

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

**MAGNOLIA PLANTATION
WATER SYSTEM, INC.**

AI # 127497

**PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.**

- * **Settlement Tracking No.**
- * **SA-WE-09-0011**
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- * **Enforcement Tracking No.**
- * **WE-CN-05-0294**
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SETTLEMENT

The following Settlement is hereby agreed to between Magnolia Plantation Water System, Inc. ("Respondent") and the Department of Environmental Quality ("DEQ" or "the Department"), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. ("the Act").

I.

Respondent is a corporation that owns and/or operates an existing potable water treatment plant located in Abbeville, Vermilion Parish, Louisiana ("the Facility").

II.

On June 3, 2008, the DEQ issued to Respondent a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. WE-CN-05-0294, which was based upon the following findings of fact:

The Respondent owns and/or operates an existing potable water treatment plant located at the intersection of La. Highway 338 and Bonvillian Road, in Abbeville, Vermilion Parish, Louisiana. On or about March 4, 2005, the Department received an application for a Louisiana Pollutant

Discharge Elimination System (LPDES) permit from the Respondent. The Respondent was issued coverage under LPDES Permit LA0120677 on January 16, 2007, which became effective on March 1, 2007, and will expire on February 28, 2012. Under the terms and conditions of the LPDES permit, the Respondent is authorized to discharge filter backwash wastewater, floor rinse water, and sanitary wastewater from Outfall 001 & Outfall 002 into a local drainage, thence into Bayou Tigre, waters of the state.

An inspection conducted by the Department on or about May 12, 2005, pursuant to a citizen's complaint, revealed the Respondent was operating and discharging without an LPDES permit. A file review conducted by the Department on or about December 11, 2007, revealed that the Respondent began operating the facility on or about 1996 and did not obtain coverage under a permit until March 1, 2007. Each unauthorized discharge of backwash wastewater, floor rinse, and sanitary wastewater from 1996 is in violation of La. R.S. 30:2075, La. R.S. 30:2076(A)(1)(a), La. R.S.30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.501.C, LAC 33:IX.501.D, and LAC 33:IX.2311.A.1.

A file review conducted by the Department on or about April 24, 2008, revealed the Respondent exceeded effluent limitations. These effluent exceedances, as reported by the Respondent on Discharge Monitoring Reports (DMRs), are summarized below:

Monitoring Period	Outfall	Parameter	Permit Limit	Reported Value
September 2007	001	TSS Daily Max	30 mg/L	217 mg/L
		TSS wkly avg	45 mg/L	217 mg/L
October 2007	001	TSS Daily Max	30 mg/L	46 mg/L
		TSS wkly avg	45 mg/L	46 mg/L
Jan-June, 2007	002	Fecal Coliform wkly avg	400 col/100 ml	1,000 col/100 ml

Each effluent excursion constitutes a violation of LPDES permit LA0120677 (Part I, Pages 1- 6, and Part III, Section A.2), La. R.S. 30:2076(A)(1), La. R.S. 30:2076(A)(3), LAC 33:IX.501.A, LAC 33:IX.501.D, and LAC 33:IX.2701.A.

A file review conducted by the Department on or about April 24, 2008, revealed that the Respondent failed to submit noncompliance reports for the above aforementioned effluent violations.

Each failure to submit a noncompliance report is a violation of LPDES permit LA0120677 (Part III, Sections A.2 and D.7), LA R.S. 30:2076(A)(3), LA R.S. 30:2076(D), LA R.S. 30:2076(J)(2), LAC 33:IX.501.A, LAC 33:IX.2701.A, and LAC 33:IX.2701.L.7.

A file review conducted by the Department on or about April 24, 2008, revealed that the Respondent failed to sample its effluent for the monitoring period of July-December 2007 for Outfall 002 as required by LPDES permit LA0120677. Each failure to sample the effluent is a violation of LPDES permit LA0120677 (Page 4 of 6, and Page 1 of 18, Section A.2, Page 6 of 18, Section C.2), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, and LAC 33:IX.2701.A.

III.

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

IV.

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the DEQ agrees to accept, a payment in the amount of FIVE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$5,500.00), of which Four Hundred Forty-Three and 51/100 Dollars (\$443.51) represents the DEQ's enforcement costs, in settlement of

the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the DEQ as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V.

Respondent, in addition to the penalty amount specified in Paragraph IV above and as part of this Settlement, agrees to expend the amount of FIVE HUNDRED SIXTY-THREE THOUSAND AND NO/100 DOLLARS (\$563,000.00) to implement and/or perform the following special project:

- A. The proposed special project is to be constructed concurrently with a water treatment plant expansion and water distribution system upgrade and involves the expansion of the existing brine dilution tank to more effectively treat the waste discharge and re-routing Discharge Outfall 001 to the Vermilion River. The volume of water to be treated in the brine dilution tank shall be increased from approximately 1,200 gallons to approximately 2,250 gallons and shall be provided with serpentine flow to more effectively settle solids. Additionally, the project also includes re-routing of the on-site discharge piping and the installation of a low-lift pump at the brine dilution tank for re-routing the discharge outfall to the Vermilion River. A 10-inch force main is to be installed, routing the brine dilution tank discharge, which includes filter backwash, softener backwash, and washdown from the control building to the Vermilion River. The force main is approximately 2.5 miles in length and shall be constructed from the plant site located at the intersection of Bonvillian Road and Hwy. 338, thence, west along Hwy. 338, along Adier Road, Frederick Road, then south on Hwy. 82 to the private easement secured on property owned by Charley Steen. On the private easement, ductile iron discharge piping with a flap gate to be

constructed at the relocated Discharge Outfall 001 into Vermilion River. Protective rip rap shall also be installed to protect the discharge area from erosion.

The Magnolia Plantation Water System received bids on the project on April 14, 2009. The Notice of Award is anticipated to be issued by May 31, 2009, with a Notice to Proceed issued by June 30, 2009. The contract time is 365 calendar days; and therefore, the projected completion date is June 30, 2010.

- B. Respondent shall submit monthly reports regarding its progress on the project. The first shall be due on the 5th of the month following the date the DEQ signs this Settlement. Monthly reports shall be submitted on the 5th of every month thereafter until the project is completed. Each such monthly report shall include a description of the project, tasks completed, tasks remaining, and the percentage completed. Upon completion of the project required under this Settlement, Respondent shall submit a final report to include a summary of all the information previously submitted and a total amount spent on the project listed above. It shall also contain a certification that the project was completed as described.

VI.

Respondent further agrees that the DEQ may consider the inspection report(s), the Consolidated Compliance Order and Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the DEQ against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VII.

This agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the DEQ to enforce this agreement.

VIII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the DEQ considered the factors for issuing civil penalties set forth in LSA- R. S. 30:2025(E) of the Act.

IX.

Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Vermilion Parish, Louisiana. The advertisement, in form, wording, and size approved by the DEQ, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted a proof-of-publication affidavit to the DEQ and, as of the date this Settlement is executed on behalf of the DEQ, more than forty-five (45) days have elapsed since publication of the notice.

X.

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the DEQ. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each

payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XI.

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XII.

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

MAGNOLIA PLANTATION
WATER SYSTEM, INC.

BY: *Alex P. Crochet, Jr.*
(Signature)

Alex P. Crochet, Jr.
(Print)

TITLE: President

THUS DONE AND SIGNED in duplicate original before me this 21st day of
July, 2009, at Abbeville, Louisiana.

Gary E. Theall
NOTARY PUBLIC (ID # 7256)

GARY E. THEALL
Louisiana Attorney #12715 - Notary #7256
My commission expires at death.
120 Peace Street - P. O. Box 877
Abbeville, LA 70511-0877
Tel. (337) 893-7142 - Fax (337) 893-7145

Gary E. Theall
(Print)

LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY
Harold Leggett, Ph.D., Secretary

BY: *Peggy M. Hatch*
Peggy M. Hatch, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 5th day of
November, 2009, at Baton Rouge, Louisiana.

Christopher A. Ratcliff
NOTARY PUBLIC (ID # 10149)

Christopher A. Ratcliff
(Print)

Approved: *Peggy M. Hatch*
Peggy M. Hatch, Assistant Secretary