

COUNTY OF FRESNO

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NEWS RELEASE

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FEDEX TO PAY \$1.75 MILLION IN CIVIL PENALTIES, COSTS, AND PROGRAMS FOR ILLEGAL TRANSPORTATION, STORAGE, AND DISPOSAL OF HAZARDOUS WASTES

The Fresno County District Attorney's Office, along with the District Attorney's Office's for Sacramento, San Diego, Los Angeles, San Bernardino, Butte, Humboldt, Santa Barbara, and Solano counties, filed a civil enforcement action against FedEx Ground Package System Inc. on July 1, 2014, in Sacramento Superior Court. The complaint alleged illegal transportation and storage of hazardous waste, and unlawful business practices.

The complaint was filed after a lengthy investigation into FedEx Ground's handling of damaged, broken, or leaking packages containing hazardous materials. Beginning in 2010, regulators from San Diego, Sacramento, and Los Angeles counties had responded to hazardous material incidents at FedEx Ground facilities. Further investigation found that FedEx Ground was not immediately identifying hazardous waste, and was improperly transporting and storing the waste prior to disposal. While Fed Ex Ground disputed these claims, Fed Ex Ground was cooperative in the investigation and has corrected all of the alleged violations.

Under the terms of the negotiated \$1.75 million final judgment, FedEx Ground agreed to pay \$1.5 million in civil penalties, \$155,000 in investigative costs to the involved agencies, \$85,000 for environmental programs, and will expend \$10,000 toward working with its customers on a waste minimization program.

Fresno County will receive \$187,500 in costs and penalties. The stipulated judgment, approved by Sacramento Superior Court Judge Raymond M. Cadei, covers all 36 FedEx Ground Facilities in California and provides that FedEx Ground will be bound by the terms of a permanent injunction requiring compliance with California's hazardous waste and hazardous materials laws. FedEx Ground has not admitted any violations of the law.

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