

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER** Page 1 of 2  
**DOCKET NO.:** 2009-0624-AIR-E **TCEQ ID:** RN102570645 **CASE NO.:** 37554  
**RESPONDENT NAME:** Federal Heath Sign Company, LLC

<b>ORDER TYPE:</b>		
<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	
<b>CASE TYPE:</b>		
<input checked="" 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 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><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Federal Heath Sign Company, 1500 North Bolton Street, Jacksonville, Cherokee County</p> <p><b>TYPE OF OPERATION:</b> Sign manufacturing plant</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on June 7, 2010. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Mr. Terry Murphy, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-5025; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495  <b>Respondent:</b> Mr. Bob Halfpenny, Operations Manager, Federal Heath Sign Company, LLC, 1500 North Bolton Street, Jacksonville, Texas 75766  Mr. Dennis R. Lytle, Safety &amp; Environmental Manager, Federal Heath Sign Company, LLC, 1500 North Bolton Street, Jacksonville, Texas 75766  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> November 19, 2008</p> <p><b>Date of NOE Relating to this Case:</b> April 20, 2009</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>1) Failure to have authorization to operate a source of air emissions. Specifically, the Respondent began operation of a silkscreen printing process without authorization [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH &amp; SAFETY CODE §§ 382.085(b) and 382.0518(a)].</p> <p>2) Failure to comply with emissions limitations required by the National Emission Standards for Hazardous Air Pollutants. Specifically, the Respondent was required to comply with emissions limits for miscellaneous metal parts and products by January 2, 2007 and for plastic parts and products by April 19, 2007, but failed to do so. Compliance with these standards is estimated to result in 44 tons per year of volatile organic compound emissions reductions [30 TEX. ADMIN. CODE § 101.20(2), 40 CODE OF FEDERAL REGULATIONS §§ 63.3890 and 63.4490, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$15,000</p> <p><b>Total Deferred:</b> \$3,000  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$12,000</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent, on April 2, 2008, submitted a request for a New Source Review Permit (Permit No. 78766) to authorize emissions at the Plant.</p> <p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the New Source Review permit application submitted on April 2, 2008 within 30 days after the date of such requests, or by any other deadline specified in writing;</p> <p>b. Within 60 days after the effective date of this Agreed Order, submit written certification, as specified by Ordering Provision d., that either authorization for emissions from the Plant has been obtained or that unauthorized emissions have ceased;</p> <p>c. Within 120 days after the effective date of this Agreed Order, submit written certification of compliance with the emissions limitations required by the National Emission Standards for Hazardous Air Pollutants, 40 CODE OF FEDERAL REGULATIONS §§ 63.3890 and 63.4490; and</p> <p>d. The certifications required by Ordering Provisions b. and c. shall include detailed supporting documentation including receipts and/or other records to demonstrate compliance.</p>

Additional ID No(s): Air Account CJ0142G



## Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002).

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	Assigned	27-Apr-2009			
	PCW	3-Jun-2009	Screening	1-May-2009	EPA Due 15-Jan-2010

**RESPONDENT/FACILITY INFORMATION**

<b>Respondent</b>	Federal Heath Sign Company, LLC				
<b>Reg. Ent. Ref. No.</b>	RN102570645				
<b>Facility/Site Region</b>	5-Tyler	<b>Major/Minor Source</b>	Major		

**CASE INFORMATION**

<b>Enf./Case ID No.</b>	37554	<b>No. of Violations</b>	2		
<b>Docket No.</b>	2009-0624-AIR-E	<b>Order Type</b>	1660		
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No		
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Terry Murphy		
		<b>EC's Team</b>	Enforcement Team 4		
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$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** **Subtotals 2, 3, & 7**

0.0% Enhancement

**Notes**

**Culpability** **Subtotal 4**

0.0% Enhancement

**Notes**

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

**Economic Benefit** **Subtotal 6**

0.0% Enhancement\*

Total EB Amounts	\$1,730
Approx. Cost of Compliance	\$10,000

\*Capped at the Total EB \$ Amount

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

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **Adjustment**

-66.7%

Reduces or enhances the Final Subtotal by the indicated percentage.

**Notes**

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty**

**DEFERRAL** **Adjustment**

20.0% Reduction

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

**Notes**

**PAYABLE PENALTY**

**Screening Date** 1-May-2009

**Docket No.** 2009-0624-AIR-E

**PCW**

**Respondent** Federal Health Sign Company, LLC

Policy Revision 2 (September 2002)

**Case ID No.** 37554

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN102570645

**Media [Statute]** Air

**Enf. Coordinator** Terry Murphy

### 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)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	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)**

>> **Repeat Violator (Subtotal 3)**

**Adjustment Percentage (Subtotal 3)**

>> **Compliance History Person Classification (Subtotal 7)**

**Adjustment Percentage (Subtotal 7)**

>> **Compliance History Summary**

**Compliance History Notes**

No change due to average performer classification.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)**

<b>Screening Date</b> 1-May-2009	<b>Docket No.</b> 2009-0624-AIR-E																			
<b>Respondent</b> Federal Heath Sign Company, LLC	<b>PCW</b> <small>Policy Revision 2 (September 2002) PCW Revision October 30, 2008</small>																			
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<b>Violation Number</b> 1																				
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<b>Violation Description</b>	Failed to have authorization to operate a source of air emissions. Specifically, the Respondent began operation of a silkscreen printing process without authorization, as documented during an investigation that began on November 19, 2008.																			
	<b>Base Penalty</b> \$10,000																			
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																				
<b>OR</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td colspan="3" style="text-align: center;"><b>Harm</b></td> <td></td> </tr> <tr> <td><b>Release</b></td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> <td></td> </tr> <tr> <td><b>Actual</b></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td rowspan="2" style="text-align: right;"><b>Percent</b> 0%</td> </tr> <tr> <td><b>Potential</b></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>		<b>Harm</b>				<b>Release</b>	Major	Moderate	Minor		<b>Actual</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Percent</b> 0%	<b>Potential</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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	Major	Moderate	Minor																	
<b>Falsification</b>	x	<input type="checkbox"/>	<input type="checkbox"/>	<b>Percent</b> 25%																
<b>Matrix Notes</b>	The Respondent failed to comply with 100% of the requirement.																			
	<b>Adjustment</b> \$7,500																			
	\$2,500																			
<b>Violation Events</b>																				
<b>Number of Violation Events</b>	6																			
	163 <b>Number of violation days</b>																			
<small>mark only one with an x</small>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>daily</td><td><input type="checkbox"/></td></tr> <tr><td>weekly</td><td><input type="checkbox"/></td></tr> <tr><td>monthly</td><td style="text-align: center;">x</td></tr> <tr><td>quarterly</td><td><input type="checkbox"/></td></tr> <tr><td>semiannual</td><td><input type="checkbox"/></td></tr> <tr><td>annual</td><td><input type="checkbox"/></td></tr> <tr><td>single event</td><td><input type="checkbox"/></td></tr> </table>	daily	<input type="checkbox"/>	weekly	<input type="checkbox"/>	monthly	x	quarterly	<input type="checkbox"/>	semiannual	<input type="checkbox"/>	annual	<input type="checkbox"/>	single event	<input type="checkbox"/>					
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<b>Good Faith Efforts to Comply</b>																				
	<b>0.0% Reduction</b> \$0																			
	<small>Before NOV    NOV to EDRP/Settlement Offer</small>																			
<b>Extraordinary</b>	<input type="checkbox"/>																			
<b>Ordinary</b>	<input type="checkbox"/>																			
<b>N/A</b>	x (mark with x)																			
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.																			
	<b>Violation Subtotal</b> \$15,000																			
<b>Economic Benefit (EB) for this violation</b>																				
<b>Estimated EB Amount</b>	\$1,022																			
<b>Statutory Limit Test</b>																				
	<b>Violation Final Penalty Total</b> \$5,000																			
<b>This violation Final Assessed Penalty (adjusted for limits)</b> \$5,000																				

## Economic Benefit Worksheet

**Respondent** Federal Heath Sign Company, LLC  
**Case ID No.** 37554  
**Reg. Ent. Reference No.** RN102570645  
**Media** Air  
**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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
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	\$5,000	1-Oct-2006	1-Nov-2009	4.09	\$1,022	n/a
Other (as needed)			0.00	\$0	n/a	\$0

**Notes for DELAYED costs**    Estimated costs associated with preparing and submitting a permit application. The Date Required is the date the Respondent bought the Plant, and the Final Date is the date the permit is expected to be issued.

**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**    \$5,000    **TOTAL**    \$1,022

<b>Screening Date</b> 1-May-2009	<b>Docket No.</b> 2009-0624-AIR-E																			
<b>Respondent</b> Federal Heath Sign Company, LLC	<b>PCW</b> <small>Policy Revision 2 (September 2002)</small>																			
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<b>Enf. Coordinator</b> Terry Murphy																				
<b>Violation Number</b> 2																				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 101.20(2), 40 Code of Federal Regulations §§ 63.3890 and 63.4490, and Tex. Health & Safety Code § 382.085(b)																			
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<b>Matrix Notes</b>	Human health or the environment has been exposed to significant amounts of pollutants not exceeding levels protective of human health or environmental receptors as a result of the violations.																			
	<b>Adjustment</b> \$5,000																			
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	<b>Violation Base Penalty</b> \$30,000																			
	<div style="border: 1px solid black; padding: 5px; width: fit-content;">                 Six monthly events are recommended, from the beginning date of the investigation (November 19, 2008) to the enforcement screening date (May 1, 2009).             </div>																			
<b>Good Faith Efforts to Comply</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;">0.0% Reduction</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;"><small>Before NOV</small></td> <td style="text-align: center;"><small>NOV to EDRP/ Settlement Offer</small></td> </tr> <tr> <td style="text-align: center;">Extraordinary</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Ordinary</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">x</td> <td style="text-align: center;"><small>(mark with x)</small></td> </tr> <tr> <td><b>Notes</b></td> <td colspan="2">The Respondent does not meet the good faith criteria for this violation.</td> </tr> </table>		0.0% Reduction			<small>Before NOV</small>	<small>NOV to EDRP/ Settlement Offer</small>	Extraordinary			Ordinary			N/A	x	<small>(mark with x)</small>	<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.		
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Extraordinary																				
Ordinary																				
N/A	x	<small>(mark with x)</small>																		
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.																			
	<b>Violation Subtotal</b> \$30,000																			
<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>																			
<b>Estimated EB Amount</b>	\$708																			
	<b>Violation Final Penalty Total</b> \$10,000																			
	<b>This violation Final Assessed Penalty (adjusted for limits)</b> \$10,000																			

### Economic Benefit Worksheet

**Respondent:** Federal Heath Sign Company, LLC  
**Case ID No.** 37554  
**Reg. Ent. Reference No.** RN102570645  
**Media:** Air  
**Violation No.** 2

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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)	\$5,000	2-Jan-2007	1-Nov-2009	2.83	\$708	n/a	\$708

**Notes for DELAYED costs**  
 Estimated costs to change to compliant materials, make equipment modifications, and prepare and submit compliance demonstration documentation. The Date Required is the first compliance due date, and the Final Date is the date the Respondent is expected to achieve compliance.

**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**

<b>Approx. Cost of Compliance</b>	\$5,000	<b>TOTAL</b>	\$708
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# Compliance History Report

Customer/Respondent/Owner-Operator: CN600437222 Federal Heath Sign Company, LLC Classification: AVERAGE Rating: 2.25  
Regulated Entity: RN102570645 FEDERAL HEATH SIGN COMPANY Classification: AVERAGE BY Site Rating: 3.01  
DEFAULT

ID Number(s): AIR NEW SOURCE PERMITS PERMIT 37278  
AIR NEW SOURCE PERMITS PERMIT 37960  
AIR NEW SOURCE PERMITS PERMIT 37673  
AIR NEW SOURCE PERMITS ACCOUNT NUMBER CJ0142G  
AIR NEW SOURCE PERMITS REGISTRATION 54979  
AIR NEW SOURCE PERMITS PERMIT 78766

Location: 1500 N BOLTON ST, JACKSONVILLE, TX, 75766

TCEQ Region: REGION 05 - TYLER

Date Compliance History Prepared: April 29, 2009

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: April 29, 2004 to April 29, 2009

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

Name: Terry Murphy Phone: (512) 239-5025

## 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? Federal Heath Sign Company, LLC
4. If Yes, who was/were the prior owner(s)/operator(s) ? Zimmerman Sign Company
5. When did the change(s) in owner or operator occur? October-05
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.  
N/A
- 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 04/20/2009 (741798)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)  
N/A
- 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  
FEDERAL HEATH SIGN COMPANY,  
LLC  
RN102570645**

§  
§  
§  
§  
§  
§

**BEFORE THE  
  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2009-0624-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 Federal Heath Sign Company, 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 sign manufacturing plant at 1500 North Bolton in Jacksonville, Cherokee County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 82.003(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 April 25, 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 Fifteen Thousand Dollars (\$15,000) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twelve Thousand Dollars (\$12,000) of the administrative penalty and Three Thousand

Dollars (\$3,000) 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, on April 2, 2008, submitted a request for a New Source Review Permit (Permit No. 78766) to authorize emissions at the Plant.
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 have authorization to operate a source of air emissions, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518(a), as documented during an investigation that began on November 19, 2008. Specifically, the Respondent began operation of a silkscreen printing process without authorization.
2. Failed to comply with emissions limitations required by the National Emission Standards for Hazardous Air Pollutants, in violation of 30 TEX. ADMIN. CODE § 101.20(2), 40 CODE OF FEDERAL REGULATIONS §§ 63.3890 and 63.4490, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation that began on November 19, 2008. Specifically, the Respondent was required to comply with emissions limits for miscellaneous metal parts and products by January 2, 2007 and for plastic parts and products by April 19, 2007, but failed to do so. Compliance with these standards is estimated to result in 44 tons per year of volatile organic compound emissions reductions.

### 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: Federal Heath Sign Company, LLC, Docket No. 2009-0624-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. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the New Source Review permit application submitted on April 2, 2008 within 30 days after the date of such requests, or by any other deadline specified in writing;
  - b. Within 60 days after the effective date of this Agreed Order, submit written certification, as specified by Ordering Provision 2.d. below, that either authorization for emissions from the Plant has been obtained or that unauthorized emissions have ceased;
  - c. Within 120 days after the effective date of this Agreed Order, submit written certification of compliance with the emissions limitations required by the National Emission Standards for Hazardous Air Pollutants, 40 CODE OF FEDERAL REGULATIONS §§ 63.3890 and 63.4490; and
  - d. The certifications required by Ordering Provisions 2.b. and 2.c. shall include detailed supporting documentation including receipts and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public, and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, 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:

Air Section, Manager  
Tyler Regional Office  
Texas Commission on Environmental Quality  
2916 Teague Drive  
Tyler, Texas 75701-3734

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 Plant 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.

Federal Heath Sign Company, LLC  
DOCKET NO. 2009-0624-AIR-E  
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

John Szolter  
For the Executive Director

5/21/2010  
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]  
Signature

7/10/2009  
Date

Dennis R. Lytle  
Name (Printed or typed)  
Authorized Representative of  
Federal Heath Sign Company, LLC

Safety & Environmental Mgr.  
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.