

**Executive Summary – Enforcement Matter – Case No. 49644**  
**Dupre Logistics LLC**  
**RN100648096**  
**Docket No. 2014-1691-PST-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

PST

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Dupre Logistics, 15535 Market Street, Channelview, Harris County; 6633 Washington Avenue, Houston, Harris County; 10451 West Ennis Avenue, Ennis, Ellis County; 5249 Broadway Boulevard, Garland, Dallas County; and 11470 Garland Road, Dallas, Dallas County

**Type of Operation:**

Common carrier

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** June 5, 2015

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$9,453

**Amount Deferred for Expedited Settlement:** \$1,890

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$3,782

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$1,891

Name of SEP: Galveston Bay Foundation, Inc. (Third-Party Pre-Approved)

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$1,890

Name of SEP: National Audubon Society, Inc. dba Audubon Texas (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Unclassified

Site/RN - Unclassified

**Major Source:** No

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

**Executive Summary – Enforcement Matter – Case No. 49644**  
**Dupre Logistics LLC**  
**RN100648096**  
**Docket No. 2014-1691-PST-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** March 18, 2013, April 8, 2013, September 5, 2014, and October 2, 2014

**Date(s) of NOE(s):** September 5, 2014, September 12, 2014, September 23, 2014, October 24, 2014, and January 10, 2015

***Violation Information***

Alleged to have deposited a regulated substance into regulated underground storage tanks ("USTs") systems that were not covered by a valid, current TCEQ delivery certificate. Specifically, the Respondent made two fuel deposits at Facility 1 during the month of January 2013; one fuel deposit at Facility 2 during the month of April 2013; one fuel deposit at Facility 3 during the month of June 2014; and six fuel deposits at Facility 4 during the months of March, May, June, July and August 2014. At the time of the fuel deposits, the Facilities did not possess a valid, current TCEQ delivery certificate [30 TEX. ADMIN. CODE § 334.5(b)(1)(A) and TEX. WATER CODE § 26.3467(d)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent implemented a procedure for fuel delivery personnel to verify that a facility possesses a valid, current TCEQ delivery certificate prior to depositing fuel into a UST system, based on documentation submitted on November 10, 2014.

**Technical Requirements:**

The Order will require the Respondent to implement and complete two SEPs (see SEP Attachments A and B).

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Hearing Date(s):** N/A

**Settlement Date:** N/A

**Executive Summary – Enforcement Matter – Case No. 49644**  
**Dupre Logistics LLC**  
**RN100648096**  
**Docket No. 2014-1691-PST-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Steven Van Landingham, Enforcement Division, Enforcement Team 6, MC 128, (512) 239-5717; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

**TCEQ SEP Coordinator:** Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

**Respondent:** Coty Dupre, Sr., Chief Executive Officer, Dupre Logistics LLC, 201 Energy Parkway, Suite 500, Lafayette, Louisiana 70508-3839  
Douglas W. Place, Environmental Vice President, Dupre Logistics LLC, 201 Energy Parkway, Suite 500, Lafayette, Louisiana 70508-3839

**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2014-1691-PST-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Dupre Logistics LLC</b>
<b>Penalty Amount:</b>	<b>Seven Thousand Five Hundred Sixty-Three Dollars (\$7,563)</b>
<b>SEP Offset Amount:</b>	<b>One Thousand Eight Hundred Ninety-One Dollars (\$1,891)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Galveston Bay Foundation, Inc.</b>
<b>Project Name:</b>	<b><i>Galveston Bay “Marsh Mania” Restoration Program</i></b>
<b>Location of SEP:</b>	<b>Harris, Galveston, Chambers, and Brazoria Counties</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Galveston Bay Foundation, Inc.** for the *Galveston Bay “Marsh Mania” Restoration Program*. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to re-establish marsh habitat to Galveston Bay by restoring marsh elevations to those that will support marsh vegetation and protect marsh habitats from the threat of erosion. The Third-Party Administrator shall also plant salinity-appropriate marsh grasses to reestablish the habitat. The SEP Offset Amount will be used for on-the-ground site preparation and construction of marsh restoration sites, including supplies, materials, equipment, and contractual labor costs, excluding compensation of Galveston Bay Foundation personnel or volunteers.

Restoration work will take place in and around Galveston Bay, its sub-bays, and its tributaries throughout Harris, Galveston, Chambers, and Brazoria Counties. The specific locations will be determined based on local prioritization and needs. The Third-Party Administrator, at its own expense, shall work with local steering committees comprised of leaders from government agencies and local organizations

to identify and prioritize sites. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

Due to the loss of wetlands in the Galveston Bay system, the Galveston Bay National Estuary Program identified wetland restoration, creation, and protection as the number one priority in the *Galveston Bay Plan*. Marshes along coastal Texas, including Galveston Bay, serve as nursery grounds for over 95% of the recreational and commercial fish species found in the Gulf of Mexico as well as many varieties of shrimps and crabs. These habitats also provide breeding, nesting, and feeding grounds for more than one-third of all threatened and endangered animal species, support many endangered plant species, and provide permanent and seasonal habitat for a great variety of wildlife, including finfish and shellfish and 75% of North America's bird species. Marshes also result in the reduction of pollution by filtering particulates and excess nutrients from runoff and serve to protect shorelines from erosion and help reduce the effects of flooding and storm surges on more upland areas.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Galveston Bay Foundation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Dupre Logistics LLC  
Agreed Order - Attachment A

Robert Stokes, President  
Galveston Bay Foundation, Inc.  
17330 Highway 3  
Webster, Texas 77598-4133

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

**Attachment B**

**Docket Number: 2014-1691-PST-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Dupre Logistics LLC</b>
<b>Penalty Amount:</b>	<b>Seven Thousand Five Hundred Sixty-Three Dollars (\$7,563)</b>
<b>SEP Offset Amount:</b>	<b>One Thousand Eight Hundred Ninety Dollars (\$1,890)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>National Audubon Society, Inc. d/b/a Audubon Texas</b>
<b>Project Name:</b>	<b><i>Texas Coastal Island Stewardship Program</i></b>
<b>Location of SEP:</b>	Anderson, Andrews, Aransas, Archer, Atascosa, Austin, Bailey, Bandera, Bastrop, Baylor, Bee, Bexar, Blanco, Borden, Bosque, Brazoria, Brazos, Brooks, Brown, Burleson, Burnet, Caldwell, Calhoun, Callahan, Cameron, Castro, Chambers, Clay, Cochran, Coke, Coleman, Collin, Colorado, Comal, Comanche, Concho, Cooke, Coryell, Crockett, Crosby, Dallas, Dawson, Denton, DeWitt, Dickens, Dimmit, Duval, Eastland, Ector, Edwards, Ellis, Erath, Falls, Fannin, Fayette, Fisher, Floyd, Fort Bend, Freestone, Frio, Gaines, Galveston, Garza, Gillespie, Glasscock, Goliad, Grayson, Grimes, Guadalupe, Hale, Hamilton, Hardin, Haskell, Hays, Henderson, Hidalgo, Hill, Hockley, Hood, Houston, Howard, Hunt, Irion, Jack, Jackson, Jefferson, Jim Hogg, Jim Wells, Johnson, Jones, Karnes, Kaufman, Kendall, Kenedy, Kent, Kerr, Kimble, King, Kinney, Kleberg, Knox, Lamb, Lampasas, La Salle, Lee, Leon, Liberty, Limestone, Live Oak, Llano, Lubbock, Lynn, Madison, Martin, Mason, Matagorda, Maverick, McCulloch, McLennan, McMullen, Menard, Medina, Midland, Milam, Mills, Mitchell, Montague, Navarro, Nolan, Nueces, Palo Pinto, Parker, Parmer, Polk, Reagan, Real, Refugio, Robertson, Refugio, Runnels, San Patricio, San Saba, Schleicher, Scurry, Shackelford, Somervell, Starr, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terry, Throckmorton, Tom Green, Travis, Trinity, Upton, Uvalde, Van Zandt, Walker, Waller, Washington, Victoria, Webb, Wharton, Willacy, Williamson, Wilson, Winkler, Wise, Yoakum, Young, and Zavala Counties

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment B.

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **National Audubon Society, Inc. d/b/a Audubon Texas** for the *Texas Coastal Island Stewardship Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used for a portion of its lease payments for the islands where this Project will take place. The SEP Offset Amount will also be used for predator control activities, including traps, baits, fire ant control, and fuel for accessing the islands to place the traps and baits. Contractors will also be hired periodically to conduct larger-scale predator control activities such as feral hog removal. The Third-Party Administrator shall also use SEP Offset Amount for restoration activities, including planting native trees and shrubs, herbicide for invasive species removal, equipment such as rakes and shovels for manual invasive species removal, and fuel for transporting volunteers and staff for restoration activities. Restoration activities will also include purchase and disposal of a Bagster in order to remove collected trash from the islands. The Third-Party Administrator shall also purchase materials for building nesting towers, purchase "No Trespassing" signs, and hire a contractor to install the signs across the islands.

The Third-Party Administrator shall use the SEP Offset Amount for personnel labor through its warden program. Wardens shall conduct monitoring, habitat enhancement, and predator management. Wardens shall also conduct island management activities such as patrolling and counting bird populations by boat during the nesting season, developing new nesting habitat through plantings, and monitoring predator activity and erosion. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The populations of many species of water bird located along the Texas coast have been declining. Healthy feeding and nesting habitats are essential to the water birds' ability to survive and successfully reproduce. This Project addresses threats to water bird habitats such as erosion and subsidence, loss of nesting vegetation, fire ants, human disturbance, and mammal predators. This Project will also improve water quality in and around the island sanctuaries.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **National Audubon Society, Inc. d/b/a Audubon Texas SEP** and shall mail the contribution with a copy of the Agreed Order to:

National Audubon Society, Inc. d/b/a Audubon Texas  
Attention: Iliana A. Pena, Director of Conservation  
2904 Swiss Avenue  
Dallas, Texas 75204

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

#### 4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment B, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

#### 5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

#### 6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

#### 7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment B and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

<b>DATES</b>	<b>Assigned</b>	4-Nov-2014	<b>Screening</b>	10-Nov-2014	<b>EPA Due</b>	
	<b>PCW</b>	23-Feb-2015				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Dupre Logistics LLC
<b>Reg. Ent. Ref. No.</b>	RN100648096
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>		<b>No. of Violations</b>	1
<b>Enf./Case ID No.</b>	49644	<b>Order Type</b>	1660
<b>Docket No.</b>	2014-1691-PST-E	<b>Government/Non-Profit</b>	No
<b>Media Program(s)</b>	Petroleum Storage Tank	<b>Enf. Coordinator</b>	Steven Van Landingham
<b>Multi-Media</b>		<b>EC's Team</b>	Enforcement Team 6
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$10,000</b>
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	0.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$0</b>
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Notes: No adjustment for compliance history.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	<b>-\$1,000</b>
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
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Total EB Amounts	\$454
Estimated Cost of Compliance	\$500

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$9,000</b>
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	5.0%	<b>Adjustment</b>	<b>\$453</b>
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost of compliance associated with the violation.

<b>Final Penalty Amount</b>	<b>\$9,453</b>
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$9,453</b>
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	<b>-\$1,890</b>
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$7,563</b>
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**Screening Date** 10-Nov-2014

**Docket No.** 2014-1691-PST-E

**PCW**

**Respondent** Dupre Logistics LLC

Policy Revision 4 (April 2014)

**Case ID No.** 49644

PCW Revision March 26, 2014

**Reg. Ent. Reference No.** RN100648096

**Media [Statute]** Petroleum Storage Tank

**Enf. Coordinator** Steven Van Landingham

**Compliance History Worksheet**

>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	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 ( <i>number of judgments 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)** 0%

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

No

**Adjustment Percentage (Subtotal 3)** 0%

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

Unclassified

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

No adjustment for compliance history.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 0%

>> **Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 0%

Screening Date 10-Nov-2014

Docket No. 2014-1691-PST-E

PCW

Respondent Dupre Logistics LLC

Policy Revision 4 (April 2014)

Case ID No. 49644

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100648096

Media [Statute] Petroleum Storage Tank

Enf. Coordinator Steven Van Landingham

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 334.5(b)(1)(A) and Tex. Water Code § 26.3467(d)

Violation Description The Respondent deposited a regulated substance into regulated underground storage tank ("UST") systems that were not covered by a valid, current TCEQ delivery certificate. Specifically, the Respondent made two fuel deposits at Facility 1 during the month of January 2013; one fuel deposit at Facility 2 during the month of April 2013; one fuel deposit at Facility 3 during the month of June 2014; and six fuel deposits at Facility 4 during the months of March, May, June, July and August, 2014. At the time of the fuel deposits, the Facilities did not possess a valid, current TCEQ delivery certificate.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	X		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 8

10 Number of violation days

mark only one with an x

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$10,000

Eight monthly events are recommended.

Good Faith Efforts to Comply

10.0%

Reduction \$1,000

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

Notes The Respondent came into compliance on November 10, 2014, prior to the settlement offer dated December 31, 2014.

Violation Subtotal \$9,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$454

Violation Final Penalty Total \$9,453

This violation Final Assessed Penalty (adjusted for limits) \$9,453

## Economic Benefit Worksheet

**Respondent** Dupre Logistics LLC  
**Case ID No.** 49644  
**Reg. Ent. Reference No.** RN100648096  
**Media** Petroleum Storage Tank  
**Violation No.** 1

<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
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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)	\$100	2-Oct-2014	10-Nov-2014	0.11	\$1	n/a	\$1

**Notes for DELAYED costs**

Estimated delayed cost to develop and implement procedures designed to ensure that the owner or operator of a UST system possesses a valid, current TCEQ delivery certificate prior to depositing a regulated substance into the UST system. The date required is the last investigation date, and the final date is the compliance date.

### 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)	\$400	4-Jan-2013	2-Oct-2014	2.66	\$53	\$400	\$453

**Notes for AVOIDED costs**

Estimated avoided cost (\$100 per Facility) to verify that the Facilities had a valid, current fuel delivery certificate. The date required is the first fuel delivery date, and the final date is the last investigation date.

Approx. Cost of Compliance

\$500

**TOTAL**

\$454

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



# Compliance History Report

**PUBLISHED** Compliance History Report for CN603642042, RN100648096, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

**Customer, Respondent, or Owner/Operator:** CN603642042, Dupre Logistics LLC      **Classification:** UNCLASSIFIED      **Rating:** -----

**Regulated Entity:** RN100648096, DUPRE LOGISTICS      **Classification:** UNCLASSIFIED      **Rating:** -----

**Complexity Points:** 1      **Repeat Violator:** NO

**CH Group:** 14 - Other

**Location:** 15535 MARKET ST CHANNELVIEW, TX 77530-4235, HARRIS COUNTY

**TCEQ Region:** REGION 12 - HOUSTON

**ID Number(s):** **INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 85740**

**INDUSTRIAL AND HAZARDOUS WASTE EPA ID LAR000045963**

**Compliance History Period:** September 01, 2009 to August 31, 2014      **Rating Year:** 2014      **Rating Date:** 09/01/2014

**Date Compliance History Report Prepared:** November 10, 2014

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** November 10, 2009 to November 10, 2014

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Steven Van Landingham

**Phone:** (512) 239-5717

**Site and Owner/Operator History:**

- 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? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

**Components (Multimedia) for the Site Are Listed in Sections A - J**

**A. Final Orders, court judgments, and consent decrees:**

N/A

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

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

N/A

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

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  
DUPRE LOGISTICS LLC  
RN100648096**

§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2014-1691-PST-E**

**I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Dupre Logistics LLC ("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 together stipulate that:

1. The Respondent, a common carrier located at 15535 Market Street in Channelview, Harris County, Texas, delivered fuel to thirteen underground storage tanks ("USTs") at the following locations (collectively referred to as the "Facilities"):
  - a. Facility 1, located at 6633 Washington Avenue in Houston, Harris County, Texas;
  - b. Facility 2, located at 10451 West Ennis Avenue in Ennis, Ellis County, Texas;
  - c. Facility 3, located at 5249 Broadway Boulevard in Garland, Dallas County, Texas; and
  - d. Facility 4, located at 11470 Garland Road in Dallas, Dallas County, Texas.
2. The thirteen USTs at the Facilities are not exempt or excluded from regulation under the Texas Water Code or the rules of the Commission.
3. The Executive Director 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 notices of the violations alleged in Section II ("Allegations") on or about September 28, 2014, October 29, 2014, November 30, 2014, and January 10, 2015.
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 Nine Thousand Four Hundred Fifty-Three Dollars (\$9,453) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Three Thousand Seven Hundred Eighty-Two Dollars (\$3,782) of the administrative penalty and One Thousand Eight Hundred Ninety Dollars (\$1,890) 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. Three Thousand Seven Hundred Eighty-One Dollars (\$3,781) shall be conditionally offset by the Respondent's completion of two Supplemental Environmental Projects ("SEPs").
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 and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent implemented a procedure for fuel delivery personnel to verify that a facility possesses a valid, current TCEQ delivery certificate prior to depositing fuel into a UST system, based on documentation submitted on November 10, 2014.
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 a common carrier, the Respondent is alleged to have deposited a regulated substance into regulated UST systems that were not covered by a valid, current TCEQ delivery certificate, in violation of 30 TEX. ADMIN. CODE § 334.5(b)(1)(A) and TEX. WATER CODE § 26.3467(d), as documented during investigations conducted on March, 18, 2013, April 8, 2013, September 5, 2014 and October 2, 2014. Specifically, the Respondent made two fuel deposits at Facility 1 during the month of January 2013; one fuel deposit at Facility 2 during the month of April 2013; one fuel deposit at Facility 3 during the month of June 2014; and six fuel deposits at Facility 4 during the months of March, May, June, July and August, 2014. At the time of the fuel deposits, the Facilities did not possess a valid, current TCEQ delivery certificate.

## 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: Dupre Logistics LLC, Docket No. 2014-1691-PST-E" to:  
  
Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. The Respondent shall implement and complete two SEPs in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Three Thousand Seven Hundred Eighty-One Dollars (\$3,781) of the assessed administrative penalty shall be offset with the condition that the SEPs defined in Attachment A and Attachment B, incorporated herein by reference, are implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreements.
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 fuel delivery 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 separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
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.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

*Pam Harris*  
For the Executive Director

7/17/15  
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.

*Douglas W. Place*  
Signature

3/23/15  
Date

Douglas W. Place  
Name (Printed or typed)  
Authorized Representative of  
Dupre Logistics LLC

EVP.  
Title

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



**Attachment A**

**Docket Number: 2014-1691-PST-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Dupre Logistics LLC</b>
<b>Penalty Amount:</b>	<b>Seven Thousand Five Hundred Sixty-Three Dollars (\$7,563)</b>
<b>SEP Offset Amount:</b>	<b>One Thousand Eight Hundred Ninety-One Dollars (\$1,891)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Galveston Bay Foundation, Inc.</b>
<b>Project Name:</b>	<b><i>Galveston Bay "Marsh Mania" Restoration Program</i></b>
<b>Location of SEP:</b>	<b>Harris, Galveston, Chambers, and Brazoria Counties</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Galveston Bay Foundation, Inc.** for the *Galveston Bay "Marsh Mania" Restoration Program*. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to re-establish marsh habitat to Galveston Bay by restoring marsh elevations to those that will support marsh vegetation and protect marsh habitats from the threat of erosion. The Third-Party Administrator shall also plant salinity-appropriate marsh grasses to reestablish the habitat. The SEP Offset Amount will be used for on-the-ground site preparation and construction of marsh restoration sites, including supplies, materials, equipment, and contractual labor costs, excluding compensation of Galveston Bay Foundation personnel or volunteers.

Restoration work will take place in and around Galveston Bay, its sub-bays, and its tributaries throughout Harris, Galveston, Chambers, and Brazoria Counties. The specific locations will be determined based on local prioritization and needs. The Third-Party Administrator, at its own expense, shall work with local steering committees comprised of leaders from government agencies and local organizations

to identify and prioritize sites. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

Due to the loss of wetlands in the Galveston Bay system, the Galveston Bay National Estuary Program identified wetland restoration, creation, and protection as the number one priority in the *Galveston Bay Plan*. Marshes along coastal Texas, including Galveston Bay, serve as nursery grounds for over 95% of the recreational and commercial fish species found in the Gulf of Mexico as well as many varieties of shrimps and crabs. These habitats also provide breeding, nesting, and feeding grounds for more than one-third of all threatened and endangered animal species, support many endangered plant species, and provide permanent and seasonal habitat for a great variety of wildlife, including finfish and shellfish and 75% of North America's bird species. Marshes also result in the reduction of pollution by filtering particulates and excess nutrients from runoff and serve to protect shorelines from erosion and help reduce the effects of flooding and storm surges on more upland areas.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Galveston Bay Foundation SEP** and shall mail the contribution with a copy of the Agreed Order to:

Dupre Logistics LLC  
Agreed Order - Attachment A

Robert Stokes, President  
Galveston Bay Foundation, Inc.  
17330 Highway 3  
Webster, Texas 77598-4133

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

**Attachment B**

**Docket Number: 2014-1691-PST-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Dupre Logistics LLC</b>
<b>Penalty Amount:</b>	<b>Seven Thousand Five Hundred Sixty-Three Dollars (\$7,563)</b>
<b>SEP Offset Amount:</b>	<b>One Thousand Eight Hundred Ninety Dollars (\$1,890)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>National Audubon Society, Inc. d/b/a Audubon Texas</b>
<b>Project Name:</b>	<b><i>Texas Coastal Island Stewardship Program</i></b>
<b>Location of SEP:</b> Anderson, Andrews, Aransas, Archer, Atascosa, Austin, Bailey, Bandera, Bastrop, Baylor, Bee, Bexar, Blanco, Borden, Bosque, Brazoria, Brazos, Brooks, Brown, Burleson, Burnet, Caldwell, Calhoun, Callahan, Cameron, Castro, Chambers, Clay, Cochran, Coke, Coleman, Collin, Colorado, Comal, Comanche, Concho, Cooke, Coryell, Crockett, Crosby, Dallas, Dawson, Denton, DeWitt, Dickens, Dimmit, Duval, Eastland, Ector, Edwards, Ellis, Erath, Falls, Fannin, Fayette, Fisher, Floyd, Fort Bend, Freestone, Frio, Gaines, Galveston, Garza, Gillespie, Glasscock, Goliad, Grayson, Grimes, Guadalupe, Hale, Hamilton, Hardin, Haskell, Hays, Henderson, Hidalgo, Hill, Hockley, Hood, Houston, Howard, Hunt, Irion, Jack, Jackson, Jefferson, Jim Hogg, Jim Wells, Johnson, Jones, Karnes, Kaufman, Kendall, Kenedy, Kent, Kerr, Kimble, King, Kinney, Kleberg, Knox, Lamb, Lampasas, La Salle, Lee, Leon, Liberty, Limestone, Live Oak, Llano, Lubbock, Lynn, Madison, Martin, Mason, Matagorda, Maverick, McCulloch, McLennan, McMullen, Menard, Medina, Midland, Milam, Mills, Mitchell, Montague, Navarro, Nolan, Nueces, Palo Pinto, Parker, Parmer, Polk, Reagan, Real, Refugio, Robertson, Refugio, Runnels, San Patricio, San Saba, Schleicher, Scurry, Shackelford, Somervell, Starr, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terry, Throckmorton, Tom Green, Travis, Trinity, Upton, Uvalde, Van Zandt, Walker, Waller, Washington, Victoria, Webb, Wharton, Willacy, Williamson, Wilson, Winkler, Wise, Yoakum, Young, and Zavala Counties	

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment B.

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **National Audubon Society, Inc. d/b/a Audubon Texas** for the *Texas Coastal Island Stewardship Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used for a portion of its lease payments for the islands where this Project will take place. The SEP Offset Amount will also be used for predator control activities, including traps, baits, fire ant control, and fuel for accessing the islands to place the traps and baits. Contractors will also be hired periodically to conduct larger-scale predator control activities such as feral hog removal. The Third-Party Administrator shall also use SEP Offset Amount for restoration activities, including planting native trees and shrubs, herbicide for invasive species removal, equipment such as rakes and shovels for manual invasive species removal, and fuel for transporting volunteers and staff for restoration activities. Restoration activities will also include purchase and disposal of a Bagster in order to remove collected trash from the islands. The Third-Party Administrator shall also purchase materials for building nesting towers, purchase "No Trespassing" signs, and hire a contractor to install the signs across the islands.

The Third-Party Administrator shall use the SEP Offset Amount for personnel labor through its warden program. Wardens shall conduct monitoring, habitat enhancement, and predator management. Wardens shall also conduct island management activities such as patrolling and counting bird populations by boat during the nesting season, developing new nesting habitat through plantings, and monitoring predator activity and erosion. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The populations of many species of water bird located along the Texas coast have been declining. Healthy feeding and nesting habitats are essential to the water birds' ability to survive and successfully reproduce. This Project addresses threats to water bird habitats such as erosion and subsidence, loss of nesting vegetation, fire ants, human disturbance, and mammal predators. This Project will also improve water quality in and around the island sanctuaries.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **National Audubon Society, Inc. d/b/a Audubon Texas SEP** and shall mail the contribution with a copy of the Agreed Order to:

National Audubon Society, Inc. d/b/a Audubon Texas  
Attention: Iliana A. Pena, Director of Conservation  
2904 Swiss Avenue  
Dallas, Texas 75204

**3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment B, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment B and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.