

Executive Summary – Enforcement Matter – Case No. 60162
STX Beef Company, LLC
RN100664986
Docket No. 2020-1565-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Sam Kane Beef Processors, 9001 Leopard Street, Corpus Christi, Nueces County

Type of Operation:

Rendering plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter but does not wish to speak at Agenda.

Texas Register Publication Date: September 24, 2021

Comments Received: No

Penalty Information

Total Penalty Assessed: \$7,625

Amount Deferred for Expedited Settlement: \$1,525

Total Paid to General Revenue: \$6,100

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): October 14, 2020, October 15, 2020, October 19, 2020, and October 20, 2020

Complaint Information: Alleged a strong and foul odor of dead animals was coming from the Respondent's facility.

Date(s) of Investigation: October 20, 2020

Date(s) of NOE(s): December 4, 2020

Executive Summary – Enforcement Matter – Case No. 60162
STX Beef Company, LLC
RN100664986
Docket No. 2020-1565-AIR-E

Violation Information

1. Failed to keep the plant property clean and free from any collection of raw and finished products, refuse, waste materials, and standing pools of water to prevent the occurrence of a nuisance condition. Specifically, on October 20, 2020, TCEQ staff observed a standing pool of manure/refuse/waste products in the cattle pen and the accumulation of raw material on the Plant property, resulting in the documentation that the Respondent did not keep the cattle pen waste trough clean on a daily basis and did not keep the conveyor system transfer point clean and free from any collection of raw material [30 TEX. ADMIN. CODE §§ 106.241 and 116.115(c), Permit by Rule Registration No. 89823, New Source Review ("NSR") Permit No. 3806, Special Conditions ("SC") No. 13, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to prevent outside storage of rendering raw materials. Specifically, on October 20, 2020, TCEQ staff observed a pile of raw guts and a pile of raw bone material stored on the ground outside the bone/grinding room at the Plant [30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 3806, SC No. 11, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to notify the appropriate TCEQ Regional Office immediately upon discovering equipment breakdowns which may necessitate emergency storage of unprocessed rendering raw materials. Specifically, the Respondent discovered that the bone/grinding room had an equipment failure on October 4, 2020 at approximately 4:00 p.m., but the Respondent did not notify the TCEQ Corpus Christi Regional Office of the bone/grinding room's equipment failure within 30 minutes after the equipment failure [30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 3806, SC No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to wash the unloading area and all equipment, components, and building structures that come into contact with raw or partially processed material at least once each day with a hot steam or hot water pressure washer in a manner sufficient to prevent nuisance odors originating from the specified areas. Specifically, on October 20, 2020, TCEQ staff observed that the wheels of the Holt Cat Skid Steer Loader used to pick up piles of raw guts and raw bone material were encrusted with material and the Respondent did not demonstrate that this equipment was washed at least once per day [30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 3806, SC No. 14, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Executive Summary – Enforcement Matter – Case No. 60162
STX Beef Company, LLC
RN100664986
Docket No. 2020-1565-AIR-E

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. On October 20, 2020, removed the pile of raw guts and pile of raw bone material from the ground outside the bone/grinding room;
- b. On October 20, 2020, notified the TCEQ Corpus Christi Regional Office of the equipment failure in the bone/grinding room;
- c. On November 4, 2020, began maintaining records to document the equipment that was used to manage raw materials and when the equipment was washed; and
- d. By November 5, 2020, updated the cleaning schedule in order to keep the cattle pen waste trough clean on a daily basis and installed metal plating at the grate in order to keep the conveyor system transfer point clean and free from any collection of raw material.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days:
 - i. Implement measures and/or procedures designed to prevent outside storage of rendering raw materials;
 - ii. Implement measures and/or procedures designed to notify the TCEQ Corpus Christi Regional Office immediately upon discovering equipment breakdowns which may necessitate emergency storage of unprocessed rendering raw materials; and
 - iii. Implement measures and/or procedures designed to ensure the unloading area and all equipment, components, and building structures that come into contact with raw or partially processed materials are washed at least once each day with a hot steam or hot water pressure washer in a manner sufficient to prevent nuisance odors originating from the specified areas.
- b. Within 45 days, submit written certification to demonstrate compliance with a.

Executive Summary – Enforcement Matter – Case No. 60162
STX Beef Company, LLC
RN100664986
Docket No. 2020-1565-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Johnnie Wu, Enforcement Division,
Enforcement Team 5, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division,
MC 219, (512) 239-2548

Respondent: Terry Maul, Chief Executive Officer, STX Beef Company, LLC, 9001
Leopard Street, Corpus Christi, Texas 78469

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	7-Dec-2020		
	PCW	18-Jun-2021	Screening	11-Dec-2020
			EPA Due	

RESPONDENT/FACILITY INFORMATION	
Respondent	STX Beef Company, LLC
Reg. Ent. Ref. No.	RN100664986
Facility/Site Region	14-Corpus Christi
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	60162	No. of Violations	4
Docket No.	2020-1565-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Johnnie Wu
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$6,250
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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.

Compliance History	32.0%	Adjustment	Subtotals 2, 3, & 7	\$2,000
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Notes: Enhancement for two NOVs with same or similar violations, one NOV with dissimilar violations, and one order containing a denial of liability.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$625
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$891
 Estimated Cost of Compliance: \$17,250
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,625
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$7,625
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$7,625
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DEFERRAL	20.0%	Reduction	Adjustment	-\$1,525
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$6,100
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Screening Date 11-Dec-2020

Docket No. 2020-1565-AIR-E

PCW

Respondent STX Beef Company, LLC

Case ID No. 60162

Policy Revision 4 (April 2014)

Reg. Ent. Reference No. RN100664986

PCW Revision March 26, 2014

Media Air

Enf. Coordinator Johnnie Wu

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	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>)	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of 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%
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) 32%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with same or similar violations, one NOV with dissimilar violations, and one order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 32%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 32%

Screening Date 11-Dec-2020
Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Enf. Coordinator Johnnie Wu

Docket No. 2020-1565-AIR-E

PCW

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

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 106.241 and 116.115(c), Permit by Rule Registration No. 89823, New Source Review ("NSR") Permit No. 3806, Special Conditions ("SC") No. 13, and Tex. Health & Safety Code § 382.085(b)

Violation Description
 Failed to keep the plant property clean and free from any collection of raw and finished products, refuse, waste materials, and standing pools of water to prevent the occurrence of a nuisance condition. Specifically, on October 20, 2020, TCEQ staff observed a standing pool of manure/refuse/waste products in the cattle pen and the accumulation of raw material on the Plant property, resulting in the documentation that the Respondent did not keep the cattle pen waste trough clean on a daily basis and did not keep the conveyor system transfer point clean and free from any collection of raw material.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			x	5.0%
	Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes
 Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 2 16 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

Two quarterly events are recommended from the October 20, 2020 investigation date to the November 5, 2020 compliance date (one event for each observed area that was not kept clean).

Good Faith Efforts to Comply

25.0%

Reduction \$625

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

Notes
 The Respondent achieved compliance by November 5, 2020, prior to the Notice of Enforcement dated December 4, 2020.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$3

Violation Final Penalty Total \$2,675

This violation Final Assessed Penalty (adjusted for limits) \$2,675

Economic Benefit Worksheet

Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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)	\$1,500	20-Oct-2020	5-Nov-2020	0.04	\$3	n/a	\$3

Notes for DELAYED costs

Estimated cost to update the cleaning schedule in order to keep the cattle pen waste trough clean on a daily basis and to install metal plating at the grate in order to keep the conveyor system transfer point clean and free from any collection of raw material. The Date Required is the investigation date and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$3

Screening Date 11-Dec-2020
Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Enf. Coordinator Johnnie Wu

Docket No. 2020-1565-AIR-E

PCW

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

Violation Number

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), NSR Permit No. 3806, SC No. 11, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent outside storage of rendering raw materials. Specifically, on October 20, 2020, TCEQ staff observed a pile of raw guts and a pile of raw bone material stored on the ground outside the bone/grinding room at the Plant.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text" value="x"/>	<input type="text" value="5.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.					

Adjustment

Violation Events

Number of Violation Events Number of violation days

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 type="text" value="x"/>

Violation Base Penalty

One single event is recommended.

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 type="text" value="x"/>	<input type="text"/>

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

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 STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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	\$10,000	20-Oct-2020	1-Mar-2022	1.36	\$681	n/a	\$681
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	20-Oct-2020	20-Oct-2020	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to remove the pile of raw guts and pile of raw bone material from the ground outside the bone/grinding room (\$1,000) and to implement measures and/or procedures designed to prevent outside storage of rendering raw materials (\$10,000). The Dates Required is the investigation date and the Final Dates are the date the material was removed and the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$11,000

TOTAL

\$681

Screening Date 11-Dec-2020
Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Enf. Coordinator Johnnie Wu

Docket No. 2020-1565-AIR-E

PCW

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

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), NSR Permit No. 3806, SC No. 12, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to notify the appropriate TCEQ Regional Office immediately upon discovering equipment breakdowns which may necessitate emergency storage of unprocessed rendering raw materials. Specifically, the Respondent discovered that the bone/grinding room had an equipment failure on October 4, 2020 at approximately 4:00 p.m., but the Respondent did not notify the TCEQ Corpus Christi Regional Office of the bone/grinding room's equipment failure within 30 minutes after the equipment failure.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
		x			5.0%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 16 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

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

Violation Subtotal \$1,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$102

Violation Final Penalty Total \$1,650

This violation Final Assessed Penalty (adjusted for limits) \$1,650

Economic Benefit Worksheet

Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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	\$1,500	20-Oct-2020	1-Mar-2022	1.36	\$102	n/a	\$102
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	20-Oct-2020	20-Oct-2020	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to notify the TCEQ Corpus Christi Regional Office of the equipment failure in the bone/grinding room (\$250) and to implement measures and/or procedures designed to notify the TCEQ Corpus Christi Regional Office immediately upon discovering equipment breakdowns which may necessitate emergency storage of unprocessed rendering raw materials (\$1,500). The Dates Required are the investigation date and the Final Dates are the date the TCEQ Corpus Christi Regional Office was notified and the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,750

TOTAL

\$102

Screening Date 11-Dec-2020
Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Enf. Coordinator Johnnie Wu

Docket No. 2020-1565-AIR-E

PCW

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

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), NSR Permit No. 3806, SC No. 14, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to wash the unloading area and all equipment, components, and building structures that come into contact with raw or partially processed material at least once each day with a hot steam or hot water pressure washer in a manner sufficient to prevent nuisance odors originating from the specified areas. Specifically, on October 20, 2020, TCEQ staff observed that the wheels of the Holt Cat Skid Steer Loader used to pick up piles of raw guts and raw bone material were encrusted with material and the Respondent did not demonstrate that this equipment was washed at least once per day.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			x	5.0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 1 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	

Notes

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

Violation Subtotal \$1,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$105 **Violation Final Penalty Total** \$1,650

This violation Final Assessed Penalty (adjusted for limits) \$1,650

Economic Benefit Worksheet

Respondent STX Beef Company, LLC
Case ID No. 60162
Reg. Ent. Reference No. RN100664986
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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	\$1,500	20-Oct-2020	4-Nov-2020	0.04	\$3	n/a	\$3
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	20-Oct-2020	1-Mar-2022	1.36	\$102	n/a	\$102

Notes for DELAYED costs

Estimated costs to begin maintaining records to document the equipment that was used to manage raw materials and when the equipment was washed (\$1,500) and to implement measures and/or procedures designed to ensure that the unloading area and all equipment, components, and building structures that come into contact with raw or partially processed materials are washed at least once each day with a hot steam or hot water pressure washer in a manner sufficient to prevent nuisance odors originating from the specified areas (\$1,500). The Dates Required are the investigation date and the Final Dates are the date the records were being maintained and the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$3,000

TOTAL

\$105

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

Compliance History Report for CN605627124, RN100664986, Rating Year 2020 which includes Compliance History (CH) components from September 1, 2015, through August 31, 2020.

Customer, Respondent, or Owner/Operator: CN605627124, STX Beef Company, LLC **Classification:** SATISFACTORY **Rating:** 5.30

Regulated Entity: RN100664986, SAM KANE BEEF PROCESSORS **Classification:** SATISFACTORY **Rating:** 5.30

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

CH Group: 14 - Other

Location: 9001 LEOPARD STREET, CORPUS CHRISTI, NUECES COUNTY, TEXAS

TCEQ Region: REGION 14 - CORPUS CHRISTI

ID Number(s):

AIR NEW SOURCE PERMITS PERMIT 3806

AIR NEW SOURCE PERMITS REGISTRATION 89823

STORMWATER PERMIT TXR05EH03

AIR NEW SOURCE PERMITS ACCOUNT NUMBER NE0083L

PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 18593

Compliance History Period: September 01, 2015 to August 31, 2020 **Rating Year:** 2020 **Rating Date:** 09/01/2020

Date Compliance History Report Prepared: June 18, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: June 18, 2016 to June 18, 2021

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

Name: Johnnie Wu

Phone: (512) 239-2524

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? YES
- 3) Who is the current owner/operator?
Skb Disposition Company, Inc. OWNER OPERATOR since 1/1/1800
Sam Kane Beef Processors, LLC OWNER OPERATOR since 4/29/2013
STX Beef Company, LLC OWNER OPERATOR since 2/20/2019
- 4) Who was/were the prior owner(s)/operator(s)?
KANE BEEF PROCESSORS INC SAM, OWNER, 5/6/1988 to 10/3/2019
Sam Kane Meats, OWNER, 1/1/1800 to 8/31/2019

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

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

- 1 Effective Date: 03/26/2019 ADMINORDER 2018-0946-PST-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 334, SubChapter C 334.50(b)(1)(A)
Description: Failed to monitor the USTs for releases at a frequency of at least once every 30 days.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

- | | | |
|--------|-----------------|-----------|
| Item 1 | July 23, 2018 | (1485034) |
| Item 2 | August 09, 2018 | (1505251) |

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
STX BEEF COMPANY, LLC
RN100664986**

**§
§
§
§
§**

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2020-1565-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 STX Beef Company, LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a rendering plant located at 9001 Leopard Street in Corpus Christi, Nueces County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$7,625 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$6,100 of the penalty and \$1,525 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. 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). 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.

6. 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 Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
 - a. On October 20, 2020, removed the pile of raw guts and pile of raw bone material from the ground outside the bone/grinding room.
 - b. On October 20, 2020, notified the TCEQ Corpus Christi Regional Office of the equipment failure in the bone/grinding room.
 - c. On November 4, 2020, began maintain records to document the equipment that was used to manage raw materials and when the equipment was washed.
 - d. By November 5, 2020, updated the cleaning schedule in order to keep the cattle pen waste trough clean on a daily basis and installed metal plating at the grate in order to keep the conveyor system transfer point clean and free from any collection of raw material.

II. ALLEGATIONS

During an investigation conducted on October 20, 2020, an investigator documented that the Respondent:

1. Failed to keep the plant property clean and free from any collection of raw and finished products, refuse, waste materials, and standing pools of water to prevent the occurrence of a nuisance condition, in violation of 30 TEX. ADMIN. CODE §§ 106.241 and 116.115(c), Permit by Rule Registration No. 89823, New Source Review ("NSR") Permit No. 3806, Special Conditions ("SC") No. 13, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, on October 20, 2020, TCEQ staff observed a standing pool of manure/refuse/waste products in the cattle pen and the accumulation of raw material on the Plant property, resulting in the documentation that the Respondent did not keep the cattle pen waste trough clean on a daily basis and did not keep the conveyor system transfer point clean and free from any collection of raw material.

2. Failed to prevent outside storage of rendering raw materials, in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 3806, SC No. 11, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, on October 20, 2020, TCEQ staff observed a pile of raw guts and a pile of raw bone material stored on the ground outside the bone/grinding room at the Plant.
3. Failed to notify the appropriate TCEQ Regional Office immediately upon discovering equipment breakdowns which may necessitate emergency storage of unprocessed rendering raw materials, in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 3806, SC No. 12, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent discovered that the bone/grinding room had an equipment failure on October 4, 2020 at approximately 4:00 p.m., but the Respondent did not notify the TCEQ Corpus Christi Regional Office of the bone/grinding room's equipment failure within 30 minutes after the equipment failure.
4. Failed to wash the unloading area and all equipment, components, and building structures that come into contact with raw or partially processed material at least once each day with a hot steam or hot water pressure washer in a manner sufficient to prevent nuisance odors originating from the specified areas, in violation of 30 TEX. ADMIN. CODE § 116.115(c), NSR Permit No. 3806, SC No. 14, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, on October 20, 2020, TCEQ staff observed that the wheels of the Holt Cat Skid Steer Loader used to pick up piles of raw guts and raw bone material were encrusted with material and the Respondent did not demonstrate that this equipment was washed at least once per day.

III. DENIALS

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

IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this 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. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: STX Beef Company, LLC, Docket No. 2020-1565-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 undertake the following technical requirements:

- a. Within 30 days after the effective date of this Order:
 - i. Implement measures and/or procedures designed to prevent outside storage of rendering raw materials;
 - ii. Implement measures and/or procedures designed to notify the TCEQ Corpus Christi Regional Office immediately upon discovering equipment breakdowns which may necessitate emergency storage of unprocessed rendering raw materials; and
 - iii. Implement measures and/or procedures designed to ensure the unloading area and all equipment, components, and building structures that come into contact with raw or partially processed materials are washed at least once each day with a hot steam or hot water pressure washer in a manner sufficient to prevent nuisance odors originating from the specified areas.
- b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Air Section Manager
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5839

3. All relief not expressly granted in this Order is denied.

4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this 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 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.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this 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. Extension requests shall be sent to the Order Compliance Team at the address listed above.
7. This 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 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.
8. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this 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 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.
9. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



1/31/2022

For the Executive Director

Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

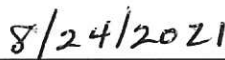
I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.


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



Signature



Date



Name (Printed or typed)
Authorized Representative of
STX Beef Company, LLC



Title

If mailing address has changed, please check this box and provide the new address below:

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