STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF: * Settlement Tracking No.

SA-AE-16-0039

FLUID CRANE AND CONSTRUCTION, INC.

Enforcement Tracking No.

AI # 24393 * AE-CN-10-00560

*

PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT

LA. R.S. 30:2001, <u>ET SEQ.</u>

SETTLEMENT

The following Settlement is hereby agreed to between Fluid Crane and Construction, 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 an oilfield equipment fabrication facility located in New Iberia, Iberia Parish, Louisiana ("the Facility").

II

On July 13, 2010, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. AE-CN-10-00560, which was based upon the following findings of fact:

"The Respondent owns and/or operates the Fluid Crane and Construction Facility, an oilfield equipment fabrication facility, located at 5411 Hwy 90 West in New Iberia, Iberia Parish, Louisiana. The facility is currently operating under State Air Permit No. 1260-00081-00, issued on or about November 27, 1996.

On or about February 9, 2010 an inspection of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations. On or about April 19, 2010 a file review was conducted. While the Department's investigation is not yet complete, the following violations were noted during the course of the inspection and subsequent file review:

- A. On or about February 9, 2010, the Department received a citizen complaint alleging that the facility's emissions were traveling beyond the facility and depositing on the complainant's property. The emission of particulate matter beyond the facility's property has been observed by Departmental inspectors. This failure to prevent abrasive blasting operations from creating a nuisance is a violation of LAC 33:III.1329.F.
- B. An inspection conducted on or about February 9, 2010, revealed that one of the walls of the facility's blasting shed had a hole. This failure to maintain emission control equipment is a violation of Specific Condition No. 1 of State Air Permit 1260-00081-00, LAC 33:III.1329.H, LAC 33:III.501.C.4, and La R.S. 2057(A)(2).
- C. An inspection conducted on or about February 9, 2010, revealed that the facility did not have a diagram describing the blasting area(s). The facility also failed to maintain a blasting log documenting particulate emissions. This failure to maintain proper records is in violation of LAC 33:III.1333.A."

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

An inspection conducted on or about June 1, 2010, revealed that blasting screens were not properly overlapped at the seams. This failure to properly enclose an item to be blasted is a violation of LAC 33:III.1329.A.1.

An inspection conducted on or about June 1, 2010, revealed that blasting screens were not properly overlapped at the seams. This failure to ensure that tarps have overlapping seams is a violation of LAC 33:III.1329.C.1.

An inspection conducted on or about June 1, 2010, revealed that there were holes in the side walls along the base of the metal blasting shed. Further, several of the blasting screens were found to

have tears. This failure to repair a single tear greater than one foot in length or tears greater than six inches each is a violation of LAC 33:III.1329.C.3.

The inspection conducted on or about June 1, 2010 was the result of a complaint received by the Department on or about May 26, 2010 regarding particulate emissions leaving the site. This failure to prevent abrasive blasting activities from causing a nuisance is a violation of LAC 33:III.1329.F.

The failure to maintain emission control equipment as noted during the inspection conducted on or about June 1, 2010 is a violation of LAC 33:III.1329.H, LAC 33:III.501.C.4, and La R.S. 2057(A)(2).

At the time of inspection on or about June 1, 2010, the Respondent was unable to provide to the Department's inspector blasting and painting logs for the month of May, 2010. This failure to maintain equipment and operational data is a violation of LAC 33:III.1333.

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 SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$7,500.00), of which Three Hundred Seven and 92/100 Dollars (\$307.92) 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).

Respondent further agrees that the Department may consider the inspection report(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.

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

FLUID CRANE AND CONSTRUCTION, INC.

BY	(Signature) Ross M Bonin (Printed) TLE: 18E DIRECTOR
THUS DONE AND SIGNED in duplicate 50 17	te original before me this day of , at ta
NOTARY 10 10 10 10 10 10 10 10 10 10 10 10 10	NOTARY PUBLIC (ID #59497) Angel Delcambre (stamped or printed)
BY	LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY Chuck Carr Brown, Ph.D., Secretary Lourdes Iturralde, Assistant Secretary Office of Environmental Compliance
THUS DONE AND SIGNED in duplicat	te original before me this day of Baton Rouge, Louisiana. NOTARY PUBLIC (ID # / 9 / V)
Approved:	Terry Theriof (stamped or printed)