

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

R4 HOLDINGS, L.L.C.

AI # 154640

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

- * **Settlement Tracking No.**
- * **SA-AE-09-0024**
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- * **Enforcement Tracking No.**
- * **AE-CN-08-0010**
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SETTLEMENT

The following Settlement is hereby agreed to between R4 Holdings, L.L.C. (“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 a real estate development company located in Hammond, Tangipahoa Parish, Louisiana (“the Facility”).

II

On March 31, 2008, the Department issued to Respondent a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No. AE-CN-08-0010, which was based upon the following findings of fact:

The Respondent owns and/or operates a real estate development company. The Respondent contracted with Grow and Son’s, Inc. to demolish the old unclaimed furniture facility located at 506 Louisiana Highway 51 in Hammond, Tangipahoa Parish, Louisiana.

On or about November 15, 2007, an investigation of demolition activities at the facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

The following violations were noted during the course of the inspection:

- A. The Respondent failed to determine which emission control requirements apply to them by having the affected facility thoroughly inspected for the presence of asbestos prior to the commencement of demolition activities. The failure to inspect for the presence of asbestos is a violation of LAC 33:III.5151.F.1 and La. R.S. 30:2057(A)(2).
- B. The Respondent failed to provide the Office of Environmental Services, Permits Division with typed notice of intention to demolish using the latest version of Form AAC-2, Notification of Demolition and Renovation at least 10 days prior to demolition activities. This is a violation of LAC 33:III.5151.F.1.b and La. R.S. 30:2057(A)(2).
- C. The Respondent failed to have an accredited asbestos abatement supervisor physically present at the demolition site. This is a violation of LAC 33:III.5151.F.3.h and La. R.S. 30:2057(A)(2).
- D. The Respondent failed to adequately wet asbestos-containing waste material during demolition activities. This is a violation of LAC 33:III.5151.J.1.a.ii and La. R.S. 30:2057(A)(2).

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 TEN THOUSAND SEVEN HUNDRED AND NO/100 DOLLARS (\$10,700.00), of which One Hundred Eighty-Six and 18/100 Dollars (\$186.18) 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 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 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 LSA- 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 Tangipahoa 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).

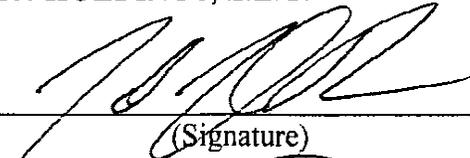
X

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

XI

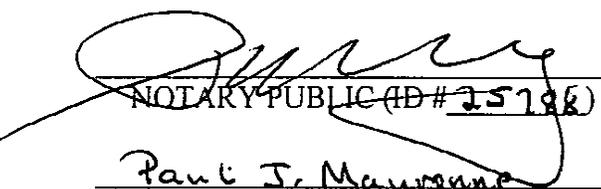
Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

R4 HOLDINGS, L.L.C.

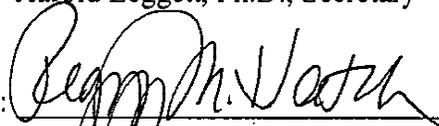
BY: 
(Signature)
JARED I. RICEKE
(Print)

TITLE: Managing Member

THIS DONE AND SIGNED in duplicate original before me this 3rd day of August, 20 09, at Covington La.

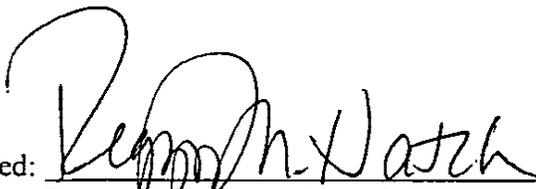

NOTARY PUBLIC (ID # 25796)
Paul J. Mayronne
(Print)

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

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

THIS DONE AND SIGNED in duplicate original before me this 18th day of November, 20 09, at Baton Rouge, Louisiana.


NOTARY PUBLIC (ID # 101496)
Christopher A. Ratcliff
(Print)

Approved: 
Peggy M. Hatch, Assistant Secretary