

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

OFFSHORE SPECIALTY  
FABRICATORS, LLC  
AI # 11131

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

\* Settlement Tracking No.  
\* SA-WE-14-0022  
\*  
\* Enforcement Tracking No.  
\* WE-CN-08-0602  
\*  
\*  
\*  
\*  
\*

SETTLEMENT

The following Settlement is hereby agreed to between Offshore Specialty Fabricators, LLC (“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 Limited Liability Company that owns and/or operates an offshore petroleum structure and related item fabrication and repair facility located in Houma, Terrebonne Parish, Louisiana (“the Facility”).

II

On December 4, 2009, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. **WE-CN-08-0602**, which was based upon the following findings of fact:

The Respondent owns and/or operates an offshore petroleum structure and related item fabrication and repair shop located at 115 Menard Road in Houma, Terrebonne Parish, Louisiana. The Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0121525 on April 13, 2006, with an effective date of May 1, 2006, and an expiration date of April

30, 2011. Under the terms and conditions of LPDES permit LA0121525, the Respondent is authorized to discharge sanitary wastewater from outfalls 001, 002, 003, 004, 005, and 006; vehicle washwater from outfall 007; hydrostatic test wastewater from outfall 008; hydroblast wastewater from outfall 009; and maintenance ballast water from outfall 010. These discharges flow into local drainage ditches, thence into the Houma Navigational Canal, waters of the state.

An inspection conducted by the Department on or about June 30, 2008, and a subsequent file review conducted by the Department on or about November 9, 2009, revealed the Respondent exceeded the effluent limitations of the permit. These effluent exceedences, as reported by the Respondent on Discharge Monitoring Reports (DMRs), are summarized below:

<b>DATE</b>	<b>OUTFALL</b>	<b>PARAMETER</b>	<b>PERMIT LIMIT</b>	<b>SAMPLE VALUE</b>
04/01/09 to 06/30/09	001	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
04/01/09 to 06/30/09	001	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
04/01/09 to 06/30/09	002*	TSS Monthly Average	30 mg/l	35 mg/l
04/01/09 to 06/30/09	005*	TSS Monthly Average	30 mg/l	32 mg/l
04/01/09 to 06/30/09	005	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
04/01/09 to 06/30/09	005	Fecal Coliform Weekly Average	200 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	001*	BOD <sub>5</sub> Monthly Average	30 mg/l	34 mg/l
01/01/09 to 03/31/09	001	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	001	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	003	BOD <sub>5</sub> Monthly Average	30 mg/l	323 mg/l
01/01/09 to 03/31/09	003	BOD <sub>5</sub> Weekly Average	45 mg/l	323 mg/l
01/01/09 to 03/31/09	003	TSS Monthly Average	30 mg/l	1860 mg/l
01/01/09 to 03/31/09	003	TSS Weekly Average	45 mg/l	1860 mg/l

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
01/01/09 to 03/31/09	004	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	004	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	005	BOD <sub>5</sub> Monthly Average	30 mg/l	>176 mg/l
01/01/09 to 03/31/09	005	BOD <sub>5</sub> Weekly Average	45 mg/l	>176 mg/l
01/01/09 to 03/31/09	005	TSS Monthly Average	30 mg/l	132 mg/l
01/01/09 to 03/31/09	005	TSS Weekly Average	45 mg/l	132 mg/l
01/01/09 to 03/31/09	005	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	005	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
01/01/09 to 03/31/09	006	TSS Monthly Average	30 mg/l	63 mg/l
01/01/09 to 03/31/09	006	TSS Weekly Average	45 mg/l	63 mg/l
01/01/09 to 03/31/09	007	TSS Daily Maximum	45 mg/l	70 mg/l
10/01/08 to 12/31/08	001	Fecal Coliform Monthly Average	200 col/100ml	>600 col/100ml
10/01/08 to 12/31/08	001	Fecal Coliform Weekly Average	400 col/100ml	>600 col/100ml
10/01/08 to 12/31/08	005	Fecal Coliform Monthly Average	200 col/100ml	>600 col/100ml
10/01/08 to 12/31/08	005	Fecal Coliform Weekly Average	400 col/100ml	>600 col/100ml
07/01/08 to 09/30/08	001	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
07/01/08 to 09/30/08	001	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
07/01/08 to 09/30/08	003*	TSS Monthly Average	30 mg/l	41 mg/l
07/01/08 to 09/30/08	003	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
07/01/08 to 09/30/08	003	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
07/01/08 to 09/30/08	005*	TSS Monthly Average	30 mg/L	37 mg/L
07/01/08 to 09/30/08	005	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml

<b>DATE</b>	<b>OUTFALL</b>	<b>PARAMETER</b>	<b>PERMIT LIMIT</b>	<b>SAMPLE VALUE</b>
07/01/08 to 09/30/08	005	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
07/01/08 to 09/30/08	006*	TSS Monthly Average	30 mg/l	38 mg/l
04/01/08 to 06/30/08	001*	TSS Monthly Average	30 mg/l	32 mg/l
04/01/08 to 06/30/08	003	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
04/01/08 to 06/30/08	003	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
04/01/08 to 06/30/08	005*	BOD <sub>5</sub> Monthly Average	30 mg/l	34 mg/l
04/01/08 to 06/30/08	005	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
04/01/08 to 06/30/08	005	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
04/01/08 to 06/30/08	006*	TSS Monthly Average	30 mg/l	43 mg/l
01/01/08 to 03/31/08	001	Fecal Coliform Monthly Average	200 col/100ml	650 col/100ml
01/01/08 to 03/31/08	001	Fecal Coliform Weekly Average	400 col/100ml	650 col/100ml
01/01/08 to 03/31/08	002	Fecal Coliform Monthly Average	200 col/100ml	1150 col/100ml
01/01/08 to 03/31/08	002	Fecal Coliform Weekly Average	400 col/100ml	1150 col/100ml
01/01/08 to 03/31/08	003	BOD <sub>5</sub> Monthly Average	30 mg/l	75 mg/l
01/01/08 to 03/31/08	003	BOD <sub>5</sub> Weekly Average	45 mg/l	75 mg/l
01/01/08 to 03/31/08	003	TSS Monthly Average	30 mg/l	169 mg/l
01/01/08 to 03/31/08	003	TSS Weekly Average	45 mg/l	169 mg/l
01/01/08 to 03/31/08	003	Fecal Coliform Monthly Average	200 col/100ml	1220 col/100ml
01/01/08 to 03/31/08	003	Fecal Coliform Weekly Average	400 col/100ml	1220 col/100ml
01/01/08 to 03/31/08	004	TSS Monthly Average	30 mg/l	47 mg/l
01/01/08 to 03/31/08	004	TSS Weekly Average	45 mg/l	47 mg/l
01/01/08 to 03/31/08	005	BOD <sub>5</sub> Monthly Average	30 mg/l	112 mg/l

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
01/01/08 to 03/31/08	005	BOD <sub>5</sub> Weekly Average	45 mg/l	112 mg/l
01/01/08 to 03/31/08	005	Fecal Coliform Monthly Average	200 col/100ml	>6000 col/100ml
01/01/08 to 03/31/08	005	Fecal Coliform Weekly Average	400 col/100ml	>6000 col/100ml
01/01/08 to 03/31/08	006 *	TSS Monthly Average	30 mg/l	48 mg/l
01/01/08 to 03/31/08	006*	TSS Weekly Average	45 mg/l	48 mg/l
10/01/07 to 12/31/07	001*	BOD <sub>5</sub> Monthly Average	30 mg/l	34 mg/l
10/01/07 to 12/31/07	003	TSS Monthly Average	30 mg/l	92 mg/l
10/01/07 to 12/31/07	003	TSS Weekly Average	45 mg/l	92 mg/l
10/01/07 to 12/31/07	004*	BOD <sub>5</sub> Monthly Average	30 mg/l	33 mg/l
10/01/07 to 12/31/07	004*	TSS Monthly Average	30 mg/l	44 mg/l
10/01/07 to 12/31/07	005*	BOD Monthly Average	30 mg/l	43 mg/l
10/01/07 to 12/31/07	005*	TSS Monthly Average	30 mg/l	40 mg/l
10/01/07 to 12/31/07	006	TSS Monthly Average	30 mg/l	78 mg/l
10/01/07 to 12/31/07	006	TSS Weekly Average	45 mg/l	78 mg/l
07/01/07 to 09/30/07	001	Fecal Coliform Monthly Average	200 col/100ml	800 col/100ml
07/01/07 to 09/30/07	001	Fecal Coliform Weekly Average	400 col/100ml	800 col/100ml
07/01/07 to 09/30/07	002	Fecal Coliform Monthly Average	200 col/100ml	420 col/100ml
07/01/07 to 09/30/07	002	Fecal Coliform Weekly Average	400 col/100ml	420 col/100ml
07/01/07 to 09/30/07	003	TSS Monthly Average	30 mg/l	86 mg/l
07/01/07 to 09/30/07	003	TSS Weekly Average	45 mg/l	86 mg/l
07/01/07 to 09/30/07	005	BOD Monthly Average	30 mg/l	52 mg/l
07/01/07 to 09/30/07	005	BOD Weekly Average	45 mg/l	52 mg/l

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
07/01/07 to 09/30/07	005	TSS Monthly Average	30 mg/l	88 mg/l
07/01/07 to 09/30/07	005	TSS Weekly Average	45 mg/l	88 mg/l
07/01/07 to 09/30/07	005	Fecal Coliform Monthly Average	200 col/100ml	7100 col/100ml
07/01/07 to 09/30/07	005	Fecal Coliform Weekly Average	400 col/100ml	7100 col/100ml
07/01/07 to 09/30/07	006*	TSS Monthly Average	30 mg/l	40 mg/l
03/01/07 to 06/30/07	001	Fecal Coliform Monthly Average	200 col/100ml	650 col/100ml
03/01/07 to 06/30/07	001	Fecal Coliform Weekly Average	400 col/100ml	650 col/100ml
03/01/07 to 06/30/07	002	Fecal Coliform Monthly Average	200 col/100ml	23300 col/100ml
03/01/07 to 06/30/07	002	Fecal Coliform Weekly Average	400 col/100ml	23300 col/100ml
03/01/07 to 06/30/07	003*	BOD Monthly Average	30 mg/l	34 mg/l
03/01/07 to 06/30/07	003	TSS Monthly Average	30 mg/l	142 mg/l
03/01/07 to 06/30/07	003	TSS Weekly Average	45 mg/l	142 mg/l
03/01/07 to 06/30/07	005	BOD Monthly Average	30 mg/l	69 mg/l
03/01/07 to 06/30/07	005	BOD Weekly Average	45 mg/l	69 mg/l
03/01/07 to 06/30/07	005	TSS Monthly Average	30 mg/l	79 mg/l
03/01/07 to 06/30/07	005	TSS Weekly Average	45 mg/l	79 mg/l
03/01/07 to 06/30/07	005	Fecal Coliform Monthly Average	200 col/100ml	3900 col/100ml
03/01/07 to 06/30/07	005	Fecal Coliform Weekly Average	400 col/100ml	3900 col/100ml
03/01/07 to 06/30/07	006	TSS Monthly Average	30 mg/l	84 mg/l
03/01/07 to 06/30/07	006	TSS Weekly Average	45 mg/l	84 mg/l
03/01/07 to 06/30/07	007	TSS Daily Maximum	45 mg/l	62 mg/l
01/01/07 to 03/31/07	002	Fecal Coliform Monthly Average	200 col/100ml	700 col/100ml

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
01/01/07 to 03/31/07	002	Fecal Coliform Weekly Average	400 col/100ml	700 col/100ml
01/01/07 to 03/31/07	003	BOD Monthly Average	30 mg/l	53 mg/l
01/01/07 to 03/31/07	003	BOD Weekly Average	45 mg/l	53 mg/l
01/01/07 to 03/31/07	003	TSS Monthly Average	30 mg/l	65 mg/l
01/01/07 to 03/31/07	003	TSS Weekly Average	45 mg/l	65 mg/l
01/01/07 to 03/31/07	004*	BOD Monthly Average	30 mg/l	31 mg/l
01/01/07 to 03/31/07	005*	BOD Monthly Average	30 mg/l	45 mg/l
01/01/07 to 03/31/07	005*	TSS Monthly Average	30 mg/l	34 mg/l
01/01/07 to 03/31/07	005	Fecal Coliform Monthly Average	200 col/100ml	TNTC
01/01/07 to 03/31/07	005	Fecal Coliform Weekly Average	400 col/100ml	TNTC
01/01/07 to 03/31/07	006*	BOD Monthly Average	30 mg/l	34 mg/l
01/01/07 to 03/31/07	006	TSS Monthly Average	30 mg/l	48 mg/l
01/01/07 to 03/31/07	006	TSS Weekly Average	45 mg/l	48 mg/l
01/01/07 to 03/31/07	007	TSS Daily Maximum	45 mg/l	50 mg/l
10/01/06 to 12/31/06	001*	BOD Monthly Average	30 mg/l	39 mg/l
01/01/07 to 03/31/07	001	Fecal Coliform Monthly Average	200 col/100ml	790 col/100ml
01/01/07 to 03/31/07	001	Fecal Coliform Weekly Average	400 col/100ml	790 col/100ml
10/01/06 to 12/31/06	002*	BOD Monthly Average	30 mg/l	40 mg/l
10/01/06 to 12/31/06	003*	BOD Monthly Average	30 mg/l	41 mg/l
10/01/06 to 12/31/06	005	BOD Monthly Average	30 mg/l	50 mg/l
10/01/06 to 12/31/06	005	BOD Weekly Average	45 mg/l	50 mg/l
10/01/06 to 12/31/06	005	Fecal Coliform Monthly Average	200 col/100ml	590 col/100ml

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
10/01/06 to 12/31/06	005	Fecal Coliform Weekly Average	400 col/100ml	590 col/100ml
10/01/06 to 12/31/06	006*	BOD Monthly Average	30 mg/l	34 mg/l
10/01/06 to 12/31/06	006	TSS Monthly Average	30 mg/l	56 mg/l
10/01/06 to 12/31/06	006	TSS Weekly Average	45 mg/l	56 mg/l
07/01/06 to 09/30/06	003	BOD Monthly Average	30 mg/l	52 mg/l
07/01/06 to 09/30/06	003	BOD Weekly Average	45 mg/l	52 mg/l
07/01/06 to 09/30/06	003	TSS Monthly Average	30 mg/l	57 mg/l
07/01/06 to 09/30/06	003	TSS Weekly Average	45 mg/l	57 mg/l
07/01/06 to 09/30/06	004*	BOD Monthly Average	30 mg/l	36 mg/l
07/01/06 to 09/30/06	004	TSS Monthly Average	30 mg/l	92 mg/l
07/01/06 to 09/30/06	004	TSS Weekly Average	45 mg/l	92 mg/l
07/01/06 to 09/30/06	005*	TSS Monthly Average	30 mg/l	64 mg/l
07/01/06 to 09/30/06	005*	TSS Weekly Average	45 mg/l	64 mg/l
07/01/06 to 09/30/06	006*	TSS Monthly Average	30 mg/l	46 mg/l
07/01/06 to 09/30/06	006*	TSS Weekly Average	45 mg/l	46 mg/l
04/01/06 to 06/30/06	001*	BOD Monthly Average	30 mg/l	43 mg/l
04/01/06 to 06/30/06	001	TSS Monthly Average	30 mg/l	74 mg/l
04/01/06 to 06/30/06	001	TSS Weekly Average	45 mg/l	74 mg/l
04/01/06 to 06/30/06	001	Fecal Coliform Monthly Average	200 col/100ml	TNTC
04/01/06 to 06/30/06	001	Fecal Coliform Weekly Average	400 col/100ml	TNTC
04/01/06 to 06/30/06	002	Fecal Coliform Monthly Average	200 col/100ml	1200 col/100ml
04/01/06 to 06/30/06	002	Fecal Coliform Weekly Average	400 col/100ml	1200 col/100ml

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
04/01/06 to 06/30/06	003	TSS Monthly Average	30 mg/l	58 mg/l
04/01/06 to 06/30/06	003	TSS Weekly Average	45 mg/l	58 mg/l
04/01/06 to 06/30/06	005	TSS Monthly Average	30 mg/l	56 mg/l
04/01/06 to 06/30/06	005	TSS Weekly Average	45 mg/l	56 mg/l
04/01/06 to 06/30/06	005	Fecal Coliform Monthly Average	200 col/100ml	TNTC
04/01/06 to 06/30/06	005	Fecal Coliform Weekly Average	400 col/100ml	TNTC

*\*Failed to submit a noncompliance report.*

Each effluent exceedence is a violation of LPDES permit LA0121525 (Part I 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 November 9, 2009, revealed that the Respondent failed to submit noncompliance reports (NCRs) for the aforementioned effluent violations. Each failure to submit a noncompliance report is a violation of LPDES permit LA0121525 (Part III, Sections A.2 and D.7), La. R.S. 30:2076 (A) (3), 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 November 9, 2009, revealed that the Respondent failed to submit complete and accurate NCRs. Specifically, the Respondent failed to report the cause of the exceedence, the duration or anticipated duration of the exceedence, and the steps being taken to reduce, eliminate, and prevent recurrence of the exceedence on each NCR submitted. Each failure to submit a properly completed NCR is a violation of LPDES permit LA0121525 (Part III, Sections A.2 and D.7), La. R.S. 30:2076 (A) (3), 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 November 9, 2009, revealed that the Respondent failed to report flow for Outfall 006 on the quarterly DMRs for the third quarter of 2006 through the second quarter of 2009. Each failure to report flow is a violation of LPDES permit LA0121525 (Part I, page 2 of 7 and Part III, Sections A.2 and C.6), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, and LAC 33:IX.2701.A.

An inspection conducted by the Department on or about June 30, 2008, and a subsequent file review conducted by the Department on or about November 9, 2009, revealed the Respondent failed to monitor the effluent in accordance with approved test procedures. Specifically, the Respondent exceeded the maximum holding times for pH samples. The dates of the violations and the outfalls involved, as reported by the Respondent on laboratory effluent analysis reports, are summarized below:

<b>DATE</b>	<b>OUTFALLS</b>	<b>DATE</b>	<b>OUTFALLS</b>
9/2008	001,002,003,004,005,006,007, and 008	6/2007	001,002,003,004,005,006, and 007
6/2008	001,002,003,004,005,006,007, and 008	3/2007	001,002,003,004,005,006,007, and 008
3/2008	001,002,003,004,005,006, and 007	3/2006	001,002,003,004,005,006, and 007
9/2007	001,002,003,004,005,006, and 007		

The Respondent's failure to monitor in accordance with approved test procedures is a violation of LPDES permit LA0121525 (Part III, Sections A.2, and C.5) La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.2701.A, and LAC 33:IX.2701.J.4.

A file review conducted by the Department on or about November 9, 2009, revealed that the Respondent failed to submit complete and accurate DMRs since issuance of the permit. Specifically, the Respondent did not report a value in the number of exceedences column for any of its outfalls. The failure to submit a complete and accurate DMR is in violation of LPDES permit LA0121525 (Part III, Section A.2), La. R.S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.2701.A, and LAC 33:IX.2701.L.4.d.

The following violations, although not cited in the foregoing enforcement action(s), are included within the scope of this settlement.

A file review conducted by the Department on or about June 13, 2013, revealed the Respondent exceeded the effluent limitations of the permit. These effluent exceedances, as reported by the Respondent on Discharge Monitoring Reports (DMRs) and noncompliance reports (NCRs), are summarized below:

DATE	OUTFALL	PARAMETER	PERMIT LIMIT	SAMPLE VALUE
07/01/09 to 09/30/09	006	TSS Monthly Average	30 mg/L	46 mg/L*
07/01/09 to 09/30/09	006	TSS Weekly Average	45 mg/L	46 mg/L*
10/01/09 to 12/31/09	005	TSS Monthly Average	30 mg/L	49 mg/L*
10/01/09 to 12/31/09	005	TSS Weekly Average	45 mg/L	49 mg/L*
10/01/09 to 12/31/09	006	Fecal Coliform Monthly Average	200 col/100ml	1,100 col/100ml*
10/01/09 to 12/31/09	006	Fecal Coliform Weekly Average	400 col/100ml	1,100 col/100ml*
01/01/10 to 03/31/10	005	BOD <sub>5</sub> Monthly Average	30 mg/L	42 mg/L*
01/01/10 to 03/31/10	005	TSS Monthly Average	30 mg/L	57 mg/L
01/01/10 to 03/31/10	005	TSS Weekly Average	45 mg/L	56 mg/L
01/01/10 to 03/31/10	005	TSS Weekly Average	45 mg/L	58 mg/L
01/01/10 to 03/31/10	005	Fecal Coliform Weekly Average	400 col/100ml	>6,000 col/100ml
01/01/10 to 03/31/10	006	TSS Monthly Average	30 mg/L	311 mg/L
01/01/10 to 03/31/10	006	TSS Weekly Average	45 mg/L	308 mg/L
01/01/10 to 03/31/10	006	TSS Weekly Average	45 mg/L	314 mg/L
04/01/10 to 06/30/10	005	BOD <sub>5</sub> Monthly Average	30 mg/L	83 mg/L
04/01/10 to 06/30/10	005	BOD <sub>5</sub> Weekly Average	45 mg/L	83 mg/L

<b>DATE</b>	<b>OUTFALL</b>	<b>PARAMETER</b>	<b>PERMIT LIMIT</b>	<b>SAMPLE VALUE</b>
04/01/10 to 06/30/10	005	TSS Monthly Average	30 mg/L	165 mg/L
04/01/10 to 06/30/10	005	TSS Weekly Average	45 mg/L	165 mg/L
04/01/10 to 06/30/10	005	Fecal Coliform Monthly Average	200 col/100ml	>6,000 col/100ml
04/01/10 to 06/30/10	005	Fecal Coliform Weekly Average	400 col/100ml	>6,000 col/100ml
07/01/10 to 09/30/10	006	TSS Monthly Average	30 mg/L	52 mg/L
07/01/10 to 09/30/10	006	TSS Weekly Average	45 mg/L	52 mg/L
10/01/10 to 12/31/10	005	TSS Monthly Average	30 mg/L	44 mg/L
01/01/11 to 03/31/11	005	TSS Monthly Average	30 mg/L	34 mg/L
01/01/11 to 03/31/11	005	Fecal Coliform Monthly Average	200 col/100ml	4,950 col/100ml
01/01/11 to 03/31/11	005	Fecal Coliform Weekly Average	400 col/100ml	4,200 col/100ml
01/01/11 to 03/31/11	005	Fecal Coliform Weekly Average	400 col/100ml	5,700 col/100ml

\* Failed to submit an NCR.

Each effluent exceedance is a violation of LPDES permit LA0121525 (Part I and Part III, Section A.2), La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

A file review conducted by the Department on or about June 13, 2013, revealed that the Respondent failed to submit NCRs for the effluent exceedances marked with an asterisk (\*) in the table above. Each failure to submit an NCR is a violation of LPDES permit LA0121525 (Part III, Sections A.2 and D.7), La. R.S. 30:2076 (A) (3), and LAC 33:IX.2701.L.7.

A file review conducted by the Department on or about June 13, 2013, revealed that the Respondent did cause and/or allow the unauthorized discharge of sanitary wastewater to the Houma Navigational Canal, waters of the state. Specifically, the Respondent stated in correspondence dated March 1, 2010, an internal investigation conducted on December 18, 2009, revealed an unpermitted

sanitary wastewater treatment plant at the facility. The Respondent submitted a permit modification request dated March 11, 2010, and LPDES permit LA0121525 was reissued on August 1, 2011, with the additional treatment plant authorized as Outfall 011. The Respondent reported discharges from the unpermitted treatment plant on multiple DMRs from March 2010 to August 2011. The unauthorized discharge of sanitary wastewater to waters of the state is a violation of La. R.S. 30:2075.

A file review conducted by the Department on or about June 13, 2013, revealed that the Respondent failed to properly report a Fecal Coliform sample value on the Outfall 005 DMR for the first quarter of 2010 monitoring period. The Fecal Coliform Monthly Average permit limit is 200 col/100ml. However, the Respondent reported the sample value as <3,005 col/100ml. The failure to properly report a sample value is a violation of LPDES permit LA0121525 (Part III, Sections A.2 and D.4), La. R.S. 30:2076 (A) (3), and LAC 33:IX.2701.L.4.d.

A file review conducted by the Department on or about June 13, 2013, revealed that the Respondent failed to submit the Outfall 003 DMR for the second quarter of 2011 monitoring period. The failure to submit a DMR is a violation of LPDES permit LA0121525 (Part II, Section Q and Part III, Sections A.2 and D.7), La. R.S. 30:2076 (A) (3), and LAC 33:IX.2701.L.4.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 Department agrees to accept, a payment in the amount of TWO HUNDRED TWENTY FIVE THOUSAND AND NO/100 DOLLARS (\$225,000.00), of

which Seven Hundred Sixty-Nine and 39/100 Dollars (\$769.39) represents the Department'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 Department 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 further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order & 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 Department 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.

#### VI

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 Department to enforce this agreement.

#### VII

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 Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

## VIII

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

## IX

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 Department. 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).

## X

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

## XI

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.

**OFFSHORE SPECIALTY FABRICATORS, LLC**

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed)

TITLE: \_\_\_\_\_

THUS DONE AND SIGNED in duplicate original before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC (ID # \_\_\_\_\_)

\_\_\_\_\_  
(stamped or printed)

**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**  
Peggy M. Hatch, Secretary

BY: \_\_\_\_\_  
Cheryl Sonnier Nolan, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at Baton Rouge, Louisiana.

\_\_\_\_\_  
NOTARY PUBLIC (ID # \_\_\_\_\_)

\_\_\_\_\_  
(stamped or printed)

Approved:   
Cheryl Sonnier Nolan, Assistant Secretary