

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2009-1534-IWD-E **TCEQ ID:** RN102203445 **CASE NO.:** 38356

RESPONDENT NAME: Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input checked="" type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Gulf Marine Fabricators South, located on the east side of Live Oak Peninsula, on Farm-to-Market Road 1069, approximately 0.5 mile south of the intersection of Farm-to-Market Roads 1069 and 2725, five miles southwest of Aransas Pass, San Patricio County</p> <p>TYPE OF OPERATION: Offshore structure fabrication facility for the oil and gas industries with a wastewater treatment system</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on December 14, 2009. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Jennifer Graves, Enforcement Division, Enforcement Team 1, MC R-15, (956) 430-6023; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Mr. F. A. Smith, President, Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators), P.O. Box 3000, Aransas Pass, Texas 78335 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

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 of Investigation Relating to this Case: July 13, 2009</p> <p>Date of NOV/NOE Relating to this Case: August 21, 2009 (NOE)</p> <p>Background Facts: This was a record review.</p> <p>WATER</p> <p>1) Failure to comply with the permitted effluent limitations for flow and total suspended solids [TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003012000, Effluent Limitations and Monitoring Requirements No. 1].</p> <p>2) Failure to timely submit effluent monitoring results at intervals specified in the permit. Specifically, the Respondent failed to submit discharge monitoring reports ("DMRs") for the monitoring periods ending May 31, 2008, August 31, 2008, November 30, 2008, and February 28, 2009, by the 20th day of the following months [30 TEX. ADMIN. CODE § 305.125(17) and TPDES Permit No. WQ0003012000, Monitoring and Reporting Requirements No. 1].</p>	<p>Total Assessed: \$4,316</p> <p>Total Deferred: \$863 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$3,453</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <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>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:</p> <p>a. By February 9, 2009, repaired several leaking urinals and toilets, which were the cause of the effluent limit excursions for flow;</p> <p>b. By March 16, 2009, emptied the chlorine contact chamber, cleaned the walls of the holding tank, and implemented a more frequent solids wasting schedule to address the total suspended solids effluent excursions;</p> <p>c. During April 2009, returned to compliance with the permitted effluent limits of TPDES Permit No. WQ0003012000; and</p> <p>d. On September 2, 2009, submitted the DMRs for the monitoring periods ending May 31, 2008, August 31, 2008, November 30, 2008, and February 28, 2009.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, update the Facility's operational guidance and conduct employee training to ensure that all effluent monitoring results are submitted to the TCEQ at the intervals specified in this permit; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

DATES	Assigned	24-Aug-2009	Screening	1-Sep-2009	EPA Due	
	PCW	1-Sep-2009				

RESPONDENT/FACILITY INFORMATION			
Respondent	Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)		
Reg. Ent. Ref. No.	RN102203445		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	38356	No. of Violations	2
Docket No.	2009-1534-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Jennifer Graves
		EC's Team	Enforcement Team 1
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement **Subtotals 2, 3, & 7**

Notes: Enhancement due to seven self-reported effluent violations, two NOV's with unrelated violations and one final enforcement order containing a denial of liability.

Culpability Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5**

Economic Benefit Enhancement* **Subtotal 6**

Total EB Amounts
Approx. Cost of Compliance *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommend reduction in penalty so that monthly self-reported effluent violations do not overly impact the penalty amount.

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 1-Sep-2009

Docket No. 2009-1534-IWD-E

PCW

Gulf Marine Fabricators, L.P. (formerly known as G.M.

Respondent Fabricators, L.P. dba Gulf Marine Fabricators)

Policy Revision 2 (September 2002)

Case ID No. 38356

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102203445

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

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>	7	35%
	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 <i>(number of events)</i>	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 submitted)</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) 59%

>> **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

Enhancement due to seven self-reported effluent violations, two NOVs with unrelated violations and one final enforcement order containing a denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 59%

Screening Date 1-Sep-2009	Docket No. 2009-1534-IWD-E	PCW	
Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators,			
Respondent L.P. dba Gulf Marine Fabricators)	<i>Policy Revision 2 (September 2002)</i>		
Case ID No. 38356	<i>PCW Revision October 30, 2008</i>		
Reg. Ent. Reference No. RN102203445			
Media [Statute] Water Quality			
Enf. Coordinator Jennifer Graves			
Violation Number <input type="text" value="1"/>			
Rule Cite(s)	Tex. Water Code § 26.121(a), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003012000, Effluent Limitations and Monitoring Requirements No. 1		
Violation Description	Failed to comply with the permitted effluent limitations, as shown in the attached violation table.		
Base Penalty		<input type="text" value="\$10,000"/>	
>> Environmental, Property and Human Health Matrix			
Harm			
Release	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
Percent		<input type="text" value="10%"/>	
>> Programmatic Matrix			
Falsification			
Major	Moderate	Minor	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Percent		<input type="text" value="0%"/>	
Matrix Notes	Total suspended solids and flow were considered to determine whether the discharged amounts of pollutants exceeded protective levels. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.		
Adjustment		<input type="text" value="\$9,000"/>	
		<input type="text" value="\$1,000"/>	
Violation Events			
Number of Violation Events	<input type="text" value="3"/>	<input type="text" value="212"/>	Number of violation days
<i>mark only one with an x</i>	daily	<input type="text"/>	Violation Base Penalty
	weekly	<input type="text"/>	
	monthly	<input type="text"/>	
	quarterly	<input checked="" type="checkbox"/>	
	semiannual	<input type="text"/>	
	annual	<input type="text"/>	
single event	<input type="text"/>	<input type="text" value="\$3,000"/>	
Three quarterly events are recommended.			
Good Faith Efforts to Comply			<input type="text" value="\$750"/>
25.0% Reduction			
Before NOV NOV to EDRP/Settlement Offer			
Extraordinary	<input type="text"/>	<input type="text"/>	Violation Subtotal
Ordinary	<input checked="" type="checkbox"/>	<input type="text"/>	
N/A	(mark with x)		
Notes	The Respondent achieved compliance during April 2009.		
Violation Subtotal		<input type="text" value="\$2,250"/>	
Economic Benefit (EB) for this violation			Statutory Limit Test
Estimated EB Amount	<input type="text" value="\$976"/>		Violation Final Penalty Total
			<input type="text" value="\$3,726"/>
This violation Final Assessed Penalty (adjusted for limits)			<input type="text" value="\$3,726"/>

Economic Benefit Worksheet

Respondent Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)
Case ID No. 38358
Reg. Ent. Reference No. RN102203445
Media 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
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$500	31-Mar-2008	9-Feb-2009	0.86	\$1	\$29	\$30
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	\$17,472	31-Mar-2008	30-Apr-2009	1.08	\$945	n/a	\$945
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to repair leaking urinals and toilets to decrease the flow to the Facility. Date required is the initial month of non-compliance. Final date is the date these corrective actions were completed (2/9/09). Actual cost to empty the chlorine contact chamber, clean the walls of the holding tank, and implement a proper solids wasting schedule to achieve compliance with permitted limits for total suspended solids. Date required is the initial month of non-compliance. Final date is the date of compliance (4/30/09).

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

\$17,972

TOTAL

\$976

Screening Date 1-Sep-2009	Docket No. 2009-1534-IWD-E	PCW	
Respondent Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)			
Case ID No. 38356	<i>Policy Revision 2 (September 2002)</i> <i>PCW Revision October 30, 2008</i>		
Reg. Ent. Reference No. RN102203445			
Media [Statute] Water Quality			
Enf. Coordinator Jennifer Graves			
Violation Number 2			
Rule Cite(s)	30 Tex. Admin. Code § 305.125(17) and TPDES Permit No. WQ0003012000, Monitoring and Reporting Requirements No. 1		
Violation Description	Failed to timely submit effluent monitoring results at intervals specified in the permit, as documented during a record review. Specifically, the Respondent failed to submit discharge monitoring reports ("DMRs") for the monitoring periods ending May 31, 2008, August 31, 2008, November 30, 2008, and February 28, 2009, by the 20th day of the following months.		
Base Penalty		\$10,000	
>> Environmental, Property and Human Health Matrix			
Harm			
Release	Major	Moderate	Minor
OR	Actual	Potential	Percent
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> 0%
>> Programmatic Matrix			
Falsification			
Major	Moderate	Minor	Percent
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> x	<input type="checkbox"/> 1%
Matrix Notes	More than 70% of the permit requirement was met.		
Adjustment		\$9,900	
		\$100	
Violation Events			
Number of Violation Events	4	Number of violation days	120
mark only one with an x	daily <input type="checkbox"/> weekly <input type="checkbox"/> monthly <input type="checkbox"/> quarterly <input type="checkbox"/> semiannual <input type="checkbox"/> annual <input type="checkbox"/> single event <input checked="" type="checkbox"/>	Violation Base Penalty	\$400
Four single events are recommended.			
Good Faith Efforts to Comply			\$0
0.0% Reduction			
Before NOV NOV to EDRP/Settlement Offer			
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>	
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>	
N/A	<input checked="" type="checkbox"/> x	(mark with x)	
Notes	The Respondent does not meet the good faith criteria for this violation.		
Violation Subtotal		\$400	
Economic Benefit (EB) for this violation			Statutory Limit Test
Estimated EB Amount	\$34	Violation Final Penalty Total	\$590
		This violation Final Assessed Penalty (adjusted for limits)	\$590

Economic Benefit Worksheet

Respondent Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)
Case ID No. 38356
Reg. Ent. Reference No. RN102203445
Media: Water Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Cost: **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment			0.00	\$0	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0	\$0
Other (as needed)	\$100	20-Jun-2008	2-Sep-2009	1.20	\$0	\$8	\$8
Engineering/construction			0.00	\$0	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0	\$0
Record Keeping System			0.00	\$0	n/a	\$0	\$0
Training/Sampling	\$250	20-Jun-2008	30-Jun-2010	2.03	\$25	n/a	\$25
Remediation/Disposal			0.00	\$0	n/a	\$0	\$0
Permit Costs			0.00	\$0	n/a	\$0	\$0
Other (as needed)			0.00	\$0	n/a	\$0	\$0

Notes for DELAYED costs
 Estimated cost to prepare and submit the DMRs. Date required is the date the first missing DMR was due. Final date is the date the missing DMRs were submitted (9/2/09). Estimated cost to update operational guidance and conduct employee training to ensure that reporting requirements are properly accomplished. Date required is the date the first missing DMR was due. Final date is the expected date of compliance (6/30/10).

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$350

TOTAL \$34

EFFLUENT VIOLATION TABLE

Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)

TPDES Permit No. WQ0003012000

Docket No. 2009-1534-IWD-E

	Daily Max. Flow	TSS Daily Avg. Conc.	TSS Max. Single Grab Conc.
Months	Limit = 0.006 MGD	Limit = 20 mg/L	Limit = 45 mg/L
3/31/2008	c	29.75	c
4/30/2008	c	33.50	c
6/30/2008	c	22.50	c
7/31/2008	c	26.00	c
12/31/2008	0.008	c	c
1/31/2009	0.007	31.00	c
2/28/2009	c	38.50	54.0

TSS = total suspended solids mg/L = milligrams per liter
 avg. = average max. = maximum
 conc. = concentration c = compliant
 MGD = million gallons per day

Compliance History Report

Customer/Respondent/Owner-Operator:	CN602998486 Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)	Classification: AVERAGE	Rating: 1.68
Regulated Entity:	RN102203445 GULF MARINE FABRICATORS SOUTH	Classification: AVERAGE	Site Rating: 1.74
ID Number(s):	PETROLEUM STORAGE TANK	REGISTRATION	52283
	REGISTRATION		
	AIR NEW SOURCE PERMITS	PERMIT	6154A
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	SD0004F
	AIR NEW SOURCE PERMITS	AFS NUM	4840900034
	WASTEWATER	PERMIT	TPDES0102890
	WASTEWATER	PERMIT	WQ0003012000
	WASTEWATER	PERMIT	TX0102890
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	EPA ID	TXD981913866
	INDUSTRIAL AND HAZARDOUS WASTE STORAGE	SOLID WASTE REGISTRATION # (SWR)	37947
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD981913866
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	37947

Location: ON THE E SIDE OF LIVE OAK PENINSULA,
ON FM 1069, APPROX 1/2 M S OF THE INTX
OF FM RDS 1069 AND 2725, FIVE M SW OF
ARANSAS PASS, SAN PATRICIO CO, TX

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: August 27, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 27, 2004 to August 27, 2009

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

Name: Jennifer Graves **Phone:** 956-430-6023

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/operator of the site during the compliance period? | Yes |
| 3. If yes, who is the current owner/operator? | GM Fabricators LP dba Gulf Marine Fabricators |
| 4. If yes, who was/were the prior owner(s)/operator(s)? | Aker Gulf Marine dba Gulf Marine Fabricators |
| 5. When did the change(s) in owner or operator occur? | 02/01/2006 |
| 6. Rating Date: 9/1/2008 | Repeat Violator: NO |

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: 08/30/2004

ADMINORDER 2002-1332-MWD-E

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

TWC Chapter 26 26.121(a)

Rqmt Prov: Effluent Limitations PERMIT

Description: Exceeded the Effluent Limitations and Monitoring Requirements.

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: Mon. & Rptg. Req. No. 7(c) PERMIT

Description: Failed to notify the TCEQ in writing within 5 working days after becoming aware of the effluent violations which deviated from the permitted effluent limitations by more than 40%.

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	09/21/2004	(363949)
2	10/11/2004	(363950)
3	11/16/2004	(340975)
4	12/20/2004	(388495)
5	01/10/2005	(388496)
6	02/14/2005	(426012)
7	03/09/2005	(426013)
8	04/11/2005	(426014)
9	05/16/2005	(426015)
10	06/06/2005	(426016)
11	07/11/2005	(446463)
12	08/11/2005	(446464)
13	09/12/2005	(446465)
14	10/24/2005	(479094)
15	11/28/2005	(479095)
16	01/17/2006	(479096)
17	01/17/2006	(479097)
18	02/21/2006	(479092)
19	03/20/2006	(479093)
20	04/18/2006	(462257)
21	04/20/2006	(461723)
22	04/24/2006	(504980)
23	07/21/2006	(527277)
24	07/21/2006	(527278)
25	07/21/2006	(527279)
26	09/26/2006	(513561)
27	10/23/2006	(551057)
28	10/23/2006	(551058)
29	10/23/2006	(551059)
30	12/14/2006	(551060)
31	01/07/2008	(628289)
32	01/07/2008	(628290)
33	01/07/2008	(628291)
34	01/07/2008	(628292)
35	01/07/2008	(628293)
36	01/07/2008	(628294)

37 01/07/2008 (628295)
 38 01/07/2008 (628296)
 39 01/07/2008 (628297)
 40 01/07/2008 (628298)
 41 01/07/2008 (628300)
 42 01/07/2008 (628301)
 43 01/07/2008 (628302)
 44 01/22/2008 (628299)
 45 12/16/2008 (708243)
 46 12/18/2008 (731775)
 47 12/18/2008 (731776)
 48 12/18/2008 (731777)
 49 12/18/2008 (731778)
 50 12/18/2008 (731779)
 51 12/18/2008 (731780)
 52 12/18/2008 (731781)
 53 12/18/2008 (731782)
 54 12/18/2008 (731783)
 55 12/18/2008 (731784)
 56 12/18/2008 (731785)
 57 01/24/2009 (731786)
 58 02/25/2009 (755170)
 59 04/16/2009 (755171)
 60 04/16/2009 (755172)
 61 08/21/2009 (761989)

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

Date: 04/19/2006 (462257) CN602998486
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.7(a)
 TPDES Permit No. WQ0003012000 PERMIT
 Description: Failure to maintain complete records of monitoring activities.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 319, SubChapter A 319.5(e)
 TPDES Permit No. WQ0003012000 PERMIT
 Description: Failure to indicate the increased sample frequency on the discharge monitoring reports (DMRs).
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TPDES Permit No. WQ0003012000 PERMIT
 Description: Failure to include all results in the calculation and reporting of the values submitted on the approved self-report form.

Date: 03/31/2008 (731777) CN602998486
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date: 04/30/2008 (731778) CN602998486
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2008 (731780) CN602998486
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date: 07/31/2008 (731781) CN602998486
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date: 12/05/2008 (708243) CN602998486
Self Report? NO Classification: Moderate
Citation: 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(b)
Description: Failure to manage used oil in a storage unit that is in good condition (not leaking).

Date: 12/31/2008 (731786) CN602998486
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date: 1/31/2009 (761989) CN602998486
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date: 2/28/2009 (761989) CN602998486
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

- 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
GULF MARINE FABRICATORS, L.P.
(FORMERLY KNOWN AS G.M.
FABRICATORS, L.P. DBA GULF
MARINE FABRICATORS)
RN102203445

§
§
§
§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2009-1534-IWD-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 Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators) ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. 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 an offshore structure fabrication facility for the oil and gas industries with a wastewater treatment system located on the east side of Live Oak Peninsula, on Farm-to-Market Road 1069, approximately 0.5 mile south of the intersection of Farm-to-Market Roads 1069 and 2725, five miles southwest of Aransas Pass, San Patricio County, Texas (the "Facility").
2. The Respondent has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
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 August 26, 2009.

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 Four Thousand Three Hundred Sixteen Dollars (\$4,316) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Three Thousand Four Hundred Fifty-Three Dollars (\$3,453) of the administrative penalty and Eight Hundred Sixty-Three Dollars (\$863) 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 the Respondent has implemented the following corrective measures at the Facility:
 - a. By February 9, 2009, repaired several leaking urinals and toilets, which were the cause of the effluent limit excursions for flow;
 - b. By March 16, 2009, emptied the chlorine contact chamber, cleaned the walls of the holding tank, and implemented a more frequent solids wasting schedule to address the total suspended solids effluent excursions;
 - c. During April 2009, returned to compliance with the permitted effluent limits of Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003012000; and
 - d. On September 2, 2009, submitted the discharge monitoring reports ("DMRs") for the monitoring periods ending May 31, 2008, August 31, 2008, November 30, 2008, and February 28, 2009.
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 Facility, the Respondent is alleged to have:

- Failed to comply with the permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and TPDES Permit No. WQ0003012000, Effluent Limitations and Monitoring Requirements No. 1, as documented during a record review conducted on July 13, 2009, and shown in the following table:

EFFLUENT VIOLATION TABLE			
	Daily Max. Flow	TSS Daily Avg. Conc.	TSS Max. Single Grab Conc.
Months	Limit: 0.006 MGD	Limit: 20 mg/L	Limit: 45 mg/L
3/31/2008	c	29.75	c
4/30/2008	c	33.50	c
6/30/2008	c	22.50	c
7/31/2008	c	26.00	c
12/31/2008	0.008	c	c
1/31/2009	0.007	31.00	c
2/28/2009	c	38.50	54.0
TSS = total suspended solids mg/L = milligrams per liter avg. = average max. = maximum conc. = concentration c = compliant MGD = million gallons per day			

- Failed to timely submit effluent monitoring results at intervals specified in the permit, in violation of 30 TEX. ADMIN. CODE § 305.125(17) and TPDES Permit No. WQ0003012000, Monitoring and Reporting Requirements No. 1, as documented during a record review conducted on July 13, 2009. Specifically, the Respondent failed to submit DMRs for the monitoring periods ending May 31, 2008, August 31, 2008, November 30, 2008, and February 28, 2009, by the 20th day of the following months.

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: Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators), Docket No. 2009-1534-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. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, update the Facility's operational guidance and conduct employee training to ensure that all effluent monitoring results are submitted to the TCEQ at the intervals specified in this permit, in accordance with TPDES Permit No. WQ0003012000, Monitoring and Reporting Requirements No. 1; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Water Section, Manager
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5503

3. 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 Facility operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. 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.
7. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
8. 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

John Srdliar
For the Executive Director

12/11/2009
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.

F. A. Smith
Signature

10/12/09
Date

F. A. SMITH
Name (Printed or typed)
Authorized Representative of
Gulf Marine Fabricators, L.P. (formerly known as G.M. Fabricators, L.P. dba Gulf Marine Fabricators)

PRESIDENT
Title

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.