

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

**SOUTHLAND INDUSTRIAL COATINGS
LLC**

AI # 2093

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

* **Settlement Tracking No.**

* **SA-HE-25-0082**

*

*

* **Enforcement Tracking No.**

* **HE-CN-23-00325**

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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Southland Industrial 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 owns and/or operates a welding, painting, and hot dip galvanizing facility located in Amite, Tangipahoa Parish, Louisiana (“the Facility”).

II

On September 12, 2023, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. HE-CN-23-00325 (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 SEVENTEEN THOUSAND TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$17,250.00), of which Three Thousand Seventy-Five and 62/100 Dollars (\$3,075.62) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement 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 Agreement 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 Settlement 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 Settlement Agreement in any action by the Department to enforce this Settlement Agreement.

VII

This Settlement Agreement 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 Agreement, 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 Tangipahoa Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement 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 thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement Agreement is voidable at the option of the Department. The Respondent shall provide its tax identification number when submitting payment. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accounts Receivable, Financial Services Division, Department of

Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303 or by Electronic Funds Transfer (EFT) to the Department of Environmental Quality, in accordance with instructions provided to Respondent by the Financial Services Division. Each payment shall be accompanied by a completed Settlement Payment Form attached hereto.

XI

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

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.

**SOUTHLAND INDUSTRIAL
COATINGS LLC**

BY: _____
(Signature)

(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at _____.

NOTARY PUBLIC (ID # _____)

(stamped or printed)

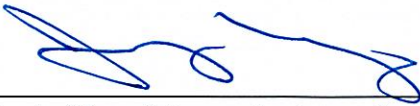
**LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY**
Courtney J. Burdette, Secretary

BY: _____
Jerrie "Jerry" Lang, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at Baton Rouge, Louisiana.

NOTARY PUBLIC (ID # _____)

(stamped or printed)

Approved:  _____
Jerrie "Jerry" Lang, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



ROGER W. GINGLES
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

SEP 12 2023

CERTIFIED MAIL (7022 2410 0001 1710 2541)
RETURN RECEIPT REQUESTED



SOUTHLAND INDUSTRIAL COATINGS LLC

c/o Joseph Lombardo
Agent for Service of Process
251 Greensburg Street
Greensburg, Louisiana 70441

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. HE-CN-23-00325
AGENCY INTEREST NO. 2093**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **SOUTHLAND INDUSTRIAL COATINGS LLC (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Klaryce Hamilton at (225)-219-3373 or Klaryce.Hamilton@la.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela Marse".

Angela Marse
Administrator
Enforcement Division

AM/KNH/knh
Alt ID No. LAD985228972
Attachment

c: Daniel Touchstone
13040 Foulks Lane
Amite City, LA 70422

**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE**

IN THE MATTER OF	*	
	*	
SOUTHLAND INDUSTRIAL COATINGS LLC	*	ENFORCEMENT TRACKING NO.
TANGIPAHOA PARISH	*	
ALT ID NO. LAD985228972	*	HE-CN-23-00325
	*	
	*	AGENCY INTEREST NO.
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT,	*	2093
La. R.S. 30:2001, ET SEQ.	*	

**CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **SOUTHLAND INDUSTRIAL COATINGS LLC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates Southland Industrial Coatings LLC-Amite Facility (the Facility), a welding, painting, and hot dip galvanizing facility, located at 13040 Foulks Lane in Amite, Tangipahoa Parish, Louisiana. The Facility is registered as a large quantity generator of hazardous waste and operates under EPA identification number LAD985228972.

II.

On or about May 1, 2023, the Department issued a Warning Letter, HE-L-23-00325, to the Respondent for violations noted during an inspection conducted on or about January 24, 2023. On June 7, 2023, a representative of the Respondent submitted a response to the Warning Letter; however, the response was not sufficient to verify corrective actions for all noted violations.

III.

On or about January 24, 2023, the Department conducted a full compliance evaluation inspection (CEI) at the above referenced Facility and a subsequent file review on August 28, 2023 to determine the degree of compliance with the Act and the supporting Hazardous Waste Regulations. While the investigation by the Department is not yet complete, the following violations were noted during the course of the inspection:

- A. The Respondent failed to label containers and tanks accumulating hazardous waste with the words "Hazardous Waste", in violation of LAC 33:V.1015.B.5.a.i. Specifically, the Respondent failed to label the following containers with the words "Hazardous Waste":
 - i. eighteen (18) 1-gallon containers, located in the less than 90 day storage area, identified by a representative of the Respondent as hazardous waste paint (D001);
 - ii. one (1) 5-gallon container, one-third full, located in the less than 90 day storage area, identified by a representative of the Respondent as containing hazardous waste acetone (D001);
 - iii. two (2) 220-gallon totes, located in the less than 90 day container storage area, identified by a representative of the Respondent as containing hazardous waste acid and spent pickle liquor (D002, K062);
 - iv. four (4) 10,000-gallon less than 90 day storage tanks, located in the Acid/ Product, Acid Waste, Storage Tanks area, identified by a representative of the Respondent as containing hazardous waste acid and spent pickle liquor (D002, K062); and
 - v. eight (8) 55-gallon drums, located in the painting area, identified by a representative of the Respondent as containing hazardous paint waste/spent solvents (D001).
- B. The Respondent failed to label containers accumulating hazardous waste with an indication of the hazards of the contents of the containers, in violation of LAC 33:V.1015.B.5.a.ii. Specifically, the Respondent failed to indicate the hazardous characteristics on the following containers:
 - i. eighteen (18) 1-gallon containers, located in the less than 90 day storage area, identified by a representative of the Respondent as hazardous waste paint (D001);
 - ii. one (1) 5-gallon container, one-third full, located in the less than 90 day storage area, identified by a representative of the Respondent as containing hazardous waste acetone (D001);

- iii. two (2) 220-gallon totes, located in the less than 90 day container storage area, identified by a representative of the Respondent as containing hazardous waste acid and spent pickle liquor (D002, K062); and
 - iv. eight (8) 55-gallon drums, located in the painting area, identified by a representative of the Respondent as containing hazardous paint waste/spent solvents (D001).
- C. The Respondent failed to mark or label containers and tanks with the date upon which each period of accumulation begins; the date shall be clearly visible for inspection on each container, in violation of LAC 33:V.1015.B.5.b. Specifically, the Respondent failed to label the following containers with an accumulation start date:
 - i. eighteen (18) 1-gallon containers, located in the less than 90 day storage area, identified by a representative of the Respondent as hazardous waste paint (D001);
 - ii. one (1) 5-gallon container, one-third full, located in the less than 90 day storage area, containing hazardous waste acetone (D001);
 - iii. two (2) 220-gallon totes, located in the less than 90 day storage area, identified by a representative of the Respondent as containing hazardous waste acid and spent pickle liquor (D002, K062); and
 - iv. eight (8) 55-gallon drums, located in the painting area, identified by a representative of the Respondent as containing hazardous paint waste/spent solvents (D001).
- D. The Respondent failed to keep inventory logs or records documenting that tanks accumulating hazardous waste have been emptied and cleaned of all residues and/or sludges at least once in each 90-day period, as specified in LAC 33:V.1909.D, in violation of LAC 33:V.1015.B.2.c. Specifically, four (4) 10,000-gallon tanks, located in the Acid/Product, Acid Waste, Storage Tanks area, identified by a representative of the Respondent as containing hazardous waste acid and spent pickle liquor (D002, K062), were observed without an accumulation start date, and inventory logs or records were not provided to indicate when the tanks were emptied and cleaned of all residues or sludges.
- E. The Respondent failed to notify the Office of Environmental Services within seven (7) days when information submitted in the notification of hazardous waste activity changed, in violation of LAC 33:V.1017.A. Specifically, the Respondent failed to include EPA hazardous waste code K062 for spent pickle liquor generated at the facility on the most recent HW-1 Notification Form dated April 4, 2022.

- F. The Respondent failed to include total quantity by type of waste handled and how waste was disposed, treated, or stored on the 2021 Hazardous Waste Annual Report, in violation of LAC 33:V.1021.B. Specifically, the Respondent failed to include EPA hazardous waste code K062 for spent pickle liquor generated at the facility on the 2021 Hazardous Waste Annual Report. A file review, conducted on or about August 28, 2023, revealed the Respondent also failed to include EPA hazardous waste code K062 for spent pickle liquor generated at the facility on the 2022 Hazardous Waste Annual Report.
- G. The Respondent failed to include all EPA hazardous waste codes on hazardous waste manifests as required by Hazardous Materials Regulations of the Louisiana Department of Public Safety in LAC 33:V. Subpart 2. Chapter 101, in violation of LAC 33:V.1107.B.1.d. Specifically, the Respondent failed to include EPA hazardous waste code K062 for spent pickle liquor generated at the facility on one (1) hazardous waste manifest for 2021 and eighty-three (83) hazardous waste manifests for 2022.
- H. The Respondent failed to ensure all facility personnel successfully completes a program of classroom instruction, online training, or on-the-job training that teaches them to perform their duties in a way that ensures compliance with LAC 33:V. Chapter 10, and includes all of the elements described in LAC 33:V.1015.B.7.d, in violation of LAC 33:V.1015.B.7.a.i. Specifically, the Respondent failed to provide an adequate hazardous waste training program that trains employees on proper procedures including labeling, placarding, and dating containers containing hazardous waste.

COMPLIANCE ORDER

Based on the foregoing, the Respondent is **hereby ordered**:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Hazardous Waste Regulations.

II.

To label or mark clearly, immediately upon receipt of this **COMPLIANCE ORDER**, all containers and tanks accumulating hazardous with the words "Hazardous Waste", in accordance with LAC 33:V.1015.B.5.a.i.

III.

To label or mark clearly, immediately upon receipt of this **COMPLIANCE ORDER**, all containers accumulating hazardous waste with an indication of the hazards of the contents in the containers and tanks, in accordance with LAC 33:V.1015.B.5.a.ii.

IV.

To label, immediately upon receipt of this **COMPLIANCE ORDER**, all containers of hazardous waste with the accumulation start date, in accordance with LAC 33:V.1015.B.5.b.

V.

To begin, immediately upon receipt of this **COMPLIANCE ORDER**, keeping inventory logs or records documenting that tanks accumulating hazardous waste are emptied and cleaned of all residues and/or sludges at least once in each 90-day period, in accordance with LAC 33:V.1015.B.2.c. and LAC 33:V.1909.D.

VI.

To submit to the Office of Environmental Services, within seven (7) days after receipt of this **COMPLIANCE ORDER**, an updated and accurate HW-1 Notification Form. The HW-1 Notification Form shall include the correct hazardous waste numbers for all hazardous waste generated, in accordance with LAC 33:V.1017.A. The Respondent shall also submit a copy of the HW-1 Notification Form to the Enforcement Division.

VII.

To submit to the Office of Environmental Services, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, amended and accurate Hazardous Waste Annual Reports for the 2021 and 2022 reporting years that includes all applicable hazardous waste numbers, as referenced in Findings of Fact Paragraph III.F.

VIII.

To notify in writing, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the destination facility to include all applicable hazardous waste codes to the hazardous waste manifests referenced in Finding of Facts Paragraph III.G. The Respondent shall submit copies of the written notification to the Enforcement Division within fifteen (15) days after completion.

IX.

To institute procedures, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, to ensure all facility personnel successfully complete a program that teaches them to perform their duties in a way that ensures compliance with LAC 33:V. Chapter 10 and includes all the elements described in LAC 33:V.1015.B.7.d, as specified in LAC 33:V.1015.B.7.a.i. Copies of training materials and facility personnel attendance logs shall be submitted to the Enforcement Division within fifteen (15) days after completion.

X.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attn: Klaryce Hamilton
Re: Enforcement Tracking No. HE-CN-23-00325
Agency Interest No. 2093

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. HE-CN-23-00325
Agency Interest No. 2093

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Division of Administrative Law (DAL) Procedural Rules. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in

an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

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

NOTICE OF POTENTIAL PENALTY

I.

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.

II.

Prior to the issuance of additional appropriate enforcement action(s), 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 Klaryce Hamilton at (225)-219-3373 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

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 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 violation(s) 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 that 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.

IV.

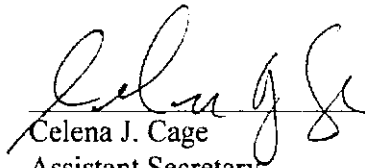
The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may

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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY** portion but no later than ninety (90) days of achieving compliance with the **COMPLIANCE ORDER** portion. 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.

V.


This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 12th day of September, 2023.


Celena J. Cage
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Klaryce Hamilton

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY OFFICE OF ENVIRONMENTAL COMPLIANCE ENFORCEMENT DIVISION POST OFFICE BOX 4312 BATON ROUGE, LOUISIANA 70821-4312		CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE			
Enforcement Tracking No.	HE-CN-23-00325	Contact Name	Klaryce Hamilton		
Agency Interest (AI) No.	2093	Contact Phone No.	(225) 219-3373		
Alternate ID No.	LAD985228972				
Respondent:	Southland Industrial Coatings LLC	Facility Name:	Southland Industrial Coatings LLC, - Amite facility		
	c/o Joseph Lombardo	Physical Location:	13040 Foulks Lane		
	Agent for Service of Process				
	251 Greensburg Street	City, State, Zip:	Amite, Louisiana 70422		
	Greensburg, Louisiana 70441	Parish:	Tangipahoa		
STATEMENT OF COMPLIANCE					
STATEMENT OF COMPLIANCE			Date Completed	Copy Attached?	
A written report was submitted in accordance with Paragraph X of the "Order" portion of the COMPLIANCE ORDER.					
All necessary documents were submitted to the Department within 7 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph VI of the "Order" portion of the COMPLIANCE ORDER.					
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph VII of the "Order" portion of the COMPLIANCE ORDER.					
All necessary documents were submitted to the Department within 45 days of receipt of the COMPLIANCE ORDER in accordance with Paragraphs VIII and IX of the "Order" portion of the COMPLIANCE ORDER.					
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:					
SETTLEMENT OFFER (OPTIONAL)					
<i>(check the applicable option)</i>					
<input type="checkbox"/>	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 33:1.Subpart1.Chapter7.				
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (HE-CN-23-00325), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.				
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (HE-CN-23-00325), 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. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion. <ul style="list-style-type: none"> • 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 CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (HE-CN-23-00325) 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: Klaryce Hamilton		

SETTLEMENT AGREEMENTS

WHAT IS A SETTLEMENT AGREEMENT?

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

		NATURE AND GRAVITY OF THE VIOLATION		
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY		MAJOR	MODERATE	MINOR
	MAJOR	\$32,500 to \$20,000	\$20,000 to \$15,000	\$15,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000	\$5,000 to \$3,000
	MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

Degree of Risk to Human Health or Property

Major: (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.

Moderate: (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions.

Minor: (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

Nature and Gravity of the Violation

Major: Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.

Moderate: Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.

Minor: Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

The range is adjusted using the following violator specific factors:

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.



SETTLEMENT AGREEMENTS

Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times (\text{Penalty Event Maximum} - \text{Penalty Event Minimum}))$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

WHAT IS A BEP?

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement.

Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

WHAT HAPPENS IF MY OFFER IS REJECTED?

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?

Settlement Offers	searchable in EDMS using the following filters Media: Air Quality, Function: Enforcement, Description: Settlement
Settlement Agreements	Enforcement Division's website specific examples can be provided upon request
Penalty Determination Method	LAC 33:I Chapter 7
Beneficial Environmental Projects	LAC 33:I Chapter 25 FAQs
Judicial Interest.....	provided by the Louisiana State Bar Association

