

**Executive Summary – Enforcement Matter – Case No. 49714**  
**Bonanza Industries, Inc.**  
**RN101186989**  
**Docket No. 2014-1767-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

Yes

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

Bonanza Marble, 7043 Satsuma Drive, Suite C, Houston, Harris County

**Type of Operation:**

Cultured marble products plant

**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:** \$20,349

**Amount Deferred for Expedited Settlement:** \$4,069

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

**Total Paid to General Revenue:** \$8,140

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

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$8,140

Name of SEP: Anahuac Independent School District (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - High

Site/RN - High

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002 and April 2014

**Executive Summary – Enforcement Matter – Case No. 49714  
Bonanza Industries, Inc.  
RN101186989  
Docket No. 2014-1767-AIR-E**

***Investigation Information***

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

**Complaint Information:** N/A

**Date(s) of Investigation:** October 30, 2014 through November 4, 2014

**Date(s) of NOE(s):** November 13, 2014

***Violation Information***

1. Failed to submit the semi-annual compliance reports by no later than 31 days following the end of the semi-annual reporting period. Specifically, the Respondent was subject to 40 CFR Part 63, Subpart WWWW and was required to submit semi-annual compliance reports for the January 1, 2011 through June 30, 2011 reporting period by July 31, 2011, the July 1, 2011 through December 31, 2011 reporting period by January 31, 2012, the January 1, 2012 through June 30, 2012 reporting period by July 31, 2012, and the July 1, 2012 through December 31, 2012 reporting period by January 31, 2013; however, no reports were submitted [30 TEX. ADMIN. CODE §§ 101.20(2) and 122.143(4), TEX. HEALTH & SAFETY Code § 382.085(b), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.5910(a), and Federal Operating Permit No. O2563, Special Terms and Conditions No. 1A.].
2. Failed to submit a permit compliance certification ("PCC") within 30 days after the end of the certification period. Specifically, the PCC for the certification period from November 4, 2010 through November 3, 2011 was due by December 3, 2011 and the PCC for the certification period from November 4, 2011 through August 15, 2012 was due by September 14, 2012, but neither PCC was submitted [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O2563, General Terms and Conditions].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Plant ceased operations on October 4, 2011 and shut down on September 12, 2012.

**Technical Requirements:**

The Order will require the Respondent to implement and complete a SEP (See SEP Attachment A).

**Executive Summary – Enforcement Matter – Case No. 49714  
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Docket No. 2014-1767-AIR-E**

***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

***Contact Information***

**TCEQ Attorney:** N/A  
**TCEQ Enforcement Coordinator:** Carol McGrath, Enforcement Division,  
Enforcement Team 4, MC R13, (210) 403-4063; Candy Garrett, Enforcement Division,  
MC 219, (512) 239-1456  
**TCEQ SEP Coordinator:** Stuart Beckley, SEP Coordinator, Enforcement Division,  
MC 219, (512) 239-3565  
**Respondent:** Steve Probst, President, Bonanza Industries, Inc., 4611 Bee Caves Road,  
Suite 100, Austin, Texas 78746  
**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2014-1767-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Bonanza Industries, Inc.</b>
<b>Penalty Amount:</b>	<b>Sixteen Thousand Two Hundred Eighty Dollars (\$16,280)</b>
<b>SEP Offset Amount:</b>	<b>Eight Thousand One Hundred Forty Dollars (\$8,140)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Anahuac Independent School District</b>
<b>Project Name:</b>	<b><i>Clean School Bus Project</i></b>
<b>Location of SEP:</b>	<b>Texas Air Quality Control Region 216, Houston - Galveston</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 **Anahuac Independent School District** for the *Clean School Bus Project*. 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 to purchase a lower-emission school bus that is model year 2010 or newer (“Replacement Bus”) to replace a bus that is model year 1995 (“Older Bus”), thus removing the Older Bus from the roads. The Third-Party Administrator shall ensure that the Replacement Bus has an engine that meets 2010 EPA Standards. The Third-Party Administrator certifies that the Older Bus is currently in use, driven on a regular route on a weekly basis for at least the past two years. The Third-Party Administrator shall own and operate the Replacement Bus for at least five years following the date of purchase. 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.

Bonanza Industries, Inc.  
Agreed Order - Attachment A

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 SEP will benefit air quality by reducing harmful exhaust emissions from an older school bus. Older school bus engines emit larger amounts of nitrogen oxides and particulate matter, as well as other harmful pollutants such as volatile organic compounds and carbon monoxide than new buses. These pollutants contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children. The Project will reduce these emissions by replacing a model year 1995 school bus with a new, lower-emission bus.

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 **Anahuac Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Anahuac Independent School District  
Attention: Rosie Womack, Business Manager  
P.O. Box 638  
Anahuac, Texas 77514

**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:

Bonanza Industries, Inc.  
Agreed Order - Attachment A

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.

Bonanza Industries, Inc.  
Agreed Order - Attachment A

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

The SEP Offset Amount identified in this Attachment A and in the 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 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

<b>DATES</b>	<b>Assigned</b>	24-Nov-2014	<b>Screening</b>	25-Nov-2014	<b>EPA Due</b>	12-May-2015
	<b>PCW</b>	29-Jan-2015				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Bonanza Industries, Inc.				
<b>Reg. Ent. Ref. No.</b>	RN101186989				
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major		

## CASE INFORMATION

<b>Enf./Case ID No.</b>	49714	<b>No. of Violations</b>	1
<b>Docket No.</b>	2014-1767-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>	Carol McGrath
		<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**  Enhancement **Subtotals 2, 3, & 7**

Notes

**Culpability**   Enhancement **Subtotal 4**

Notes

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

**Economic Benefit**  Enhancement\* **Subtotal 6**

Total EB Amounts	\$28
Estimated Cost of Compliance	\$25

\*Capped at the Total EB \$ Amount

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

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount**

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

**DEFERRAL**  Reduction **Adjustment**

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

Notes

**PAYABLE PENALTY**

**Screening Date** 25-Nov-2014

**Docket No.** 2014-1767-AIR-E

**PCW**

**Respondent** Bonanza Industries, Inc.

Policy Revision 2 (September 2002)

**Case ID No.** 49714

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN101186989

**Media [Statute]** Air

**Enf. Coordinator** Carol McGrath

### 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> )	1	5%
	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)** 5%

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

No

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

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

High Performer

**Adjustment Percentage (Subtotal 7)** -10%

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for one NOV with same/similar violations. Reduction for High Performer classification.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** -5%

**Screening Date** 25-Nov-2014  
**Respondent** Bonanza Industries, Inc.  
**Case ID No.** 49714  
**Reg. Ent. Reference No.** RN101186989  
**Media [Statute]** Air  
**Enf. Coordinator** Carol McGrath

**Docket No.** 2014-1767-AIR-E

**PCW**

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**Violation Number** 1

**Rule Cite(s)** 30 Tex. Admin. Code §§ 101.20(2) and 122.143(4), Tex. Health & Safety Code § 382.085(b), 40 Code of Federal Regulations ("CFR") § 63.5910(a), and Federal Operating Permit No. O2563, Special Terms and Conditions No. 1A.

**Violation Description** Failed to submit the semi-annual compliance report by no later than 31 days following the end of the semi-annual reporting period. Specifically, the Respondent was subject to 40 CFR Part 63, Subpart WWWW and was required to submit a semi-annual compliance report for the January 1, 2011 through June 30, 2011 reporting period by July 31, 2011; however, no report was submitted.

**Base Penalty** \$10,000

>> **Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> **Programmatic Matrix**

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			25%

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

**Adjustment** \$7,500

\$2,500

**Violation Events**

Number of Violation Events 1      409 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
single event	x	

**Violation Base Penalty** \$2,500

One single event is recommended for the one report.

**Good Faith Efforts to Comply**

0.0% Reduction \$0

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

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

**Violation Subtotal** \$2,500

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount** \$28

**Violation Final Penalty Total** \$2,403

**This violation Final Assessed Penalty (adjusted for limits)** \$2,403

# Economic Benefit Worksheet

**Respondent** Bonanza Industries, Inc.  
**Case ID No.** 49714  
**Reg. Ent. Reference No.** RN101186989  
**Media** Air  
**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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

### 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)	\$25	31-Jul-2011	12-Sep-2012	2.04	\$3	\$25	\$28

Notes for AVOIDED costs

Estimated avoided cost for submitting a semi-annual compliance report. The Date Required is the date when the report was due. The Final Date is the date the Plant shutdown.

Approx. Cost of Compliance

\$25

**TOTAL**

\$28



# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

<b>DATES</b>	<b>Assigned</b>	24-Nov-2014	<b>Screening</b>	25-Nov-2014	<b>EPA Due</b>	12-May-2015
	<b>PCW</b>	29-Jan-2015				

<b>RESPONDENT/FACILITY INFORMATION</b>			
<b>Respondent</b>	Bonanza Industries, Inc.		
<b>Reg. Ent. Ref. No.</b>	RN101186989		
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	49714	<b>No. of Violations</b>	2
<b>Docket No.</b>	2014-1767-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>	Carol McGrath
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$18,750**

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

**Compliance History** -5.0% Enhancement **Subtotals 2, 3, & 7** **-\$937**

Notes: Enhancement for one NOV with same/similar violations. Reduction for High Performer classification.

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

Notes: The Respondent does not meet the culpability criteria.

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

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

Total EB Amounts	\$133	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$125	

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$17,813**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** 0.8% **Adjustment** **\$134**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided costs associated with the violations.

**Final Penalty Amount** **\$17,946**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$17,946**

**DEFERRAL** 20.0% Reduction **Adjustment** **-\$3,589**

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

Notes: Deferral offered for expedited settlement.

**PAYABLE PENALTY** **\$14,357**

**Screening Date** 25-Nov-2014

**Docket No.** 2014-1767-AIR-E

**PCW**

**Respondent** Bonanza Industries, Inc.

Policy Revision 4 (April 2014)

**Case ID No.** 49714

PCW Revision March 26, 2014

**Reg. Ent. Reference No.** RN101186989

**Media [Statute]** Air

**Enf. Coordinator** Carol McGrath

### 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> )	1	5%
	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)**

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

**Adjustment Percentage (Subtotal 3)**

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

**Adjustment Percentage (Subtotal 7)**

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for one NOV with same/similar violations. Reduction for High Performer classification.

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

>> **Final Compliance History Adjustment**

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

Screening Date 25-Nov-2014

Docket No. 2014-1767-AIR-E

PCW

Respondent Bonanza Industries, Inc.

Policy Revision 4 (April 2014)

Case ID No. 49714

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101186989

Media [Statute] Air

Enf. Coordinator Carol McGrath

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2) and 122.143(4), Tex. Health & Safety Code § 382.085(b), 40 Code of Federal Regulations ("CFR") § 63.5910(a), and Federal Operating Permit No. O2563, Special Terms and Conditions No. 1A.

Violation Description Failed to submit the semi-annual compliance report by no later than 31 days following the end of the semi-annual reporting period. Specifically, the Respondent was subject to 40 CFR Part 63, Subpart WWWW and was required to submit semi-annual compliance reports for the July 1, 2011 through December 31, 2011 reporting period by January 31, 2012, the January 1, 2012 through June 30, 2012 reporting period by July 31, 2012, and the July 1, 2012 through December 31, 2012 reporting period by January 31, 2013; however, no reports were submitted.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
	x		

Percent 15.0%

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

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 3

225 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$11,250

Three single events are recommended, one for each report.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

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

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$81

Violation Final Penalty Total \$10,768

This violation Final Assessed Penalty (adjusted for limits) \$10,768

# Economic Benefit Worksheet

**Respondent** Bonanza Industries, Inc.  
**Case ID No.** 49714  
**Reg. Ent. Reference No.** RN101186989  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

### 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)	\$75	31-Jan-2012	12-Sep-2012	1.53	\$6	\$75	\$81

Notes for AVOIDED costs

Estimated avoided cost for submitting semi-annual compliance reports at \$25 per report (three missed reports). The Date Required is the date the first report was due. The Final Date is the date the Plant shutdown.

Approx. Cost of Compliance \$75

**TOTAL** \$81

**Screening Date** 25-Nov-2014  
**Respondent** Bonanza Industries, Inc.  
**Case ID No.** 49714  
**Reg. Ent. Reference No.** RN101186989  
**Media [Statute]** Air  
**Enf. Coordinator** Carol McGrath

**Docket No.** 2014-1767-AIR-E

**PCW**

Policy Revision 4 (April 2014)  
 PCW Revision March 26, 2014

**Violation Number**

**Rule Cite(s)** 30 Tex. Admin. Code §§ 122.143(4) and 122.146(2), Tex. Health & Safety Code § 382.085(b), and Federal Operating Permit No. O2563, General Terms and Conditions

**Violation Description** Failed to submit a permit compliance certification ("PCC") within 30 days after the end of the certification period. Specifically, the PCC for the certification period from November 4, 2010 through November 3, 2011 was due by December 3, 2011 and the PCC for the certification period from November 4, 2011 through August 15, 2012 was due by September 14, 2012, but neither PCC was submitted.

**Base Penalty**

>> **Environmental, Property and Human Health Matrix**

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="15.0%"/>

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events  Number of violation days

mark only one with an x	daily	<input type="text"/>
	weekly	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
single event	<input checked="" type="text" value="x"/>	

**Violation Base Penalty**

**Good Faith Efforts to Comply**

**Reduction**

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	(mark with x)

**Notes**

**Violation Subtotal**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Bonanza Industries, Inc.

**Case ID No.** 49714

**Reg. Ent. Reference No.** RN101186989

**Media** Air

**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

### 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)	\$50	3-Dec-2011	12-Jan-2012	1.03	\$3	\$50	\$53

Notes for AVOIDED costs

Estimated avoided cost for submitting the PCCs (\$25 for two missed certifications). The Date Required is the date the first PCC was due. The Final Date is the date the Plant shutdown.

Approx. Cost of Compliance

\$50

**TOTAL**

\$53

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 CN600278329, RN101186989, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

**Customer, Respondent, or Owner/Operator:** CN600278329, Bonanza Industries, Inc. **Classification:** HIGH **Rating:** 0.00

**Regulated Entity:** RN101186989, BONANZA MARBLE **Classification:** HIGH **Rating:** 0.00

**Complexity Points:** 8 **Repeat Violator:** NO

**CH Group:** 05 - Chemical Manufacturing

**Location:** 7043 SATSUMA DR, STE C, HOUSTON, TX, 77041-1895, HARRIS COUNTY

**TCEQ Region:** REGION 12 - HOUSTON

**ID Number(s):**

**AIR NEW SOURCE PERMITS REGISTRATION** 14583

**AIR NEW SOURCE PERMITS ACCOUNT NUMBER** HG1122R

**AIR NEW SOURCE PERMITS AFS NUM** 4820100508

**AIR OPERATING PERMITS ACCOUNT NUMBER** HG1122R

**AIR OPERATING PERMITS PERMIT** 2563

**WATER LICENSING LICENSE** 1012695

**AIR EMISSIONS INVENTORY ACCOUNT NUMBER** HG1122R

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

**Date Compliance History Report Prepared:** January 30, 2015

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** January 30, 2010 to January 30, 2015

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

**Name:** Carol McGrath

**Phone:** (210) 403-4063

**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.):**

Item 1	June 11, 2012	(1008039)
Item 2	May 21, 2013	(1092735)
Item 3	November 06, 2013	(1128547)

**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.

1 Date: 11/13/2014 (1193337) CN600278329

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.10(b)(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Term & Condition 2E OP  
Description: Failure to submit Emissions Inventory report [Category B19(g)(3)]  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.10(b)(2)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
Special Term & Condition 2E OP  
Description: Failure to submit Emissions Inventory "Inapplicability Notification" (Category B3)

**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  
BONANZA INDUSTRIES, INC.  
RN101186989**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2014-1767-AIR-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 Bonanza Industries, Inc. ("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 together stipulate that:

1. The Respondent owned and operated a cultured marble products plant located at 7043 Satsuma Drive, Suite C in Houston, Harris County, Texas (the "Plant").
2. The Plant consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
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 notice of the violations alleged in Section II ("Allegations") on or about November 18, 2014.
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 Twenty Thousand Three Hundred Forty-Nine Dollars (\$20,349) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eight Thousand One Hundred Forty Dollars (\$8,140) of the administrative penalty and Four Thousand Sixty-

Nine Dollars (\$4,069) 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. Specifically, Eight Thousand One Hundred Forty Dollars (\$8,140) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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 Plant ceased operations on October 4, 2011 and shut down on September 12, 2012.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

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

1. Failed to submit the semi-annual compliance reports by no later than 31 days following the end of the semi-annual reporting period, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2) and 122.143(4), TEX. HEALTH & SAFETY Code § 382.085(b), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.5910(a), and Federal Operating Permit No. O2563, Special Terms and Conditions No. 1A., as documented during an investigation conducted on October 30 through November 4, 2014. Specifically, the Respondent was subject to 40 CFR Part 63, Subpart WWWW and was required to submit semi-annual compliance reports for the January 1, 2011 through June 30, 2011 reporting period by July 31, 2011, the July 1, 2011 through December 31, 2011 reporting period by January 31, 2012, the January 1, 2012 through June 30, 2012 reporting period by July 31, 2012, and the July 1, 2012 through December 31, 2012 reporting period by January 31, 2013; however, no reports were submitted.

2. Failed to submit a permit compliance certification ("PCC") within 30 days after the end of the certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and Federal Operating Permit No. O2563, General Terms and Conditions, as documented during an investigation conducted on October 30 through November 4, 2014. Specifically, the PCC for the certification period from November 4, 2010 through November 3, 2011 was due by December 3, 2011 and the PCC for the certification period from November 4, 2011 through August 15, 2012 was due by September 14, 2012, but neither PCC was submitted.

### 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: Bonanza Industries, Inc., Docket No. 2014-1767-AIR-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 a SEP in accordance with TEX. WATER CODE ch. § 7.067. As set forth in Section I, Paragraph 6 above, Eight Thousand One Hundred Forty Dollars (\$8,140) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is 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 agreement.
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 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

*Ronn Mauer*  
For the Executive Director

8/24/15  
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.

*[Signature]*  
Signature

7/6/2015  
Date

Steve Probst  
Name (Printed or typed)  
Authorized Representative of  
Bonanza Industries, Inc.

President  
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: 2014-1767-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Bonanza Industries, Inc.</b>
<b>Penalty Amount:</b>	<b>Sixteen Thousand Two Hundred Eighty Dollars (\$16,280)</b>
<b>SEP Offset Amount:</b>	<b>Eight Thousand One Hundred Forty Dollars (\$8,140)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Anahuac Independent School District</b>
<b>Project Name:</b>	<b><i>Clean School Bus Project</i></b>
<b>Location of SEP:</b>	<b>Texas Air Quality Control Region 216, Houston - Galveston</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 **Anahuac Independent School District** for the *Clean School Bus Project*. 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 to purchase a lower-emission school bus that is model year 2010 or newer (“Replacement Bus”) to replace a bus that is model year 1995 (“Older Bus”), thus removing the Older Bus from the roads. The Third-Party Administrator shall ensure that the Replacement Bus has an engine that meets 2010 EPA Standards. The Third-Party Administrator certifies that the Older Bus is currently in use, driven on a regular route on a weekly basis for at least the past two years. The Third-Party Administrator shall own and operate the Replacement Bus for at least five years following the date of purchase. 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 SEP will benefit air quality by reducing harmful exhaust emissions from an older school bus. Older school bus engines emit larger amounts of nitrogen oxides and particulate matter, as well as other harmful pollutants such as volatile organic compounds and carbon monoxide than new buses. These pollutants contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children. The Project will reduce these emissions by replacing a model year 1995 school bus with a new, lower-emission bus.

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 **Anahuac Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Anahuac Independent School District  
Attention: Rosie Womack, Business Manager  
P.O. Box 638  
Anahuac, Texas 77514

**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:

Bonanza Industries, Inc.  
Agreed Order - Attachment A

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.

Bonanza Industries, Inc.  
Agreed Order - Attachment A

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

The SEP Offset Amount identified in this Attachment A and in the 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.