)).

6. SSI filed for incorporation in Tennessee in 1948. Its principle place of business from formation through the present is in Cordova, Shelby County, Tennessee.

GENERAL ALLEGATIONS

A. Site History

- 7. The Site, commonly known as the "Cordova Industrial Park," consists of approximately 260 acres located inside an active industrial park located off Macon Road in Cordova, Shelby County, Tennessee. The Site is bounded on the north by Macon Road, on the east by Grays Creek, on the south by forested property, on the west by a Tennessee Valley Authority easement, and on the northwest by railroad tracks. The geographic coordinates at the western entrance to the Site are latitude 35° 09' 27.06" north and longitude 89° 45' 41.63" west. EPA organized the Site into two operable units. OU2 covers the north-central portion of the Site consisting of approximately 22 acres located south of Macon Road, along with the full extent of downgradient contamination from that real property including soil, groundwater, and surface water on, around, and below the Site. Operable Unit One ("OU1") covers the portion of the Site that is not included in OU2.
- 8. SSI has operated at OU2 since 1948. SSI has owned and operated a portion of OU2 since 1955 and has owned and operated the entire OU2 area since 1993. SSI is the current owner and operator at OU2.¹
- 9. From 1948 through 1996, SSI's operations primarily involved manufacturing pyrotechnics, small munitions and incendiary devices, including signals, flares and fuses. SSI

¹ SSI was established in 1948 to manufacture fuses, ignition cartridges and other pyrotechnic devices. Beginning on November 1, 1948, SSI leased for its operations a portion of the Site that is now part of OU2. On June 14, 1955, SSI purchased from National Cordova Corporation approximately 11 acres of the Site, which is now part of OU2. On February 18, 1969, SSI purchased one acre of the adjacent real property, also on what is now part of OU2. On April 23, 1993, SSI purchased approximately ten additional acres on what is now OU2. The 22-acre property currently owned by SSI, along with downgradient soil, sediment, groundwater, and surface water contamination, has been designated as OU2.

also produced other products related to munitions. In 1955, SSI produced hand grenade fuses. From approximately 1955 to 1959, SSI produced die cast parts such as bodies, primer holders, and levers for hand grenades. From approximately 1957 to 1959, SSI made base couplings for firing devices. Starting in 1968, SSI expanded its operations to manufacture screw machine parts and other metal fabrication. From 1996 to the present, SSI's operations have consisted solely of manufacturing screw machine parts, including automobile valves and air conditioning compressor parts.

- 10. Until 2006, SSI used trichloroethylene ("TCE") in the screw machine part manufacturing process. Specifically, SSI used TCE as a vapor degreaser and as a cleaning agent to remove oil and chips before manufacturing parts into finished products. Upon information and belief, SSI may have used TCE as a cleaning agent and/or degreaser in its other operations at OU2.
 - 11. In 1967 and 1968, SSI also used perchloroethylene ("PCE") in its operations.
- 12. As a result of SSI's operations, numerous hazardous substances (including but not limited to TCE and PCE) within the meaning of Section 101(14) of CERCLA, 42 U.S.C. § 9601(14), were disposed at the Site.
- 13. As of the filing of this Complaint, the Site is being addressed as a Superfund Alternative Site. This approach uses the same investigation and cleanup process and standards that are used for sites listed on the National Priorities List ("NPL").

B. Response Actions

14. In 1999, the State conducted a preliminary assessment of the Site that recommended further investigation due to the potential of a release of hazardous substances to ground water, surface water, soil and air pathways.

- 15. In 2002, EPA performed a Site Investigation to gain a basic understanding of risks posed to human health and/or the environment by releases or threatened releases of hazardous substances from the Site.
- 16. In 2004 and 2005, EPA conducted an Expanded Site Inspection to further investigate conditions at the Site.
- 17. EPA conducted a Site-wide soil-gas survey in June 2006 that identified and documented sources of volatile organic compounds ("VOCs") in the groundwater at OU2.
- 18. In 2007, SSI entered into a Settlement Agreement and Order on Consent with EPA for a Remedial Investigation/Feasibility Study ("RI/FS") for OU2. SSI completed the RI/FS on July 29, 2014.
- 19. In 2008, SSI prepared a Phase I Field Investigation. The Phase I Field Investigation identified five plumes of groundwater contamination (Plume A through Plume E) at the Site.
- 20. Upon information and belief, the sources of Plumes C, D and E are on SSI's property, within OU2.
- 21. The Phase I Field Investigation found PCE and its degradation products² in the soil and groundwater at Plumes C, D and E, and TCE degradation products in soil and groundwater at Plume D.
- 22. Upon information and belief, the sources of Plumes A and B are not on SSI's property and are outside the bounds of OU2.
- 23. In 2009 and 2011, respectively, SSI conducted a Phase II and a Phase III Field Investigation, focusing more in depth on the five plumes of contamination at OU2.

² A degradation product is what a chemical becomes when it begins to break down.

- 24. In 2010 and 2011, SSI performed two Time Critical Removal Actions ("TCRAs") pursuant to CERCLA Section 104(a), 42 U.S.C. § 9604(a), at OU2 to excavate contaminated soil and debris and live pin flares and send offsite for disposal.
- 25. In July 2014, SSI completed the OU2 RI/FS. Of the five possible alternatives, the Proposed Plan recommended phytoremediation, a remedy that involves planting vegetation designed to reduce the presence of contamination at the Site, as the interim remedy for OU2.
- 26. On September 30, 2014, the EPA issued an interim Record of Decision ("IROD") in which phytoremediation was selected as the interim remedial action for OU2 in accordance with CERCLA. The IROD addresses Plumes C, D and E of OU2 and identifies VOCs such as TCE, PCE and their degradation products as contaminants of concern.

SPECIFIC ALLEGATIONS

- 27. The TCE and PCE found at the Site and at OU2 are hazardous substances within the meaning of Section 101(14) of CERCLA, 42 U.S.C. § 9601(14), because they are listed at 40 C.F.R. § 302.4 pursuant to Section 102 of CERCLA, 42 U.S.C. § 9602.
- 28. The Site and OU2 are each a "facility" within the meaning of Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).
- 29. At all times relevant to this action, there has been a "release" or a "threatened release" of "hazardous substances" into the environment at or from OU2, within the meaning of Sections 101(8), 101(14), 101(22), 104(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9601(8), 9601(14), 9601(22), 9604(a), and 9607(a).
- 30. As a result of the release or threatened release of hazardous substances at or from OU2, the United States has incurred more than \$267,744.46 in unreimbursed response costs

through April 17, 2018, authorized by Section 104 of CERCLA, 42 U.S.C. § 9604, as defined by Sections 101(23), (24) and (25) of CERCLA, 42 U.S.C. §§ 9601(23), (24) and (25).

- 31. EPA's response actions taken at or in connection with OU2 and the costs incurred incident thereto are not inconsistent with the NCP.
- 32. The United States will continue to incur response costs in connection with the Site.
- 33. The State also has incurred response costs and will continue to incur response costs in connection with the Site.
- 34. As stated in the IROD, EPA estimates that the remedial action for OU2 will cost approximately \$3.4 million.
 - 35. The IROD is not inconsistent with CERCLA and the NCP, 40 C.F.R. Part 300.

FIRST CLAIM FOR RELIEF (Injunctive Relief for OU2)

- 36. Paragraphs 1 through 35 are realleged and incorporated herein by reference.
- 37. Section 106(a) of CERCLA, 42 U.S.C. § 9606(a), provides in pertinent part:
 - [W]hen the President determines that there may be an imminent and substantial endangerment to the public health or welfare or the environment because of an actual or threatened release of a hazardous substance from a facility, he may require the Attorney General of the United States to secure such relief as may be necessary to abate such danger or threat
- 38. The Regional Administrator of EPA Region 4, through delegated authority, has determined that there is or may be an imminent and substantial endangerment to the public health or welfare or the environment because of actual or threatened releases of hazardous substances into the environment at or from OU2.

- 39. Pursuant to Section 106(a) of CERCLA, 42 U.S.C. § 9606(a), and Tenn. Code Ann. §§ 68-212-206(c) and 68-212-227, SSI is liable to the United States and the State for injunctive relief to abate and remedy the conditions at OU2 that may present an imminent and substantial endangerment to public health or welfare or the environment because of an actual or threatened release of hazardous substances at or from OU2.
- 40. EPA has determined that the interim remedy for OU2 selected in the IROD is necessary to abate the danger or threat at or from Plumes C, D and E at OU2.
- 41. Therefore, pursuant to Section 106(a) of CERCLA, 42 U.S.C. § 9606(a), SSI is liable to implement the interim remedial action for OU2 as identified in the IROD, which action EPA has determined is necessary to abate the danger or threat at or from Plumes C, D and E.

<u>SECOND CLAIM FOR RELIEF</u> (Recovery of United States' Response Costs)

- 42. Paragraphs 1 through 35 are realleged and incorporated herein by reference.
- 43. Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), provides in pertinent part:

 Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b) of this section-

* * *

- (1) the owner and operator of a vessel or a facility, [and]
- (2) any person who at the time of disposal of any hazardous substance owned or operated any facility at which such hazardous substances were disposed of

* * *

shall be liable for - -

(A) all costs of removal or remedial action incurred by the United States Government . . . not inconsistent with the national contingency plan;

- The amounts recoverable under this section shall include interest on the amounts recoverable under subparagraphs (A) through (D)
- 44. Pursuant to Section 107(a)(1), 42 U.S.C. § 9607(a)(1), SSI is liable as the current owner and operator of OU2.
- 45. Pursuant to Section 107(a)(2), 42 U.S.C. § 9607(a)(2), SSI also is liable as the owner and operator of OU2 when the disposal of hazardous substances occurred at OU2.
- 46. SSI is liable to the United States pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), for unrecovered response costs not inconsistent with the NCP incurred by the United States in connection with OU2, plus any applicable interest on the response costs incurred.
- 47. The United States will continue to incur response costs at OU2 for, *inter alia*, oversight of the performance and long-term monitoring of the interim remedial action and enforcement costs.
- 48. Section 113(g)(2) of CERCLA, 42 U.S.C. § 9613(g)(2), provides in pertinent part that in any action for recovery of costs, "the court shall enter a declaratory judgment on liability for response costs or damages that will be binding on any subsequent action or actions to recover further response costs or damages."
- 49. Pursuant to Section 113(g)(2) of CERCLA, 42 U.S.C. § 9613(g)(2), the United States is entitled to a declaratory judgment that SSI is liable to the United States under Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), for all further response costs not inconsistent with the NCP incurred by the United States in connection with OU2.

THIRD CLAIM FOR RELIEF

(Recovery of State's Response Costs)

- 50. Paragraphs 1 through 35, 41, 43, and 48 are realleged and incorporated herein by reference.
- 51. SSI is liable to the State pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), for unrecovered response costs not inconsistent with the NCP incurred by the State in connection with OU2, plus any applicable interest on the response costs incurred.
- 52. Pursuant to Section 113(g)(2) of CERCLA, 42 U.S.C. § 9613(g)(2), the State is entitled to a declaratory judgment that the Defendant is liable to the State for all further response costs not inconsistent with the NCP incurred by the State in connection with OU2.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, the United States of America and the State of Tennessee, respectfully request that this Court:

- A. Order SSI to abate the conditions at OU2 that may present an imminent and substantial endangerment to the public health or welfare or environment, pursuant to Section 106(a) of CERCLA, 42 U.S.C. § 9606(a), by performing the remedy selected by EPA in the IROD;
- B. Award the United States a judgment against SSI pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), for response costs not inconsistent with the NCP incurred by the United States in connection with OU2, plus any accrued interest on the costs;
- C. Award the State of Tennessee a judgment against SSI pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), for response costs not inconsistent with the NCP incurred by the State in connection with OU2, plus any accrued interest on the costs;

D. Award the United States a declaratory judgment, pursuant to Section 113(g)(2) of CERCLA, 42 U.S.C. § 9613(g)(2), that SSI is liable to the United States for all future response costs not inconsistent with the NCP to be incurred by the United States in connection with OU2;

E. Award the State of Tennessee a declaratory judgment, pursuant to Section 113(g) of CERCLA, 42 U.S.C. § 9613(g), that SSI is liable to the State for all future response costs, not inconsistent with the NCP, incurred by the State of Tennessee in connection with OU2; and

F. Grant such other and further relief as the Court deems just and proper.

Respectfully submitted,

FOR THE UNITED STATES OF AMERICA

JONATHAN D. BRIGHTBILL

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/s/ Rachael Amy Kamons

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The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS			DEFENDANTS				
United States of America and State of Tennessee				Security Signals, Inc.			
Office States of Afficial and State of Termessee			Occurry Orginals, in	Security Signals, Inc.			
(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)			County of Residence	County of Residence of First Listed Defendant Shelby County, TN (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.			
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			THE TRACT	OF LAND INVOLVED.	THE ECCATION OF		
(c) Attorneys (Firm Name, Rachael Amy Kamons, U Washington, DC 20044 2 P.O. Box 20207, Nashvil	202-514-5260; Elizabe	th P. McCarter, OAG,	Attorneys (If Known)				
II. BASIS OF JURISDI	CTION (Place an "X" in C	(ne Box Only)	. CITIZENSHIP OF P	RINCIPAL PARTIES	(Place an "X" in One Box for Plaintif		
✓ 1 U.S. Government Plaintiff	☐ 3 Federal Question (U.S. Government a	Not a Party)		TF DEF 1			
☐ 2 U.S. Government Defendant	☐ 4 Diversity (Indicate Citizensh	ip of Parties in Item III)	Citizen of Another State	2	Principal Place		
			Citizen or Subject of a Foreign Country	3 🗖 3 Foreign Nation	□ 6 □ 6		
IV. NATURE OF SUIT			EODERACIDE DENA L'EN		of Suit Code Descriptions.		
CONTRACT ☐ 110 Insurance	PERSONAL INJURY	PERSONAL INJURY	FORFEITURE/PENALTY ☐ 625 Drug Related Seizure	BANKRUPTCY 422 Appeal 28 USC 158	OTHER STATUTES ☐ 375 False Claims Act		
□ 120 Marine □ 130 Miller Act □ 140 Negotiable Instrument □ 150 Recovery of Overpayment & Enforcement of Judgment □ 151 Medicare Act □ 152 Recovery of Defaulted Student Loans (Excludes Veterans) □ 153 Recovery of Overpayment of Veteran's Benefits □ 160 Stockholders' Suits □ 190 Other Contract □ 195 Contract Product Liability	□ 310 Airplane □ 315 Airplane Product Liability □ 320 Assault, Libel & Slander □ 330 Federal Employers' Liability □ 340 Marine □ 345 Marine Product Liability □ 350 Motor Vehicle Product Liability □ 360 Other Personal	□ 365 Personal Injury - Product Liability □ 367 Health Care/ Pharmaceutical Personal Injury Product Liability □ 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY □ 370 Other Fraud □ 371 Truth in Lending □ 380 Other Personal Property Damage	of Property 21 USC 881 of Property 21 USC 881 LABOR 710 Fair Labor Standards Act 720 Labor/Management Relations	□ 423 Withdrawal 28 USC 157 PROPERTY RIGHTS □ 820 Copyrights □ 830 Patent □ 835 Patent - Abbreviated New Drug Application □ 840 Trademark SOCIAL SECURITY □ 861 HIA (1395ff) □ 862 Black Lung (923) □ 863 DIWC/DIWW (405(g)) □ 864 SSID Title XVI	□ 376 Qui Tam (31 USC 3729(a)) □ 400 State Reapportionment □ 410 Antitrust □ 430 Banks and Banking □ 450 Commerce □ 460 Deportation □ 470 Racketeer Influenced and Corrupt Organizations □ 480 Consumer Credit □ 485 Telephone Consumer Protection Act □ 490 Cable/Sat TV □ 850 Securities/Commodities/		
☐ 196 Franchise	Injury ☐ 362 Personal Injury - Medical Malpractice	☐ 385 Property Damage Product Liability	☐ 740 Railway Labor Act ☐ 751 Family and Medical Leave Act	□ 865 RSI (405(g))	Exchange 890 Other Statutory Actions 891 Agricultural Acts		
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	☐ 790 Other Labor Litigation	FEDERAL TAX SUITS	■ 893 Environmental Matters		
☐ 210 Land Condemnation☐ 220 Foreclosure☐ 230 Rent Lease & Ejectment☐ 240 Torts to Land☐ 245 Tort Product Liability☐	☐ 440 Other Civil Rights ☐ 441 Voting ☐ 442 Employment ☐ 443 Housing/ Accommodations	Habeas Corpus: ☐ 463 Alien Detainee ☐ 510 Motions to Vacate Sentence ☐ 530 General	☐ 791 Employee Retirement Income Security Act	□ 870 Taxes (U.S. Plaintiff or Defendant) □ 871 IRS—Third Party 26 USC 7609	☐ 895 Freedom of Information		
□ 290 All Other Real Property	□ 445 Amer. w/Disabilities - Employment □ 446 Amer. w/Disabilities - Other □ 448 Education	☐ 535 Death Penalty Other: ☐ 540 Mandamus & Other ☐ 550 Civil Rights ☐ 555 Prison Condition ☐ 560 Civil Detainee - Conditions of Confinement	IMMIGRATION ☐ 462 Naturalization Application ☐ 465 Other Immigration Actions		Agency Decision 950 Constitutionality of State Statutes		
		Remanded from 4 Appellate Court		erred from	n - Litigation -		
VI. CAUSE OF ACTIO	Brief description of ca	nuse:	ling (Do not cite jurisdictional state); Tenn. Code Ann. 68-2		y judgment for future costs		
VII. REQUESTED IN COMPLAINT:		IS A CLASS ACTION	DEMAND \$		y if demanded in complaint:		
VIII. RELATED CASI	E(S) (See instructions):	JUDGE		DOCKET NUMBER			
DATE 09/15/2020	SIGNATURE OF ATTORNEY OF RECORD /s/ Rachael Amy Kamons						
FOR OFFICE USE ONLY							
RECEIPT # AM	MOUNT	APPLYING IFP	JUDGE	MAG. JU	TDGE		