

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

MUSTANG COATINGS, LLC

AI # 191278

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

* Settlement Tracking No.
* SA-MM-20-0102
*
* Enforcement Tracking No.
* MM-PP-19-00302
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SETTLEMENT

The following Settlement is hereby agreed to between Mustang Coatings, 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 owned and/or operated an industrial sandblasting and painting facility located in Greenwell Springs, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On June 21, 2019, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. MM-PP-19-00302 (Exhibit 1).

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 NO/100 DOLLARS (\$2,500.00), of which Nine Hundred Twenty and 91/100 Dollars (\$920.91) 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), 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 East Baton Rouge 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.

MUSTANG COATINGS, LLC

BY: Pat Crawford
(Signature)

PAT Crawford
(Printed)

TITLE: General Manager

THUS DONE AND SIGNED in duplicate original before me this 8th day of April, 20 21, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 19989)
Commission - life

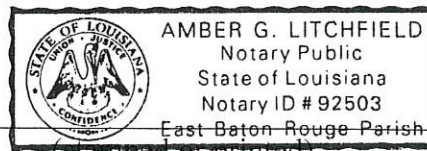
(stamped or printed)

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 10th day of August, 20 21, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)



(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

June 21, 2019



CERTIFIED MAIL (7018 1830 0000 5751 5296)
RETURN RECEIPT REQUESTED

MUSTANG COATINGS, LLC
c/o Julia Folse
Agent for Service of Process
15060 Bluff Road
Prairieville, Louisiana 70769

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. MM-PP-19-00302
AGENCY INTEREST NO. 191278**

Dear Madam:

On or about November 27, 2018, an inspection of **MUSTANG COATINGS, LLC**, an industrial sandblasting and painting facility, owned and/or operated by **MUSTANG COATINGS, LCC (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste and Air Regulations. The facility is located at 37637 Greenwell Springs Road in Greenwell Springs, East Baton Rouge Parish, Louisiana. The facility notified the Department as a small quantity generator of hazardous waste on July 25, 2016, and operates under EPA identification number LAR000091801.

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 inspection:

- A. The Respondent failed to obtain an active EPA identification number within fourteen (14) days after first generating any hazardous waste, in violation of LAC 33:V.1105.A. Specifically, the facility submitted an HW-1 Form to the Department notifying as a hazardous waste generator on July 25, 2016; however, Bills of Lading reviewed during the November 27, 2018 inspection indicate the Respondent began generating hazardous waste on or before January 12, 2016.
- B. The Respondent failed to clearly mark containers of hazardous waste with the accumulation start date, in violation of LAC 33:V.1109.E.7.c, as specified in LAC 33:V.1109.E.1.c. Specifically, during the November 27, 2018 inspection, two (2) fifty-five (55) gallon drums of hazardous waste paint (D001, D035,

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- F003, F005) in the Less Than 180-Day Storage Area, located on the east side of the facility outside of the Paint Shed under a cover, were not marked with an accumulation start date. A representative of the Respondent had these drums marked with an accumulation start date (June 4, 2018 and November 20, 2018) during the inspection.
- C. The Respondent failed to clearly mark containers of hazardous waste with the words "Hazardous Waste," in violation of LAC 33:V.1109.E.7.c, as specified in LAC 33:V.1109.E.1.d. Specifically, during the November 27, 2018 inspection, two (2) fifty-five (55) gallon drums of hazardous waste paint (D001, D035, F003, F005) in the Less Than 180-Day Storage Area, located on the east side of the facility outside of the Paint Shed under a cover, were not labeled "Hazardous Waste." A representative of the Respondent had these drums labeled "Hazardous Waste" during the inspection.
- D. The Respondent failed to keep a container holding hazardous waste closed during storage, except when it is necessary to add or remove waste, in violation of LAC 33:V.1109.E.7.a, as specified in LAC 33:V.2107.A. Specifically, one (1) fifty-five (55) gallon drum of hazardous waste paint (D001, D035, F003, F005) in the Less Than 180-Day Storage Area, located on the east side of the facility outside of the Paint Shed under a cover, was equipped with a funnel but did not have a gasket on the lid, and was therefore not closed. In a response to the inspection received by the Department on or about December 4, 2018, a representative of the Respondent provided a photograph showing a valve has been added between the funnel and the top of the drum, so that the drum is now closed except when adding or removing waste.
- E. The Respondent failed to maintain best practical housekeeping and maintenance practices at the highest possible standards to reduce the quantity of organic compounds emissions. Specifically, the Respondent had two (2) five-gallon buckets of thinner/solvent open in the blast yard and multiple open containers of product paint and unspent thinner in the North and South Warehouses. The Respondent failed to ensure containers of volatile organic compounds were not to be left open and the contents allowed to evaporate. This is a violation of LAC 33:III.2113.A.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2). During the inspection, the Respondent had the contents of the buckets transferred to a hazardous waste drum and covered the containers of thinner/solvent.
- F. The Respondent failed to notify the Office of Environmental Services within seven (7) days of a change in information, in violation of LAC 33:V.1105.B. Specifically, during the November 27, 2018 inspection it was discovered that the site contact that was listed on the facility's most recent HW-1 Form, signed July 25, 2016, had left the company in approximately April 2018. An updated HW-1 Form listing the current site contact was submitted to the Department by a representative of the Respondent on or about December 4, 2018.
- G. The Respondent failed to keep a copy of each manifest signed in accordance with LAC 33:V.1107.D.1, in violation of LAC 33:V.1111.A.1. Specifically, during the November 27, 2018 inspection, one (1) manifest (manifest #017983706 JJK dated December 12, 2017) was found that did not have a copy

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containing the handwritten signature from the designated facility. In a response to the inspection received by the Department on or about December 4, 2018, a representative of the Respondent provided a copy of this signed manifest.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Amanda Marshall at (225) 219-3095 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

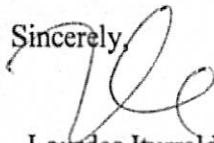
For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

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Sincerely,



Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

LI/ACM/mlk
Alt ID No. LAR000091801



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION
 POST OFFICE BOX 4312
 BATON ROUGE, LOUISIANA 70821-4312

**NOTICE OF POTENTIAL PENALTY
 REQUEST TO SETTLE (OPTIONAL)**

Enforcement Tracking No.	MM-PP-19-00302	Contact Name	Amanda Marshall
Agency Interest (AI) No.	191278	Contact Phone No.	(225) 219-3095
Alternate ID No.	LAR000091801		
Respondent:	Mustang Coatings, LLC	Facility Name:	Mustang Coatings, LLC
	c/o Julia Folse	Physical Location:	37637 Greenwell Springs Road
	Agent for Service of Process		
	15060 Bluff Road	City, State, Zip:	Greenwell Springs, LA 70739
	Prairieville, LA 70769	Parish:	East Baton Rouge

SETTLEMENT OFFER (OPTIONAL)

(check the applicable option)

The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:I.Subpart1.Chapter7.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY** (MM-PP-19-00302), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY** (MM-PP-19-00302), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance.

- Monetary component = \$ _____
- Beneficial Environmental Project (BEP) component (optional)= \$ _____
- **DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.**

The Respondent has reviewed the violations noted in **NOTICE OF POTENTIAL PENALTY** (MM-PP-19-00302) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT

I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:

Louisiana Department of Environmental Quality
 Office of Environmental Compliance
 Enforcement Division
 P.O. Box 4312
 Baton Rouge, LA 70821
 Attn: Amanda Marshall