

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

SETTOON TOWING, L.L.C.

AI # 190967

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

* Settlement Tracking No.
* SA-WE-17-0013
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* Enforcement Tracking No.
* WE-PP-14-00661
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SETTLEMENT

The following Settlement is hereby agreed to between Settoon Towing, L.L.C. (“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 barge towing facility located in St. James Parish, Louisiana (“the Facility”).

II

On March 20, 2015, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. WE-PP-14-00661, which was based upon the following findings of fact:

“On or about February 23, 2014, an inspection in response to an incident involving the E2MS 303, a barge being towed by the M/V Hannah Settoon owned and/or operated by Settoon Towing LLC, A Delaware limited liability company (Respondent), was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Water Quality

Regulations. At the time of the incident, the barge was located at the Mississippi River Mile Marker 154 near Vacherie, St. James Parish, Louisiana.

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violations were noted during the course of the February 23, 2014 inspection and a subsequent file review performed on December 2, 2014:

- A. The Respondent did cause or allow the unauthorized discharge of approximately 31,500 gallons of light crude oil into the Mississippi River. Specifically, the Respondent's vessel, the M/V Hannah Settoon, while towing the E2MS 303, collided with another vessel causing damage to the port #2 compartment of the E2MS 303 resulting in the unauthorized discharge. The unauthorized discharge is a violation of La. R.S. 30:2075.
- B. The Respondent failed to submit sixty (60) day written notification reports. Specifically, when there is an ongoing investigation of the unauthorized discharge, the Respondent shall submit a status report to the Department every sixty (60) days until the investigation has been completed. Each failure to submit a status report is a violation of LAC 33:I.3925.A.3.”

III

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

IV

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 EIGHTEEN THOUSAND FOUR HUNDRED TWENTY-EIGHT AND NO/100 DOLLARS (\$18,428.00), of which One Thousand One Hundred Twenty-Eight and No/100 Dollars (\$1,128.00) 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).

V.

Respondent further agrees that the Department may consider the inspection report(s)/permit record(s), the Notice of Potential Penalty 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.

VI

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.

VII

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.

VIII

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.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. James 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.

X

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).

XI

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

XII

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.

Settoon Towing, L.L.C.

BY: Randy D. Martin-Nez
(Signature)

Randy D. MARTIN-NEZ
(Printed)

TITLE: Executive Vice President

THUS DONE AND SIGNED in duplicate original before me this 26TH day of JUNE, 20 17, at St. Martin Parish Louisiana

Kim R. Cox
NOTARY PUBLIC (ID # 150363)
KIM R. COX
NOTARY PUBLIC ID# 150363
ST. MARTIN PARISH, LOUISIANA

My Commission expires at my death
(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 20th day of Oct, 20 17, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary