

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2005-0143-IWD-E TCEQ ID NOS: 03479 AND RN100870179 CASE NO.: 24028
RESPONDENT NAME: SEA LION TECHNOLOGY, INC.

Page 1 of 2

ORDER TYPE:

<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> EMERGENCY ORDER	

CASE TYPE:

<input type="checkbox"/> AGRICULTURE	<input type="checkbox"/> AIR	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE	<input type="checkbox"/> MUNICIPAL SOLID WASTE
<input type="checkbox"/> OCCUPATIONAL CERTIFICATION	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> RADIOACTIVE WASTE
<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL	<input type="checkbox"/> USED OIL
<input type="checkbox"/> USED OIL FILTER	<input checked="" type="checkbox"/> WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: 5700 Century Boulevard, Texas City, Galveston County

TYPE OF OPERATION: Industrial wastewater treatment

SMALL BUSINESS: Yes No

OTHER SIGNIFICANT MATTERS: There are no previous complaints. There is no record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on October 9, 2006. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney: Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019; Ms. Jennifer Cook, Litigation Division, MC 175, (512) 239-1873

TCEQ Enforcement Coordinator: Ms. Libby Hogue, Enforcement Division, Section I, MC 219, (512) 239-1165

TCEQ Regional Contact: Mr. Stephen Smith, Houston Regional Office, MC R-12, (713) 767-3581

Respondent: Ms. Kim Stratton, Environmental Manager, Sea Lion Technology, Inc., P.O. Box 1807, Texas City, Texas 77592

Respondent's Attorney: Not represented by counsel.

**RESPONDENT'S NAME: SEA LION TECHNOLOGY, INC.
DOCKET NO.: 2005-0143-IWD-E**

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date(s) of Investigation(s) Relating to this Case: December 2, 2004 and April 26, 2005</p> <p>Date(s) of NOV(s)/NOE(s) Relating to this Case: December 14, 2004 (NOE)</p> <p>Background Facts: An Agreed Order was mailed to the Respondent for signature on November 18, 2005. The Litigation Division received the signed Agreed Order and full penalty payment December 14, 2005. As the case was being prepared for agenda, modifications needed to be made to the order and correction letters obtained, causing a delay in getting the order set on the Commissioner's agenda.</p> <p>The Respondent in this case does not owe any other penalties according to the Administrative Penalty Database Report.</p> <p>IWD</p> <p>Allowed exceedances of the permitted TPDES effluent limits (all maximum limitations) at outfall 201A [TEX WATER CODE § 26.121, 30 TEX. ADMIN. CODE § 305.125(1), and TPDES Permit No. 03479, Effluent Limitations and Monitoring Requirements].</p>	<p>Total Assessed: \$9,950</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$9,950</p> <p>The Respondent has paid the administrative penalty in full.</p> <p>Site Compliance History Classification: <input type="checkbox"/> High <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification: <input type="checkbox"/> High <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provision(s)</p> <p>The Respondent came into compliance in October 2004.</p>

Penalty Calculation Worksheet (PCW)
Policy Revision 2 (September 2002) PCW Revision December 10, 2004

TCEQ	DATES	Assigned 20-Dec-2005	PCW 31-Jan-2005	Screening 19-Jan-2005	Priority Due 18-Feb-2006	EPA Due
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RESPONDENT/FACILITY INFORMATION	
Respondent	Sea Lion Technology, Inc.
Reg. Ent. Ref. No.	RN100870179
Additional ID No(s)	TPDES Permit No. 03479
Facility/Site Region	12-Houston
Major/Minor Source	Minor Source

CASE INFORMATION			
Enf./Case ID No.	24028	No. of Violations	1
Docket No.	2005-0143-IWD-E	Order Type	1660 without deferral
Case Priority	3	Enf. Coordinator	Libby Hogue
Media Program(s)	Water Quality	EC's Team	Enforcement Team 4
Multi-Media			
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section	
TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1 \$5,000
ADJUSTMENTS (+/-) TO SUBTOTAL 1	
<small>Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.</small>	
Compliance History	Subtotals 2, 3, & 7 \$5,950
Notes: The respondent has self-reported effluent violations in 19 months, and has been provided with a June 4, 2004 Notice of Violation (NOV), for same or similar violations. The respondent has also been provided with a NOV letter dated June 4, 2003, and issued a TCEQ Agreed Order effective July 5, 2004 (Docket No. 2003-1454-AIR-E), for violations that were not same or similar.	
Culpability	Subtotal 4 \$0
Notes: The respondent does not meet the culpability criteria.	
Good Faith Effort to Comply	Subtotal 5 -\$500
Before NOV NOV to EDRP/Settlement Offer Extraordinary <input type="checkbox"/> Ordinary <input checked="" type="checkbox"/> x N/A (mark with a small x)	
Notes: The Respondent achieved compliance with permitted effluent quality limits in October 2004.	
Economic Benefit	Subtotal 6 \$0
Total EB Amounts \$167 Approx. Cost of Compliance \$2,500	*Capped at the Total EB \$ Amount
SUM OF SUBTOTALS 1-7	Final Subtotal \$10,450
OTHER FACTORS AS JUSTICE MAY REQUIRE	Adjustment -\$500
<small>Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)</small>	
Notes: Recommended reduction in penalty amount so that monthly self-reported violations do not overly impact the penalty amount.	
	Final Penalty Amount \$9,950
STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty \$9,950
DEFERRAL	Adjustment \$0
<small>Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)</small>	
Notes: A deferral is not recommend because the respondent was provided a June 4, 2004 Notice of Violation for same or similar violations.	
PAYABLE PENALTY	\$9,950

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Screening Date 19-Jan-2005

Docket No. 2005-0143-IWD-E

PCW

Respondent Sea Lion Technology, Inc.

Policy Revision 2 (September 2002)

Case ID No. 24028

PCW Revision December 10, 2004

Reg. Ent. Reference No. RN100870179

Additional ID No(s). TPDES Permit No. 03479

Media [Statute] Water Quality

Enf. Coordinator Libby Hogue

Site Address 5700 Century Blvd. in Texas City, Galveston County

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	19	95%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	no	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	no	0%
	Participation in a voluntary pollution reduction program	no	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	no	0%

Adjustment Percentage (Subtotal 2) 119%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The respondent has self-reported effluent violations in 19 months, and has been provided with a June 4, 2004 Notice of Violation (NOV), for same or similar violations. The respondent has also been provided with a NOV letter dated June 4, 2003, and issued a TCEQ Agreed Order effective July 5, 2004 (Docket No. 2003-1454-AIR-E), for violations that were not same or similar.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 119%

Screening Date 19-Jan-2005

Docket No. 2005-0143-IWD-E

PCW

Respondent Sea Lion Technology, Inc.

Policy Revision 2 (September 2002)

Case ID No. 24028

PCW Revision December 10, 2004

Reg. Ent. Reference No. RN100870179

Additional ID No(s). TPDES Permit No. 03479

Media [Statute] Water Quality

Enf. Coordinator Libby Hogue

Violation Number

Primary Rule Cite(s) TPDES Permit No. 03479, Effluent Limitations and Monitoring Requirements; and Tex. Water Code § 26.121

Secondary Rule Cite(s) 30 Tex. Admin. Code § 305.125(1)

Violation Description Noncompliance with permitted effluent limits for Outfall 201A, as detailed in an Effluent Table (attached), documented during a December 2, 2004 record review.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text" value="25%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>				

Matrix Notes Based on a simplified toxicity model, the public and environment were exposed to a significant amount of pollutants which did not exceed protective levels.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

mark only one use a small x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input checked="" type="checkbox"/>
	annual	<input type="text"/>
single event	<input type="text"/>	

Violation Base Penalty

Two semi-annual events are recommended based on the period of noncompliance (May, June, August, September, October and December of 2003), to make the penalty commensurate with the situation.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Sea Lion Technology, Inc.
 Case ID No. 24028
 Reg. Ent. Reference No. RN100870179
 Additional ID No(s). TPDES Permit No. 03479
 Media [Statute] Water Quality
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$2,500	31-May-2003	30-Sep-2004	1.3	\$167	n/a	\$167

Notes for DELAYED costs: Estimated cost to obtain consultation to develop (and subsequently implement) recommendations to enhance treatment process control and effluent compliance at the wastewater treatment plant.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs:

Approx. Cost of Compliance **\$2,500** TOTAL **\$167**

Compliance History

Customer/Respondent/Owner-Operator: CN600546543 Sea Lion Technology, Inc. Classification: AVERAGE Rating: 1.200

Regulated Entity: RN100870179 SEA LION TECHNOLOGY Classification: AVERAGE Site Rating: 1.20
 ID Number(s):

AIR NEW SOURCE PERMITS	REGISTRATION	75241
AIR NEW SOURCE PERMITS	REGISTRATION	71581
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0840248
WASTEWATER	PERMIT	TPDES0108367
WASTEWATER	PERMIT	WQ0003479000
AIR NEW SOURCE PERMITS	AFS NUM	0076
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GB0067K
AIR NEW SOURCE PERMITS	PERMIT	17439
AIR NEW SOURCE PERMITS	PERMIT	10243
AIR NEW SOURCE PERMITS	PERMIT	6667
AIR NEW SOURCE PERMITS	PERMIT	4059
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	31034
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD000804302
PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	0840248

Location: 5700 CENTURY BLVD, TEXAS CITY, TX, 77590 Rating Date: 9/1/04 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: April 26, 2005

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 26, 2000 to April 26, 2005

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
 Name: Brian Lehmkuhle Phone: (512) 239-4482

Site Compliance History Components

- | | |
|--|--------|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period? | No |
| 3. If Yes, who is the current owner? | N/A |
| 4. If Yes, who was/were the prior owner(s)? | N/A |
| 5. When did the change(s) in ownership occur? | N/A |
| 6. Comments: | STEERS |

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 7/5/04 ADMINORDER 2003-1454-AIR-E
 Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter H 101.359[G]
 5C THC Chapter 382, SubChapter A 382.085(b)
 Description: Failed to submit Form ECT-1 Annual Compliance Report Form by March 31, 2003.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

2	10/17/2000	(226092)
4	02/23/2001	(226093)
6	02/12/2002	(226094)
8	02/24/2003	(226095)
10	03/19/2001	(226096)
12	03/18/2002	(226097)
14	03/18/2003	(226098)
16	10/17/2000	(226099)
18	06/03/2003	(38164)
20	10/17/2000	(226100)
22	04/16/2001	(226101)
24	10/17/2000	(226102)
26	12/17/2004	(343015)
28	05/11/2001	(226103)
30	05/22/2002	(226104)
32	10/17/2000	(226105)
34	06/11/2001	(226106)
36	06/24/2002	(226107)
38	10/17/2000	(226108)
40	07/23/2001	(226109)
42	07/05/2002	(226110)
44	10/17/2000	(226111)
46	08/22/2001	(226112)
48	09/02/2004	(283769)
50	08/23/2002	(226113)
52	09/19/2000	(226114)
54	09/17/2001	(226115)
56	09/23/2002	(226116)
58	10/17/2000	(226117)
60	10/12/2001	(226118)
62	10/10/2002	(226119)
64	11/27/2000	(226120)
66	02/23/2004	(323874)
68	11/26/2001	(226121)
70	03/22/2004	(323875)
72	11/15/2002	(226122)
74	04/23/2004	(364881)
76	04/22/2002	(323876)
78	07/20/2004	(274130)
80	12/15/2000	(226123)
82	05/25/2004	(364882)
84	04/21/2003	(323877)
86	01/02/2002	(226124)
88	07/26/2004	(364883)
90	05/27/2003	(323878)
92	12/30/2002	(226125)
94	08/24/2004	(364884)
96	06/20/2003	(323879)
98	09/21/2004	(364885)
100	10/17/2000	(226126)
102	06/22/2004	(323880)
104	01/23/2002	(226127)
106	10/25/2004	(364886)
108	03/22/2005	(388973)
110	01/24/2003	(226128)
112	07/22/2003	(323881)
114	11/22/2004	(364887)
116	12/21/2004	(388974)
118	08/25/2003	(323882)
120	01/21/2005	(388975)
122	09/23/2003	(323883)
124	05/08/2000	(77080)
126	10/23/2003	(323884)
128	11/24/2003	(323885)
130	12/29/2003	(323886)
132	01/23/2004	(323887)
134	11/09/2000	(40218)
136	06/17/2003	(118885)
138	06/04/2004	(272586)
140	06/16/2003	(152716)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 01/31/2003 (226095)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 06/04/2003 (38164)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure to keep the inside of the chlorine drum clean.

Date: 03/31/2001 (226101)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 05/31/2000 (226105)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2000 (226108)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2001 (226109)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 07/31/2002 (226113)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2001 (226115)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 09/30/2002 (226119)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 11/30/2002 (226125)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 05/31/2003 (323879)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2004 (364885)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 05/31/2004 (323880)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 09/30/2004 (364886)
Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]
Description: Failure to meet the limit for one or more permit parameter

Date: 02/28/2005 (388973)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2003 (323881)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2003 (323883)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 09/30/2003 (323884)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 10/31/2003 (323885)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 12/31/2003 (323887)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)[G]
 Description: Failure to meet the limit for one or more permit parameter

Date: 06/04/2004 (272586)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: PERMIT IA
 Description: Failure to comply with the permitted daily average copper limit of 0.052 mg/L for Outfall 201.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING SEA LION
TECHNOLOGY, INC.; TPDES
03479; RN100870179

§
§
§
§
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BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2005-0143-IWD-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Sea Lion Technology, Inc. ("Sea Lion") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and Sea Lion, appear before the Commission and together stipulate that:

1. Sea Lion owns and operates a industrial wastewater treatment located at 5700 Century Blvd., Texas City, Galveston County, Texas (the "Facility").
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of Tex. Water Code ch. 26 and the TCEQ rules.
3. The Commission and Sea Lion agree that the Commission has jurisdiction to enter this Agreed Order, and that Sea Lion is subject to the Commission's jurisdiction.
4. Sea Lion received notice of the violations alleged in Section II ("Allegations") on or about December 19, 2004.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Sea Lion of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of nine thousand nine hundred fifty dollars (\$9,950.00) is assessed by the Commission in settlement of the violations alleged in Section

- II ("Allegations"). Sea Lion has paid nine thousand nine hundred fifty dollars (\$9,950.00) of the administrative penalty.
7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
 8. The Executive Director of the TCEQ and Sea Lion have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
 9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Sea Lion has not complied with one or more of the terms or conditions in this Agreed Order.
 10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
 11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

1. Sea Lion is alleged to have violated TEX. WATER CODE § 26.121; 30 TEX. ADMIN. CODE § 305.125(1); and TPDES Permit No. 03479, Effluent Limitations and Monitoring Requirements by allowing exceedances of the permitted TPDES effluent limits (all maximum limitations) at Outfall 201A, as documented during record reviews conducted on December 2, 2004 as follows:

Month/ Year	Copper daily average concentration limit, max. (0.052 mg/L)	Copper daily maximum concentration limit, max. (0.109 mg/L)
May -03	0.053	compliant
Jun - 03	0.056	compliant
Jul - 03	compliant	compliant
Aug - 03	0.070	compliant
Sep - 03	0.066	compliant
Oct - 03	0.073	compliant
Nov -03	compliant	compliant
Dec -03	0.058	compliant

III. DENIALS

Sea Lion generally denies each allegation in Section II ("Allegations").

IV. ORDER

1. It is, therefore, ordered by the TCEQ that Sea Lion pay an administrative penalty as set forth in Section I, Paragraph 6 above. The imposition of this administrative penalty and Sea Lion's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from considering requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Sea Lion Technology, Inc., Docket No. 2005-0143-IWD-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon Sea Lion. Sea Lion is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.

3. This Agreed Order, issued by the Commission, shall not be admissible against Sea Lion in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
5. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to Sea Lion, or three days after the date on which the Commission mails notice of the Order to Sea Lion, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Robert Perdue

For the Executive Director

9/23/06

Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

C. J. Borowski
Signature

12/14/05
Date

C. J. BOROWSKI
Name (Printed or typed)

CEO
Title

Authorized representative of
Sea Lion Technology, Inc.

Instructions: Send the original signed Signature Page and all pages of this Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.