

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

BALMAR LLC

AI # 42712

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

* Settlement Tracking No.
* SA-WE-17-0065
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* Enforcement Tracking No.
* WE-CN-13-00489
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SETTLEMENT

The following Settlement is hereby agreed to between Balmar LLC (“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 Lafayette, Lafayette Parish, Louisiana (“the Facility”).

II

On June 25, 2013, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. WE-CN-13-00489, which was based upon the following findings of fact:

“The Respondent owns and/or operates a lubricant blending facility, located at 616 West Pont Des Mouton in Lafayette, Lafayette Parish, Louisiana. The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) Permit LA0089711 on September 15, 1997, which expired on September 15, 2002. The Respondent submitted a permit renewal application to the

Department on or about September 12, 2002. LPDES permit LA0108936 was inactivated and LPDES General Permit LAG480201 was issued January 16, 2003 and coverage under LAG480201 was extended until December 1, 2010 when LAG480000 was reissued. The Respondent submitted Notice of Intent (NOI) to the Department on or about March 25, 2011. Coverage under LPDES General Permit LAG480201 was reauthorized September 30, 2011, and will expire November 30, 2015. Under the terms and conditions of LPDES General Permit LAG480201, the Respondent is authorized to discharge treated sanitary wastewater, exterior vehicle washwater, equipment washwater and stormwater runoff from the facility to Francois Coulee, thence to the Vermilion River, all waters of the state.

An inspection conducted by the Department on or about April 9, 2013, and a file review conducted by the Department on or about June 4, 2013, revealed that the Respondent failed to submit a Notice of Intent to the Department that includes all the relevant facts. Specifically, the Respondent failed to disclose all types of wastewater generated at the facility (wash rack wastewater for totes and drums, drum storage containment, lubricant blending, drying racks, floor drains, etc.). The inspection also revealed that the current operations at the facility are not covered by LPDES permit LAG480201. Specifically, LPDES permit LAG480201 does not include provisions for the Respondent to discharge through a batch process. Failure to submit an NOI that includes all relevant facts is a violation of La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.L.8.

An inspection conducted by the Department on or about April 9, 2013, and a file review conducted by the Department on or about June 4, 2013, revealed that the Respondent had additional discharges that are not authorized in LPDES General Permit LAG480201. Specifically, the Respondent stated that the facility discharges wastewater and process wastewater required for lubricant blending to waters of the state. The Respondent pumps out of ring levees and puts the water

from the drum crusher, and floor cleaning in the wash water treatment system. These wastewaters are not listed as constituents of the outfall in the permit. The Respondent stated that totes and drums were being washed in the wash rack. The wash rack is only permitted for exterior equipment. Each unauthorized discharge is a violation of LPDES General Permit LAG480201 (Other Conditions, Section O), La. R.S. 30:2076(A)(1)(a), and LAC 33:IX.501.D.

An inspection conducted by the Department on or about April 9, 2013, revealed that the Respondent's discharge point is a location not authorized by the permit. Specifically, the facility's discharge point is not the permitted discharge location. The unauthorized discharge of pollutants from a location not authorized by the permit is a violation of La. R.S. 30:2076 (A) (1) (a), and LAC 33:IX.501.D.

On or about May 16, 2013, the Department's representatives became aware that the facility's procedures included the addition of tap water to both the sanitary and wash water wastewater prior to sampling and discharging. The Department received a copy of the facility's SOP for their wastewater treatment units on May 16, 2013. The SOP discussed the addition of tap water to the treated wastewater prior to discharge in two separate areas. In the definition section, the White Holding Tank is defined as "Tank used to store the treated water that has been mixed 52% with tap water before being released to the front ditch". Procedural step #13 states: "Pump the treated water into the activated carbon bin. The water is pumped into the white holding tank and mixed 50/50 with tap water". The procedural steps of the Sanitary Water Treatment (Outfall 001) SOP, states that tap water is to be added to the treated water prior to sampling and discharging. Procedural step #11 states, "Check sanitary holding tank for water level. Once the tank is ½ full of treated sanitary water fill the tank with ½ fresh water. Procedural step #14 states, "once the lab checks the Outfall 001 samples and the samples are within specified limitation then lab personnel will ok the release of the

sanitary water. The water in the sanitary holding tank is released to the front ditch that faces the main road”. To achieve effluent limitation set forth in the LPDES permit LAG480201 by dilution is a violation of LPDES permit LAG480201 (Part III, Section A.13), La. R.S. 30:2076 (A) (1) (a), and LAC 33:IX.501.A.

A file review conducted by the Department on or about June 4, 2013, revealed the Respondent failed to collect representative samples from the discharge points. Specifically, the Respondent diluted the wastewater for both wash water and sanitary prior to sampling and discharging (refer to paragraph V of the Findings of Facts). Each failure to collect a sample representative of the discharge is a violation of LPDES permit LAG480201 (Section B-Effluent Limitations, Page 11, 12 and 24 of 29, Section C, and Part III, Sections A.2, and C.2), La. R.S. 30:2076 (A) (3), and LAC 33:IX.2701.J.1.”

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

A file review conducted by the Department on or about September 20, 2016, revealed that the Respondent exceeded effluent limitations. These effluent limitation exceedances, as reported by the Respondent on Discharge Monitoring Reports (DMRs), are summarized below:

MP End Date	Outfall	Parameter	Limit	DMR Value	Units
08/31/2013	004-A	Lead, total [as Pb] --- DAILY MX	150	680	ug/L
		Zinc	1000	1380	ug/L
09/30/2013	004-A	Lead, total [as Pb] --- DAILY MX	150	254	ug/L
12/31/2013	001-S	Fecal Coliform - Monthly Average	200	230	col/100 mL
02/28/2014	003-A	Lead, total [as Pb] --- DAILY MX	150	166	ug/L
	004-A	Lead, total [as Pb] --- DAILY MX	150	251	ug/L
06/30/2014	001-S	Solids, total suspended --- MO AVG	30	108	mg/L
		Solids, total suspended --- DAILY MX	45	86	mg/L
12/31/2014	002-Q	Oxygen demand, chem. [high level] [COD] --- MO AVG	200	259	mg/L
	004-A	Lead, total [as Pb] --- DAILY MX	150	179	ug/L

Each effluent exceedance for Outfalls 001-S and 002-Q is a violation of LPDES permit LAG480201 (Section B, Effluent Limitations, Pages 11 and 12 of 29 prior to May 1, 2015; and Standard Conditions for LPDES Permits, Section A.2), La. R.S. 30:2076(A)(3), and LAC 33:IX.501.A. All of the other effluent exceedances occurring prior to May 1, 2015, listed in the table above, are violations of the interim limits set forth in Paragraph II.A of the **Order** section of **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-13-00489**, La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A.

A file review conducted by the Department on or about September 20, 2016, revealed that the Respondent failed to report the following data in accordance with Paragraph II.A of the **Order** section of **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-13-00489**, issued to the Respondent on June 25, 2013:

Monitoring Period	Outfall	Parameter
08/2013	003	Total BTEX
	004	Total BTEX
09/2013	003	Total BTEX
	004	Total BTEX
11/2013	003	Total BTEX
	004	Total BTEX
01/2014	004	Total BTEX
02/2014	004	Total BTEX
04/2014	004	Total BTEX
05/2014	004	Total BTEX
06/2014	004	Everything except Flow, TOC, Oil & Grease, & Lead
07/2014	004	Total BTEX
10/2014	004	Total BTEX
12/2014	004	Total BTEX
01/2015	004	Total BTEX
02/2015	004	Total BTEX
03/2015	004	Total BTEX

Each failure to report the required data is a violation of **CONSOLIDATED COMPLIANCE**

ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-13-00489, La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A.

A file review conducted by the Department on or about September 20, 2016, revealed that the Respondent failed to sample Outfalls 003 and 004 for all parameters in accordance with the interim limits set forth in Paragraph II.A of the **Order** section of **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-13-00489**, issued to the Respondent on June 25, 2013, for the monitoring period of April 2015. Additionally, the Respondent failed to sample Outfall 002 for BTEX for the monitoring period of October 2015. Each failure to sample prior to May 1, 2015, is a violation of **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY WE-CN-13-00489**, La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A. The failure to sample after May 1, 2015, is a violation of LPDES permit LA0126881 (Permit Requirements, Page 1 of 11; and Standard Conditions for LPDES Permits, Sections A.2, and C.2), La. R.S. 30:2076 (A)(3), and LAC 33:IX.501.A.

A file review conducted by the Department on or about September 20, 2016, revealed that the Respondent failed to submit a monthly DMR for Outfall 002 for July of 2015. The failure to submit a DMR is a violation of LPDES permit LA0126881 (Permit Requirements, Page 6 of 11; and Standard Conditions for LPDES Permits, Sections A.2 and D.4), La. R.S. 30:2076 (A)(3), and LAC 33:IX.2701.L.4.a.

A file review conducted by the Department on or about September 20, 2016, revealed that the Respondent failed to follow approved laboratory standards for Outfalls 002, 003, and 004. Specifically, the laboratory used an improper analysis method to process Lead samples for the monthly monitoring periods of May 2015 through December 2015. Each failure to utilize approved laboratory standards is a violation of LPDES permit LA0126881 (Standard Conditions for LPDES

Permits, Sections A.2 and C.5.a), La. R. S. 30:2076 (A)(3), and LAC 33:IX.2701.E.

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 TWENTY-TWO THOUSAND AND NO/100 DOLLARS (\$22,000.00), of which One Thousand Four Hundred Sixty-Eight and 72/100 Dollars (\$1,468.72) 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 Consolidated Compliance Order & 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 Lafayette 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 in five (5) equal installments. The first installment of \$4,400.00 shall be paid within ten (10) days from notice of the Secretary's signature. The remaining four (4) installments of \$4,400.00 each shall be paid quarterly thereafter; all installments shall be paid within

one year of the due date of the first installment. 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.

BALMAR LLC

BY: [Signature]
(Signature)

Randall Ahnabi
(Printed)

TITLE: Mgr

THUS DONE AND SIGNED in duplicate original before me this 30th day of July, 20 18, at 3:06pm.

[Signature]
NOTARY PUBLIC (ID # 129926)

My commission expires at death

Kori Hollier
(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 29th day of Oct, 20 18, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Therioz
(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary