

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

HOBSON GALVANIZING, LLC

AI # 3262

PROCEEDINGS UNDER THE LOUISIANA  
ENVIRONMENTAL QUALITY ACT  
LA. R.S. 30:2001, ET SEQ.

\* Settlement Tracking No.  
\* SA-MM-15-0049  
\*  
\* Enforcement Tracking No.  
\* AE-CN-08-0171  
\* WE-L-12-00074  
\* AE-CN-08-0171A  
\*  
\* Docket No. 2010-2344-EQ  
\*

SETTLEMENT

The following Settlement is hereby agreed to between Hobson Galvanizing, LLC f/k/a Hobson Galvanizing, Inc. ("Respondent") and the Department of Environmental Quality ("DEQ" or "the Department"), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. ("the Act").

I

Respondent is a limited liability company that owns and/or operates a facility located in Belle Chase, Plaquemines Parish, Louisiana ("the Facility").

II

On January 23, 2009, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-08-0171, which was based upon the following findings of fact:

"The Respondent owns and/or operates a hot dip galvanizing facility located at 2402 Engineers Road in Belle Chase, Plaquemines Parish, Louisiana. The Respondent currently operates under Air Permit No. 2240-00034-02 issued on February 18, 2000.

On or about May 30, 2008, and June 19, 2008, inspections of the facility were performed to determine the degree of compliance with the Act and the Air Quality Regulations. While the Department's investigation is not yet complete, the following violation was noted during the course of the inspection:

During the course of the inspection, digital images obtained by the Department on or about May 30, 2008, demonstrated visible fugitive emissions moving offsite originating from Emission Point K-1 Galvanizing Kettle permitted as Emission Point KK-1 Kettle Fugitive Emissions. This is a violation of LAC 33:III.1305.A, LAC 33:III.501.C.4, La R.S. 30:2057(A)(1) and 30:2057(A)(2).

On or about September 23, 2008, a file review of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations. While the Department's investigation is not yet complete, the following violations were noted during the course of the file review:

- A. The Respondent failed to submit the 2005 annual zinc usage report by the February 15 deadline as required by Specific Condition 1 of Air Permit No. 2240-00034-02. This is a violation of Air Permit No. 2240-00034-02, LAC 33:III.501.C.4, and La R.S. 30:2057(A)(2).
- B. On or about January 3, 2007, the Respondent submitted the 2006 annual report required by Specific Condition 1 of Air Permit No. 2240-00034-02. On or about January 12, 2008, the Respondent submitted the 2007 annual report required by Specific Condition 1 of Air Permit No. 2240-00034-02. A summary of the two annual reports is included in the following table:

Emission Point	Permit Limits	Reported Exceedance 2006	Reported Exceedance 2007
KK-1 Kettle Fugitive Emissions	Steel: 17,500 tons per year	Steel: 19,000 tons per year	Steel: 19,776 tons per year
KK-1 Zinc Kettle Fugitive Emissions	4.6 tons per year	4.94 tons per year	5.14 tons per year

Each violation of the permitted maximum throughput or emission rate as noted in the table above is a violation of Air Permit No. 2240-00034-02, LAC 33:III.501.C.4, La R.S. 30:2057(A)(1) and 30:2057(A)(2).

- C. The Respondent failed to include the 2000, 2001, 2002, 2003, 2004, 2005, 2006 and 2007 annual total estimated surface area of steel galvanized report by the February 15 deadline of the respective years as required by Specific Condition 1 of Air Permit No. 2240-00034-02. The Respondent stated in their Annual Reports that tonnage is used as a means of keeping track of product galvanized. This is a violation of Air Permit No. 2240-00034-02, LAC 33:III.501.C.4, and La R.S. 30:2057(A)(2).”

On January 25, 2012, the Department issued to Respondent a Warning Letter, Enforcement No. WE-L-12-00074, which was based upon the following findings of fact:

“On or about February 17, 2011, an inspection of the above referenced facility was conducted to determine compliance with the Louisiana Environmental Quality Act and supporting regulations. The inspection report, noting areas of concern, has been forwarded to the Enforcement Division. All violations at your facility will be taken into consideration in determining what further actions this office will take.”

On October 29, 2014, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-08-0171A, which was based upon the following findings of fact:

“The Department hereby removes Paragraph II of the Findings of Fact portion of Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-08-0171.

The Department incorporates all of the remainder of the original **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-CN-08-0171** and **AGENCY INTEREST NO. 3262** as if reiterated herein.”

The following violations, although not cited in the foregoing enforcement action(s), are included within the scope of this settlement:

On January 22, 2015, the Department notified the Respondent that a file review conducted by the Department revealed additional areas of concern not included in WE-L-12-00074. The additional areas of concern were as follows:

- A. Failure to submit discharge monitoring reports (DMRs) for discharges from Outfall 003, Outfall 004, and Outfall 005 as directed by LPDES permit LA0084123; specifically, between January 1, 2010 and September 30, 2014, the Respondent failed to submit a total of fifty (50) DMRs. For a specific listing of missing DMRs, see table below. (LPDES permit LA0084123 (Effluent Limitations and Monitoring Requirements, page 5 and 6 of 6, and Submittal/action requirements, page 6 of 6), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.L.4.a.)

<b>Monitoring Period</b>	<b>Outfall</b>
January 2010	005
February 2010	005
April 2010	005
May 2010	005
July 2010	005
August 2010	005
October 2010	005
November 2010	005
January 2011	005
February 2011	005
March 2011	005
April 2011	005
May 2011	005
June 2011	005
July 2011	005
August 2011	005
September 2011	005
October 2011	005
November 2011	005

<b>Monitoring Period</b>	<b>Outfall</b>
January 2012	005
February 2012	005
March 2012	005
April 2012	005
May 2012	005
June 2012	005
July 2012	005
August 2012	005
September 2012	005
October 2012	005
November 2012	005
December 2012	005

<b>Monitoring Period</b>	<b>Outfall</b>
January 2013	005
February 2013	005
April 2013	005
May 2013	005
July 2013	005
August 2013	005
Oct – Dec 2013	003
Oct – Dec 2013	004
October 2013	005
November 2013	005
December 2013	005

<b>Monitoring Period</b>	<b>Outfall</b>
January 2014	005
February 2014	005
March 2014	005
April 2014	005
May 2014	005
July 2014	005
August 2014	005
September 2014	005

- B. Permit Limit Exceedances – The following table is a list of exceedances of permit limitations since, but not inclusive of, the February 17, 2011 inspection report:

<b>Date</b>	<b>Outfall</b>	<b>Parameter</b>	<b>Permit Limit</b>	<b>Sample Value</b>
Apr-Jun 2011	004	TSS – Monthly Avg	30 mg/L	40 mg/L
		Fecal Coliform – Monthly Avg	200 col/100 mL	1,080 col/100 mL
		Fecal Coliform – Daily Max	400 col/100 mL	1,080 col/100 mL
Jul-Sep 2011	004	Fecal Coliform – Monthly Avg	200 col/100 mL	8,200 col/100 mL
		Fecal Coliform – Daily Max	400 col/100 mL	8,200 col/100 mL
Apr-Jun 2012	003	TSS – Monthly Avg	30 mg/L	39 mg/L
		TSS – Daily Max	45 mg/L	57 mg/L
	004	TSS – Daily Max	45 mg/L	55 mg/L
		Fecal Coliform – Monthly Avg	200 col/100 mL	Failed to report
		Fecal Coliform – Daily Max	400 col/100 mL	Failed to report
Jul-Sep 2012	004	TSS – Daily Max	30 mg/L	46 mg/L
		TSS – Daily Max	45 mg/L	46 mg/L
Jan-Mar 2013	004	TSS – Monthly Avg	30 mg/L	46 mg/L
		TSS – Daily Max	45 mg/L	46 mg/L
		Fecal Coliform – Monthly Avg	200 col/100 mL	520 col/100 mL
		Fecal Coliform – Daily Max	400 col/100 mL	520 col/100 mL
Apr-Jun 2014	004	Fecal Coliform – Monthly Avg	200 col/100 mL	521 col/100 mL
		Fecal Coliform – Daily Max	400 col/100 mL	1040 col/100 mL
		pH	6 – 9 STU	Failed to report
Oct-Dec 2014	004	TSS – Monthly Avg	30 mg/L	68 mg/L
		TSS – Daily Max	45 mg/L	68 mg/L

Failure to properly operate and maintain the system of treatment; specifically, there were no chlorine tablets in the chlorinator of the sewage treatment plant that discharges through outfall 003. (LPDES permit LA0084123 (Part III, Section B.3.a), La. R.S. 30:2076(A)(3), and LAC 33:IX.2701.E.)

On or about January 17, 2009, the Respondent submitted the 2008 annual report required by Specific Condition No. 1 of Air Permit No. 2240-00034-02. According to the report, the facility's Emission Point KK-1 Kettle Fugitive Emissions is permitted for 17, 500 tons per year of steel. The facility reported 19, 290 tons per year of steel for the 2008 calendar year. This is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

On or about January 17, 2009, the Respondent submitted the 2008 annual report required by Specific Condition No. 1 of Air Permit No. 2240-00034-02. According to the report, the facility's Emission Point KK-1 Zinc Kettle Fugitive Emissions is permitted for 4.6 tons per year of zinc. The facility reported 5.02 tons per year of zinc for the 2008 calendar year. This is a violation of LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

The Respondent failed to submit the 2010 and 2012 annual reports by the February 15th deadline required by Specific Requirement No. 1 of Air Permit No. 2240-00034-02. Each failure to submit the report by the deadline is a violation of Air Permit No. 2240-00034-02, LAC 33:III.501.C.4, and La. R.S. 30:3057(A)(2).

### III

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

### IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

### V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the

amount of SEVENTEEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$17,500.00), of which Two Thousand Five Hundred Forty-Six and 61/100 Dollars (\$2,546.61) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

## VI

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the Consolidated Compliance Order & Notice of Potential Penalty, Amended Consolidated Compliance Order & Notice of Potential Penalty, Warning Letter and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

## VII

This agreement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

## VIII

This settlement is being made in the interest of settling the state's claims and avoiding for



both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

#### IX

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

#### X

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Plaquemines Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

#### XI

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XII

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XIII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

**HOBSON GALVANIZING, LLC**

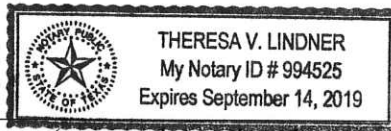
BY: Tara D. Mackey  
(Signature)

Tara D. Mackey  
(Printed)

TITLE: Secretary

THUS DONE AND SIGNED in duplicate original before me this 3rd day of January, 20 17, at Ft. Worth, TX.

Theresa V. Lindner  
NOTARY PUBLIC (ID # 994525)



(stamped or printed)

**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**

Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]  
Lourdes Iturralde, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 5th day of April, 20 17, at Baton Rouge, Louisiana.

[Signature]  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved: [Signature]  
Lourdes Iturralde, Assistant Secretary