

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

MAC-NETT INDUSTRIES INC.

AI # 207500

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

\* Settlement Tracking No.  
\* SA-HE-19-0009  
\*  
\* Enforcement Tracking No.  
\* HE-PP-18-00032  
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SETTLEMENT

The following Settlement is hereby agreed to between Mac-Nett Industries 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 owned and/or operated a facility located in East Baton Rouge, East Baton Rouge Parish, Louisiana (“the Facility”).

II

On June 29, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. HE-PP-18-00032 (Exhibit 1).

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 THREE THOUSAND THREE HUNDRED FIFTY AND NO/100 DOLLARS (\$3,350.00), of which Seven Hundred Forty-Seven and 61/100 Dollars (\$747.61) 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 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

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

## IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in East Baton Rouge Parish, Louisiana. The advertisement, in form and wording 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.

## 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 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).

## 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.

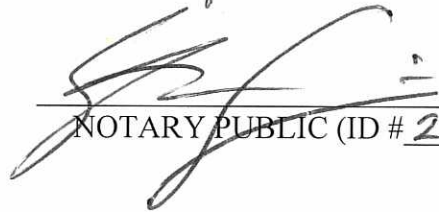
MAC-NETT INDUSTRIES INC.

BY:   
(Signature)

Brad Netterville  
(Printed)

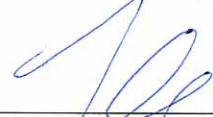
TITLE: Sec/Tres

THUS DONE AND SIGNED in duplicate original before me this 1 day of July, 20 19, at 6pm.

  
NOTARY PUBLIC (ID # 27635)

Steven K. Schilling  
(stamped or printed)


LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
Chuck Carr Brown, Ph.D., Secretary

BY:   
Lourdes Iturralde, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 2nd day of July, 20 19, at Baton Rouge, Louisiana.

  
NOTARY PUBLIC (ID # 19181)

Perry Theriot  
(stamped or printed)

Approved:   
Lourdes Iturralde, Assistant Secretary



JOHN BEL EDWARDS  
GOVERNOR

CHUCK CARR BROWN, PH.D.  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE  
June 29, 2018

CERTIFIED MAIL (7017 2400 0000 7556 8237)  
RETURN RECEIPT REQUESTED

**MAC-NETT INDUSTRIES INC.**

c/o Brad B. Netterville  
Agent for Service of Process  
2230 Fairway Drive  
Baton Rouge, LA 70809

**RE: NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. HE-PP-18-00032  
AGENCY INTEREST NO. 207500**

Dear Sir/Madam:

On or about March 8, 2017 and March 10, 2017, inspections of **MAC-NETT INDUSTRIES**, owned and/or operated by **MAC-NETT INDUSTRIES INC. (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste Regulations. The facility is located at 7645 Reco Drive in Baton Rouge, East Baton Rouge Parish, Louisiana. The facility has been assigned an agency implemented EPA identification number LAR000101031 and the Respondent transports used oil using EPA Identification number LAR000070573.

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violations were noted during the course of the inspections:

- A. The Respondent operated a used oil transfer facility without notification to and authorization from the Department, in violation of LAC 33:V.4029.A and LAC 33:V.4035. Specifically, the inspection on March 10, 2017, revealed that the Respondent had not provided a completed HW-1 Notification Form notifying the Department of transportation-related facility activities and has not received authorization to operate as a used oil transfer facility. During the March 10, 2017 inspection, a review of the facility's used oil manifest records revealed a shipment of eighteen hundred (1,800) gallons from Georgia Pacific- Port Hudson Operations on February 27, 2017 that was added into a tanker trailer and an additional eighteen hundred (1,800) gallons on March 2, 2017 that was also added to the tanker trailer. These manifest records indicate that these shipments of used oil were being stored on-



MAC-NETT INDUSTRIES INC.

HE-PP-18-00032

Page 2

site for greater than twenty-four (24) hours without authorization from the Department. On or about February 22, 2018, a representative of the Respondent submitted photos and used oil manifests indicating that all of the used oil, totaling five thousand twenty three (5,023) gallons had been sent off-site to Kent Environmental on March 9, 2017. Additionally on or about March 2, 2018, a representative of the Respondent submitted to the Department a response that indicated the facility will be used for equipment staging only and no used oil activity will occur in the future.

- B. The Respondent failed to maintain the condition of containers used to store used oil at a transfer facility such that the containers are required to be in good condition (no severe rusting, apparent structural defects or deterioration), in violation of LAC 33:V.4035.C.1. Specifically, the facility was storing used oil in a five (5) gallon bucket open, without a lid underneath a five thousand (5,000) gallon tanker trailer. On or about March 2, 2018, a representative of the Respondent submitted a manifest and letter indicating that the above mentioned bucket and tanker trailer were both transported to a facility owned and/or operated by Kent Environmental.
- C. The Respondent failed to label or clearly mark containers used to store used oil with the words "Used Oil," in violation of LAC 33:V.4035.G.1. Specifically, one (1) five thousand (5,000) gallon tanker trailer and one (1) five (5) gallon bucket used to store used oil were not labeled with the words "Used Oil." A representative of the Respondent submitted a photo on or about February 22, 2018, indicating that the above mentioned containers are no longer used to store used oil and have been removed from the site.
- D. The Respondent failed, upon detection of a release of used oil to the environment, to clean up and manage properly the released used oil and other materials, in violation of LAC 33:V.4035.H. Specifically, it was noted during the March 10, 2017 inspection that there was evidence of a release of used oil that had not yet been cleaned up and an area adjacent to the secondary containment area for the tanker-trailer had brown and/or dead grass. A representative of the Respondent submitted a photo on or about February 22, 2018, indicating that the above mentioned area has since been cleaned up. Additionally, on or about March 2, 2018, a representative of the Respondent submitted a manifest and letter indicating that the oil contaminated rocks and soil were both transported to a facility owned and/or operated by Kent Environmental.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Tanya Linzy at (225) 219-3069 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

MAC-NETT INDUSTRIES INC.  
HE-PP-18-00032  
Page 3

you would like to have such a meeting, please contact Tanya Linzy at (225) 219-3069 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

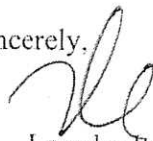
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

To reduce document handling, please refer to the Enforcement Tracking Number and Agency Interest Number on the front of this document on all correspondence in response to this action.

Sincerely,



Lourdes Iturralde  
Assistant Secretary  
Office of Environmental Compliance

LI/TJL/tjl  
Alt ID No. LAR000101031



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE



ENFORCEMENT DIVISION  
POST OFFICE BOX 4312  
BATON ROUGE, LOUISIANA 70821-4312

**NOTICE OF POTENTIAL PENALTY  
REQUEST TO SETTLE (OPTIONAL)**

Enforcement Tracking No.	HE-PP-18-00032	Contact Name	Tanya Linzy
Agency Interest (AI) No.	207500	Contact Phone No.	(225) 219-3069
Alternate ID No.	LAR000101031		
Respondent:	MAC-NETT INDUSTRIES, INC.	Facility Name:	MAC-NETT INDUSTRIES
	c/o Brad B. Netterville	Physical Location:	7645 Reco Drive
	Agent for Service of Process		
	2230 Fairway Drive	City, State, Zip:	Baton Rouge, LA 70814
	Baton Rouge, LA 70809	Parish:	East Baton Rouge

**SETTLEMENT OFFER (OPTIONAL)**

*(check the applicable option)*

The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:1.Subpart1.Chapter7.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY** («Tracking\_»), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.

In order to resolve any claim for civil penalties for the violations in **NOTICE OF POTENTIAL PENALTY** («Tracking\_»), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$\_\_\_\_\_ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance.

- Monetary component = \$\_\_\_\_\_
- Beneficial Environmental Project (BEP) component (optional)= \$\_\_\_\_\_
- **DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM-** the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

The Respondent has reviewed the violations noted in **NOTICE OF POTENTIAL PENALTY** («Tracking\_») and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

**CERTIFICATION STATEMENT**

*I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.*

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

**MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:**

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821  
Attn: Tanya Linzy