EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2008-1153-AIR-E **TCEQ ID:** RN100214238 **CASE NO.:** 36216

RESPONDENT NAME: AK/HA Manufacturing, LLC

ORDER TYPE:		
X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__FINDINGS ORDER FOLLOWING SOAH HEARING
__FINDINGS DEFAULT ORDER	__SHUTDOWN ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__AMENDED ORDER	__EMERGENCY ORDER	
CASE TYPE:		
X AIR	__MULTI-MEDIA (check all that apply)	__INDUSTRIAL AND HAZARDOUS WASTE
__PUBLIC WATER SUPPLY	__PETROLEUM STORAGE TANKS	__OCCUPATIONAL CERTIFICATION
__WATER QUALITY	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL
__MUNICIPAL SOLID WASTE	__RADIOACTIVE WASTE	__DRY CLEANER REGISTRATION

SITE WHERE VIOLATION(S) OCCURRED: Hydro-Action Broussard Road Facility, 8645 Broussard Road, Beaumont, Jefferson County

TYPE OF OPERATION: Septic tank manufacturing facility

SMALL BUSINESS: ___ Yes __X__ No

OTHER SIGNIFICANT MATTERS: There are no 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 January 19, 2009. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Mr. Raymond Marlowe, Enforcement Division, Enforcement Team 5, MC R-10, (409) 899-8785; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387

Respondent: Ms. Rosalind Marshall, General Manager, AK/HA Manufacturing, LLC, P.O. Box 640, Plymouth, Indiana 46563-0640
Mr. John S. Sabo, Co-President, AK/HA Manufacturing, LLC, P.O. Box 640, Plymouth, Indiana 46563-0640

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __ Complaint _X_ Routine __ Enforcement Follow-up __ Records Review **Date(s) of Complaints Relating to this Case:** None **Date of Investigation Relating to this Case:** May 15, 2008 **Date of NOV/NOE Relating to this Case:** July 2, 2008 (NOE) **Background Facts:** This was a routine investigation. **AIR** 1) Failure to submit a semiannual deviation report for May 18, 2007 through November 17, 2007 [30 TEX. ADMIN. CODE §§ 116.115(c), 122.143(4), and 122.145(2)(A) and (B), Air Permit No. 39565, Special Condition ("SC") 13, Federal Operating Permit ("FOP") No. O-02163, General Conditions ("GC"), and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 2) Failure to accurately submit and report two semiannual compliance certifications for Maximum Achievable Control Technology ("MACT") standards required for surface coating of plastic parts and products for the reporting periods of April 20, 2007 through June 30, 2007 and July 1, 2007 through December 31, 2007, by July 31, 2007 and January 31, 2008, respectively. Specifically, one compliance report dated January 28, 2008 was submitted; however, it only covered the period of May 2007 through October 2007 [30 TEX. ADMIN. CODE §§ 113.990 and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.4520(a)(1)(i) and (a)(1)(ii), FOP No. O-02163, SC 1E, and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 3) Failure to accurately submit and report three semiannual compliance certifications for MACT standards required for	**Total Assessed:** $10,050 **Total Deferred:** $2,010 _X_ Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $8,040 **Site Compliance History Classification** **__ High _X_ Average __ Poor** **Person Compliance History Classification** **__ High _X_ Average __ Poor** **Major Source:** _X_ Yes __ No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken:** The Executive Director recognizes that on September 28, 2007, the Plant operations were shut down and on October 10, 2007, all the equipment was removed from the Plant. FOP No. O-02163, which had an expiration date of November 19, 2007, was voided on September 11, 2008.

reinforced plastic composites production. Specifically, reports were due covering April 21, 2006 through December 31, 2006, January 1, 2007 through June 30, 2007 and July 1, 2007 through December 31, 2007, on January 31, 2007, July 31, 2007 and January 31, 2008, respectively. However, the Respondent submitted a report dated May 17, 2007 with an unknown compliance period and another report dated January 28, 2008 for the compliance period of May 2007 through October 2007 [30 TEX. ADMIN. CODE §§ 113.1060 and 122.143(4), 40 CFR § 63.5910(a), (b)(1) and (b)(3), FOP No. O-02163, SC 1D, and TEX. HEALTH & SAFETY CODE § 382.085(b)].		

Additional ID No(s).: JE0820R

Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002) — *PCW Revision June 12, 2008*

TCEQ

DATES					
Assigned	7-Jul-2008				
PCW	16-Oct-2008	Screening	15-Jul-2008	EPA Due	11-Apr-2009

RESPONDENT/FACILITY INFORMATION

Respondent	AK/HA Manufacturing, LLC		
Reg. Ent. Ref. No.	RN100214238		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	36216	No. of Violations	3
Docket No.	2008-1153-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Daniel Siringi
		EC's Team	Enforcement Team 5

Admin. Penalty $ Limit Minimum $0 Maximum $10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — *Subtotal 1* $7,500

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History — 34.0% Enhancement — *Subtotals 2, 3, & 7* $2,550

Notes: An enhancement is recommended for one 1660 order, two NOVs with same or similar violations and two NOVs without same or similar violations as those in the current enforcement action.

Culpability — No — 0.0% Enhancement — *Subtotal 4* $0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments — *Subtotal 5* $0

Economic Benefit — 0.0% Enhancement* — *Subtotal 6* $0

Total EB Amounts $195
Approx. Cost of Compliance $3,500
**Capped at the Total EB $ Amount*

SUM OF SUBTOTALS 1-7 — *Final Subtotal* $10,050

OTHER FACTORS AS JUSTICE MAY REQUIRE — 0.0% — *Adjustment* $0

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount $10,050

STATUTORY LIMIT ADJUSTMENT — *Final Assessed Penalty* $10,050

DEFERRAL — 20.0% Reduction — *Adjustment* -$2,010

Reduces the Final Assessed Penalty by the indicted percentage. *(Enter number only; e.g. 20 for 20% reduction.)*

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY $8,040

Screening Date 15-Jul-2008 **Docket No.** 2008-1153-AIR-E **PCW**

Respondent AK/HA Manufacturing, LLC

Policy Revision 2 (September 2002)

Case ID No. 36216

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN100214238

Media [Statute] Air

Enf. Coordinator Daniel Siringi

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 (*number of NOVs meeting criteria*)	2	10%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	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 (*number of judgements or consent decrees meeting criteria*)	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 (*number of counts*)	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 *(number of audits for which notices were submitted)*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

		Please Enter Yes or No	
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) 34%

>> 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

An enhancement is recommended for one 1660 order, two NOVs with same or similar violations and two NOVs without same or similar violations as those in the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 34%

Screening Date 15-Jul-2008 **Docket No.** 2008-1153-AIR-E **PCW**

Respondent AK/HA Manufacturing, LLC *Policy Revision 2 (September 2002)*

Case ID No. 36216 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN100214238

Media [Statute] Air

Enf. Coordinator Daniel Siringi

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c), 122.143(4) and 122.145(2)(A) and (B), Air Permit No. 39565, Special Condition ("SC") 13, Federal Operating Permit ("FOP") No. O-02163, General Conditions ("GC") and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit a semiannual deviation report ("SDR") for May 18, 2007 through November 17, 2007.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 25%

Matrix Notes: 100% of the rule requirement was not met.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events 1 211 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $2,500

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction $0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes: The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal $2,500

Economic Benefit (EB) for this violation

Estimated EB Amount $74

Statutory Limit Test

Violation Final Penalty Total $3,350

This violation Final Assessed Penalty (adjusted for limits) $3,350

Economic Benefit Worksheet

Respondent AK/HA Manufacturing, LLC
Case ID No. 36216
Reg. Ent. Reference No. RN100214238
Media Air
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
	No commas or $						
Delayed Costs							
Equipment				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)	$2,000	17-Dec-2007	11-Sep-2008	0.74	$74	n/a	$74

Notes for DELAYED costs Estimated cost of preparing and submitting SDR in a timely manner. The date required is the date the report was required to be submitted and the final date is the date the Title V Permit was voided.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs

Approx. Cost of Compliance $2,000

TOTAL $74

Screening Date 15-Jul-2008 **Docket No.** 2008-1153-AIR-E **PCW**

Respondent AK/HA Manufacturing, LLC *Policy Revision 2 (September 2002)*

Case ID No. 36216 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN100214238

Media [Statute] Air

Enf. Coordinator Daniel Siringi

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 113.990, 122.143(4), 40 Code of Federal Regulations ("CFR") § 63.4520(a)(1)(i) and (a)(1)(ii), FOP No. O-02163, SC 1E and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to accurately submit and report two semiannual compliance certifications for Maximum Achievable Control Technology ("MACT") standards required for surface coating of plastic parts and products for the reporting periods of April 20, 2007 through June 30, 2007 and July 1, 2007 through December 31, 2007, by July 31, 2007 and January 31, 2008. One compliance report dated January 28, 2008 was submitted; however, it only covered the period of May 2007 through October 2007.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

Release	Major	Moderate	Minor
Actual			
Potential			

OR

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: Thirty to 70% of the rule requirement was not met. The due date for the 2nd report was met; however, the one report submitted for two periods did not cover the first ten days of the first period or the last two months of the last period. The Plant was shut down during the last two months; however, the permit, which had an expiration date of November 17, 2007, had not yet been voided.

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events 2 | 350 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $2,000

Two single events are recommended (one for each compliance certification).

Good Faith Efforts to Comply

0.0% Reduction $0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes: The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal $2,000

Economic Benefit (EB) for this violation

Estimated EB Amount $121

Statutory Limit Test

Violation Final Penalty Total $2,680

This violation Final Assessed Penalty (adjusted for limits) $2,680

Economic Benefit Worksheet

Respondent AK/HA Manufacturing, LLC
Case ID No. 36216
Reg. Ent. Reference No. RN100214238
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
	No commas or $						
Delayed Costs							
Equipment				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System	$1,500	31-Jan-2007	11-Sep-2008	1.61	$121	n/a	$121
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)				0.00	$0	n/a	$0

Notes for DELAYED costs: Estimated cost of a recordkeeping system to ensure timely and accurate reporting for federal requirements. The date required is the date the first certification was required to be reported and the final date is the date the Title V Permit was voided.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance $1,500

TOTAL $121

Screening Date 15-Jul-2008 **Docket No.** 2008-1153-AIR-E **PCW**

Respondent AK/HA Manufacturing, LLC *Policy Revision 2 (September 2002)*

Case ID No. 36216 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN100214238

Media [Statute] Air

Enf. Coordinator Daniel Siringi

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 113.1060, 122.143(4), 40 CFR § 63.5910(a), (b)(1) and (b)(3), FOP No. O-02163, SC 1D and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to accurately submit and report three semiannual compliance certifications for MACT standards required for reinforced plastic composites production. Specifically, reports were due covering April 21, 2006 through December 31, 2006, January 1, 2007 through June 30, 2007 and July 1, 2007 through December 31, 2007 on January 31, 2007, July 31, 2007 and January 31, 2008, respectively. However, the Respondent submitted a report dated May 17, 2007 with an unknown compliance period and another report dated January 28, 2008 for the compliance period of May 2007 through October 2007.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes: Thirty to 70% of the rule requirement was not met. Two reports were submitted within 30 days after the end of the period for which they cover; however, the two reports should have been three with different start and end dates and they failed to cover the first six months and the last two months of the 18 month period. The Plant was shut down during the last 60 days; however, the permit, which had an expiration date of November 17, 2007, had not yet been voided.

Adjustment $9,000

$1,000

Violation Events

Number of Violation Events 3 531 Number of violation days

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $3,000

Three single events are recommended (one for each compliance certification).

Good Faith Efforts to Comply

0.0% Reduction $0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes: The Respondent does not meet good faith criteria for this violation.

Violation Subtotal $3,000

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $4,020

This violation Final Assessed Penalty (adjusted for limits) $4,020

Economic Benefit Worksheet

Respondent AK/HA Manufacturing, LLC
Case ID No. 36216
Reg. Ent. Reference No. RN100214238
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	$0	$0	$0
Buildings				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Engineering/construction				0.00	$0	$0	$0
Land				0.00	$0	n/a	$0
Record Keeping System				0.00	$0	n/a	$0
Training/Sampling				0.00	$0	n/a	$0
Remediation/Disposal				0.00	$0	n/a	$0
Permit Costs				0.00	$0	n/a	$0
Other (as needed)				0.00	$0	n/a	$0
Notes for DELAYED costs	Refer to Economic Benefit for Violation No. 2.						
Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	$0	$0	$0
Personnel				0.00	$0	$0	$0
Inspection/Reporting/Sampling				0.00	$0	$0	$0
Supplies/equipment				0.00	$0	$0	$0
Financial Assurance [2]				0.00	$0	$0	$0
ONE-TIME avoided costs [3]				0.00	$0	$0	$0
Other (as needed)				0.00	$0	$0	$0
Notes for AVOIDED costs							

Approx. Cost of Compliance: $0

TOTAL: $0

Compliance History

Customer/Respondent/Owner-Operator:	CN602636714	AK/HA Manufacturing, LLC	Classification: AVERAGE	Rating: 0.20
Regulated Entity:	RN100214238	HYDRO-ACTION BROUSSARD ROAD FACILITY	Classification: AVERAGE	Site Rating: 0.20

ID Number(s):

AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0820R
AIR OPERATING PERMITS	PERMIT	2163
AIR NEW SOURCE PERMITS	PERMIT	39565
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0820R
AIR NEW SOURCE PERMITS	AFS NUM	4824500180
AIR NEW SOURCE PERMITS	EPA ID	HAP4

Location: 8645 BROUSSARD RD, BEAUMONT, TX, 77713 Rating Date: September 01 07 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: July 07, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 07, 2003 to July 07, 2008

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Daniel Siringi Phone: (409) 899-8799

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

Components (Multimedia) for the Site :

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

1660 Effective Date: 05/22/2008 ADMINORDER 2007-1642-AIR-E
Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)

30 TAC Chapter 122, SubChapter B 122.145(2)(B)
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: O-02163, General Conditions OP
Description: Failure to submit a semi-annual deviation report (SDR). A12i7

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.)

1 12/17/2003 (249211)
N/A
2 08/24/2004 (291645)
3 02/22/2006 (452930)
4 09/28/2007 (570910)
5 11/02/2007 (596917)
6 07/02/2008 (671510)

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

Date: 02/22/2006 (452930)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 39565 Special Condition 7

Description: Failure to keep the lid closed on the cleaning solvent container when not in use.
Date 09/28/2007 (570912)
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(C)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 39565, Special Condition 13
OP O-02163, General Conditions
Description: Failure to submit a semi-annual deviation report (SDR) in a timely manner.
Self Report? NO Classification Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(1)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THC Chapter 382, SubChapter A 382.085(b)
Rqmt Prov: PERMIT 39565, Special Condition 13
OP O-02163, General Conditions
Description: Failure to properly submit Annual Compliance Certification reports.
Date 11/02/2007 (596917)
Self Report? NO Classification Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 281, SubChapter A 281.25(a)(4)
Rqmt Prov: PERMIT TXRNES101 Part II Sec. C (1)
Description: Failure by Hydro Action to meet the requirements of the Conditional No Exposure Exclusion from Permit Requirements.
Self Report? NO Classification Moderate
Citation: TWC Chapter 26 26.121(a)(1)
Description: Failure by Hydro Action to prevent the unauthorized discharge of process wastewater from the drying/curing process into or adjacent to waters of the state.

Date 07/02/2008 (671510)
Self Report? NO Classification Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: OP OP O-02163, General Conditions
PERMIT PERMIT 39565, Special Condition 13
Description: Failure to report the occurrence of deviations in semiannual deviation reports. EIC, B, 3 MOD2B
Self Report? NO Classification Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(1)
30 TAC Chapter 122, SubChapter B 122.146(5)(C)(v)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: OP OP O-02163, General Conditions
PERMIT PERMIT 39565, Special Condition 13
Description: Failure to accurately certify an Annual Compliance Certification for the period of November 18, 2006 through November 17, 2007. EIC, C, 3 MIN 2B

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	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	**TEXAS COMMISSION ON**
AK/HA MANUFACTURING, LLC	§	
RN100214238	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2008-1153-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding AK/HA Manufacturing, LLC ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a septic tank manufacturing facility at 8645 Broussard Road in Beaumont, Jefferson County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).

3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.

4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 7, 2008.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Ten Thousand Fifty Dollars ($10,050) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eight Thousand Forty Dollars ($8,040) of the administrative penalty and Two Thousand Ten Dollars ($2,010) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred 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 the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director recognizes that on September 28, 2007, the Plant operations were shut down and on October 10, 2007, all the equipment was removed from the Plant. Federal Operating Permit ("FOP") No. O-02163, which had an expiration date of November 19, 2007, was voided on September 11, 2008.

10. 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 the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

11. 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.

12. 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

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to submit a semiannual deviation report for May 18, 2007 through November 17, 2007, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c), 122.143(4) and 122.145(2)(A) and (B), Air Permit No. 39565, Special Condition ("SC") 13, FOP No. O-02163, General Conditions ("GC") and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 15, 2008.

2. Failed to accurately submit and report two semiannual compliance certifications for Maximum Achievable Control Technology ("MACT") standards required for surface coating of plastic parts and products for the reporting periods of April 20, 2007 through June 30, 2007 and July 1, 2007 through December 31, 2007, by July 31, 2007 and January 31, 2008, respectively, in violation of 30 TEX. ADMIN. CODE §§ 113.990, 122.143(4), 40 Code of Federal Regulations ("CFR") § 63.4520(a)(1)(i) and (a)(1)(ii), FOP No. O-02163, SC 1E and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on May 15, 2008. Specifically, one compliance report dated January 28, 2008 was submitted; however, it only covered the period of May 2007 through October 2007.

3. Failed to accurately submit and report three semiannual compliance certifications for MACT standards required for reinforced plastic composites production, in violation of 30 TEX. ADMIN. CODE §§ 113.1060, 122.143(4), 40 CFR § 63.5910(a), (b)(1) and (b)(3), FOP No. O-02163, SC 1D and TEX. HEALTH & SAFETY CODE § 382.085(b) as documented during an investigation conducted on May 15, 2008. Specifically, reports were due covering April 21, 2006 through December 31, 2006, January 1, 2007 through June 30, 2007 and July 1, 2007 through December

31, 2007, on January 31, 2007, July 31, 2007 and January 31, 2008, respectively. However, the Respondent submitted a report dated May 17, 2007 with an unknown compliance period and another report dated January 28, 2008 for the compliance period of May 2007 through October 2007.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent'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 requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: AK/HA Manufacturing, LLC, Docket No. 2008-1153-AIR-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 the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.

3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent 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), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, 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

_____ 11/30/2009
For the Executive Director Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity 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 failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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

_____ _____
Signature Date

JOHN S. SABO _____
Name (Printed or typed) Title
Authorized Representative of
AK/HA Manufacturing, LLC

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