

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

GULF ISLAND FABRICATION, INC.

AI # 23501

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

* Settlement Tracking No.
* SA-HE-17-0054
*
* Enforcement Tracking No.
* HE-CN-16-00240
*
*
*
*
*

SETTLEMENT

The following Settlement is hereby agreed to between Gulf Island Fabrication, 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 corporation that owns and/or operates a steel structure fabricating facility located in Houma, Terrebonne Parish, Louisiana (“the Facility”).

II

On May 2, 2016, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. HE-CN-16-00240, which was based upon the following findings of fact:

“The Respondent owns and/or operates Gulf Island Fabrication – West Yard located at 301 Bayou Dularge Road, Houma, Terrebonne Parish, Louisiana (the Site). The facility fabricates steel structures used for offshore exploration and production. The facility operates under the EPA identification number LAD985212158 and has notified the Department as a large quantity generator of hazardous waste.

On or about September 17, 2015, the Department conducted an inspection of the facility which revealed the following violations:

- A. The Respondent stored regulated hazardous waste for more than ninety (90) days without a permit or other authorization, in violation of LAC 33:V.303.B. Specifically, in the West Yard, the Respondent stored a fifty-five (55) gallon drum of paint waste (D001, F003, F005) onsite for greater than ninety (90) days without obtaining a hazardous waste storage permit. Furthermore, the drum of paint waste was closed and dated June 12, 2015.
- B. The Respondent failed to mark satellite accumulation containers of hazardous waste with the words "Hazardous Waste," or other words that identify the contents as a hazard, in violation of LAC 33:V.1109.E.4. Specifically, there was a partially full fifty-five (55) gallon drum of paint waste (D001, F003, and F005) in the satellite accumulation area that was not labeled. A representative of the Respondent labeled the drum of paint waste with the words "Hazardous Waste" during the inspection; therefore, this violation has been addressed.
- C. The Respondent failed to keep hazardous waste containers closed during storage, except when necessary to add or remove hazardous waste, as specified in LAC 33:V.2107.A, in violation of LAC 33:V.1109.E.4. Specifically, there was a partially full fifty-five (55) gallon drum of paint waste (D001, F001, and F005) in the satellite accumulation area that was not closed. A representative of the Respondent closed the drum of paint waste during the inspection; therefore, this violation has been addressed.
- D. The Respondent failed to contain universal waste lamps in containers or packages that are structurally sound, adequate to prevent breakage, and compatible with the contents of the

lamps, in violation of LAC 33:V.3843.D.1. Specifically, the Respondent stored waste fluorescent light bulbs on the top shelf of a storage rack in a locked storage container.”

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 TWO THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$2,500.00), of which Four Hundred Three and 29/100 Dollars (\$403.29) 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 Terrebonne 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.

Gulf Island Fabrication, Inc.

BY: William G. Blanchard
(Signature)

WILLIAM G. BLANCHARD
(Printed)

TITLE: VICE PRES. - FAB DIVISION

THUS DONE AND SIGNED in duplicate original before me this 5th day of February, 20 18, at Houma, LA.

William S. Bordelon
NOTARY PUBLIC (ID # 9151)

William S. Bordelon
(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 13th day of April, 20 18, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19181)

Perry Theriot
(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary