

**STATE OF LOUISIANA**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**IN THE MATTER OF:**

**ALL AMERICA PAINT & SUPPLY, INC.**

**AI # 228773**

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

\* **Settlement Tracking No.**  
\* **SA-MM-25-0068**  
\*  
\* **Enforcement Tracking No.**  
\* **MM-CN-23-00435**  
\*  
\* **Docket No. 2024-54799-DEQ**  
\*

**SETTLEMENT AGREEMENT**

The following Settlement Agreement is hereby agreed to between All America Paint & Supply, 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 a distributor of marine and industrial coatings located in Houma, Terrebonne Parish, Louisiana (“the Facility”).

**II**

On September 12, 2023, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. MM-CN-23-00435 (Exhibit 1).

**III**

In response to the Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing.

#### IV

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

#### V

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 SIX THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$6,500.00), of which Two Thousand Six Hundred Seventy-Two and 33/100 Dollars (\$2,672.33) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement 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).

#### VI

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order & Notice of Potential Penalty and this Settlement Agreement 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.

#### VII

This Settlement 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 Settlement Agreement in any action by the

Department to enforce this Settlement Agreement.

## VIII

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

## IX

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.

## X

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 and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

## XI

Payment is to be made within thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement Agreement is voidable at the option of the Department. The Respondent shall provide its tax identification number when submitting payment. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed

or delivered to the attention of Accounts Receivable, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303 or by Electronic Funds Transfer (EFT) to the Department of Environmental Quality, in accordance with instructions provided to Respondent by the Financial Services Division. Each payment shall be accompanied by a completed Settlement Payment Form attached hereto.

## XII

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

## XIII

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.

**ALL AMERICA PAINT & SUPPLY, INC.**

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**  
Courtney J. Burdette, Secretary

BY: \_\_\_\_\_  
Jerrie "Jerry" Lang, 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:  \_\_\_\_\_  
Jerrie "Jerry" Lang, Assistant Secretary



JOHN BEL EDWARDS  
GOVERNOR



ROGER W. GINGLES  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

SEP 12 2023

CERTIFIED MAIL (7021 0950 0001 9072 5347)  
RETURN RECEIPT REQUESTED



**ALL AMERICA PAINT & SUPPLY, INC.**  
c/o Glynn Bonvillain  
Agent for Service of Process  
4008 Benton Drive  
Bourg, LA 70343

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. MM-CN-23-00435  
AGENCY INTEREST NO. 228773**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ALL AMERICA PAINT & SUPPLY, INC. (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Klaryce Hamilton at 225-219-3373 or [Klaryce.Hamilton@la.gov](mailto:Klaryce.Hamilton@la.gov).

Sincerely,

A handwritten signature in black ink that reads "Angela Marse".

Angela Marse  
Administrator  
Enforcement Division

AM/KNH/hbr  
Alt ID No. LAR000102319  
Attachment

c: Brad Bonvillain  
9188 Main Street  
Houma, LA 70363



**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

**IN THE MATTER OF**

**ALL AMERICA PAINT & SUPPLY, INC.  
TERREBONNE PARISH  
ALT ID NO. LAR000102319**

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

\*  
\*  
\* **ENFORCEMENT TRACKING NO.**  
\*  
\* **MM-CN-23-00435**  
\*  
\* **AGENCY INTEREST NO.**  
\*  
\* **228773**  
\*

**CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **ALL AMERICA PAINT & SUPPLY, INC. (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

**I.**

The Respondent owns and/or operates All American Paint & Supply (the Facility), a distributor of marine and industrial coatings, located at 9188 Main Street in Houma, Terrebonne Parish, Louisiana. The Facility is registered with the Department as a large quantity generator of hazardous waste and operates under EPA identification number LAR000102319.

**II.**

On or about June 14, 2023, the Department issued a Warning Letter (MM-L-23-00435) to the Respondent for violations noted during an inspection conducted on or about January 19, 2023. On June 27, 2023 and July 17, 2023, a representative of the Respondent submitted responses to the Warning Letter. However, the responses were not sufficient to verify corrective action for all violations.



III.

On or about January 19, 2023, the Department conducted a Full Compliance Evaluation Inspection (CEI) at the above referenced Facility to determine the degree of compliance with the Act and the supporting Hazardous Waste Regulations. While the investigation by the Department is not yet complete, the following violations were noted during the course of the inspection:

- A. The Respondent failed to determine if a solid waste generated at its Facility was a hazardous waste in violation of LAC 33:V.1005.A. Specifically, the Respondent failed to perform a proper hazardous waste determination for the following:
  - i. leaked paint waste from a 1-gallon and two (2) 5-gallon paint containers, located in the miscellaneous storage area, identified by a representative of the Respondent as mistinted paints;
  - ii. thirty (30) 1-gallon containers, located in the municipal waste dumpster, identified by a representative of the Respondent as disposed paint colorant, observed with pourable bottoms and failed to meet the definition of a Resource Conservation and Recovery Act (RCRA) empty container; and
  - iii. six (6) areas of spilled paint wastes and/or colorants, located underneath the municipal waste dumpster and against the south wall of the Facility, observed partially hardened or tacky to fully hardened.
- B. The Respondent caused and/or allowed storage of hazardous waste without interim status or a standard permit, in violation of LAC 33:V.303.B. Specifically, two (2) shrink-wrapped 55-gallon drums, located behind boxes of the Facility's products, in the miscellaneous storage area in the southwest corner of the Facility were observed during the inspection. According to a representative of the Respondent, both drums contained hazardous waste and both drums were accepted with the knowledge that each contained hazardous waste from an off-site, unaffiliated facility. The representative of the Respondent also stated that both drums contained waste consisting of generic waste industrial paints, epoxies, polyurethanes, and enamels.
- C. The Respondent caused and/or allowed the treatment and/or disposal of hazardous waste without an interim status or a standard permit in violation of LAC 33:V.303.B. Specifically, Safety Data Sheets (SDS) provided by a representative of the Respondent revealed that the colorants used at the Facility have flashpoints ranging between ninety-

eight (98) and one hundred sixteen (116) degrees Fahrenheit before use; therefore, when these colorants become a waste, they are an ignitable hazardous waste (D001). During the inspection, it was revealed that the Respondent was treating and/or disposing of hazardous waste paint colorant (D001) as follows:

- i. twelve (12) 1-gallon containers, located in the paint tinting area, identified by a representative of the Respondent as paint colorant waste, were allowed to dry and evaporate in open containers to change the physical form and/or chemical composition before disposal;
- ii. thirty (30) 1-gallon containers, located in the municipal waste dumpster, identified by a representative of the Respondent as disposed paint colorants, observed with pourable bottoms which failed to meet the definition of a RCRA empty container; and
- iii. six (6) areas of spilled paint wastes and/or colorants, located underneath the municipal waste dumpster and against the south wall of the Facility, observed partially hardened or tacky to fully hardened.

In response to the Warning Letter, a representative of the Respondent stated the Facility has isolated a more compact area for disposal. Additionally, disposal drums and disposal logs are now in place; however, the response did not address the unauthorized treatment and/or disposal of hazardous waste and stated that the colorants are still being dried as before.

- D. The Respondent failed to store and dispose of waste materials containing volatile organic compounds (VOCs) in a manner that reduces or eliminates the emission of VOCs, in violation of LAC 33:III.2113.A.3. Specifically, twelve (12) 1-gallon containers, located in the paint tinting area, identified by a representative of the Respondent as paint colorant waste, were allowed to dry and evaporate in open containers.
- E. The Respondent failed to determine its hazardous waste generator category, as defined in LAC 33:V.109, in violation of LAC 33:V.1007.A. Specifically, the Respondent failed to provide the Department with the Facility's current hazardous waste generator category at the time of the inspection. A representative of the Respondent stated that the Facility previously operated as a Large Quantity Generator (LQG) of hazardous

waste during a clean-out, but had not determined its current hazardous waste generator category. In response to the Warning Letter, a representative of the Respondent stated the Facility has completed the HW-1 Notification Form and is waiting for the signature of the land owner. The Department has not received an updated HW-1 Notification Form indicating the category determination.

- F. The Respondent failed to complete and submit an annual report to the Office of the Environmental Services by March 1<sup>st</sup> of the following year, in violation of LAC 33:V.1021.A. Specifically, the Respondent operated as a Large Quantity Generator during the year 2021, but failed to submit an annual report for the 2021 reporting year.

### **COMPLIANCE ORDER**

Based on the foregoing, the Respondent is **hereby ordered**:

#### **I.**

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Hazardous Waste Regulations.

#### **II.**

To perform, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a hazardous waste determination on the waste specified in Findings of Fact Paragraph III.A in accordance with LAC 33:V.1005.A, and institute procedures to ensure waste determinations are made on all waste generated. The results of the determination for the waste described in Findings of Fact Paragraph III.A shall be submitted to the Enforcement Division within fifteen (15) days of performing the waste determination. All waste shall be disposed of in accordance with the Hazardous Waste or Solid Waste Regulations.

#### **III.**

To cease, immediately upon receipt of this **COMPLIANCE ORDER**, storage, and/or disposal of hazardous waste without receiving an interim status or a standard permit.

#### **IV.**

To properly dispose, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the hazardous waste referenced in Findings of Fact Paragraph III.B and C at a permitted hazardous waste treatment, storage, and disposal facility. The Respondent shall submit copies of manifests, documenting proper disposal, to the Enforcement Division within fifteen (15) days of disposal.

V.

To submit, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the facility's housekeeping and maintenance plan to the Enforcement Division, in accordance with LAC 33:III.2113.A.4.

VI.

To determine, within seven (7) days after receipt of this **COMPLIANCE ORDER**, the hazardous waste generator category, in accordance with LAC 33:V.1007. The Respondent shall notify the Office of Environmental Services, within seven (7) days of its hazardous waste generator category determination, if any information submitted in the notification activity changes.

VII.

To submit, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, the 2021 Annual Report to the Office of Environmental Services, in accordance with LAC 33:V.1021.A.

VIII.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
Attn: **Klaryce Hamilton**  
Re: **Enforcement Tracking No. MM-CN-23-00435**  
**Agency Interest No. 228773**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request

should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. MM-CN-23-00435**  
**Agency Interest No. 228773**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Division of Administrative Law (DAL) Procedural Rules. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible



enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

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

**NOTICE OF POTENTIAL PENALTY**

I.

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.

II.

Prior to the issuance of additional appropriate enforcement action(s), 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 Klaryce Hamilton at 225-219-3373 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

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 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 violation(s) 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 that 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.

IV.

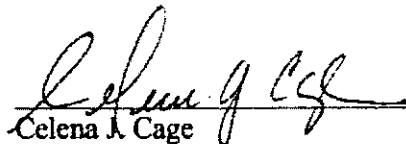
The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY** portion, the Respondent may offer a settlement

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 "**CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE**" form. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY** portion but no later than ninety (90) days of achieving compliance with the **COMPLIANCE ORDER** portion. 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.

V.


This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 10th day of September, 2023.

  
Celena A. Cage  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Klaryce Hamilton

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY OFFICE OF ENVIRONMENTAL COMPLIANCE ENFORCEMENT DIVISION POST OFFICE BOX 4312 BATON ROUGE, LOUISIANA 70821-4312		CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY REQUEST TO CLOSE			
Enforcement Tracking No.	MM-CN-23-00435	Contact Name	Klaryce Hamilton		
Agency Interest (AI) No.	228773	Contact Phone No.	225-219-3373		
Alternate ID No.	LAR000102319				
Respondent:	All America Paint & Supply, INC.	Facility Name:	All American Paint & Supply		
	c/o Glynn Bonvillain	Physical Location:	9188 Main Street		
	Agent for Service of Process				
	4008 Benton Drive	City, State, Zip:	Houma, Louisiana 70363		
	Bourg, Louisiana 70343	Parish:	Terrebonne		

STATEMENT OF COMPLIANCE	Date Completed	Copy Attached?
A written report was submitted in accordance with Paragraph VIII of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 14 days of receipt of the COMPLIANCE ORDER in accordance with Paragraph VI of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 30 days of receipt of the COMPLIANCE ORDER in accordance with Paragraphs V and VII of the "Order" portion of the COMPLIANCE ORDER.		
All necessary documents were submitted to the Department within 45 days of receipt of the COMPLIANCE ORDER in accordance with Paragraphs II and IV of the "Order" portion of the COMPLIANCE ORDER.		
All items in the "Findings of Fact" portion of the COMPLIANCE ORDER were addressed and the facility is being operated to meet and maintain the requirements of the "Order" portion of the COMPLIANCE ORDER. Final compliance was achieved as of:		

(check the applicable option)

<input type="checkbox"/>	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:I.Subpart1.Chapter7.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY (MM-CN-23-00435), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
<input type="checkbox"/>	<p>In order to resolve any claim for civil penalties for the violations in CONSOLIDATED COMPLIANCE ORDER &amp; NOTICE OF POTENTIAL PENALTY (MM-CN-23-00435), 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. The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY portion but no later than ninety (90) days of achieving compliance with the COMPLIANCE ORDER portion.</p> <ul style="list-style-type: none"> <li>• Monetary component = \$_____</li> <li>• Beneficial Environmental Project (BEP) component (optional)= \$_____</li> <li>• 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.</li> </ul> <p>The Respondent has reviewed the violations noted in CONSOLIDATED COMPLIANCE ORDER &amp; NOTICE OF POTENTIAL PENALTY (MM-CN-23-00435) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.</p>

*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: Klaryce Hamilton

## WHAT IS A SETTLEMENT AGREEMENT?

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

## HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

## WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

		NATURE AND GRAVITY OF THE VIOLATION		
		MAJOR	MODERATE	MINOR
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY	MAJOR	\$32,500 to \$20,000	\$20,000 to \$15,000	\$15,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000	\$5,000 to \$3,000
	MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

### Degree of Risk to Human Health or Property

Major: (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.

Moderate: (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions

Minor: (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

### Nature and Gravity of the Violation

Major: Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.

Moderate: Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.

Minor: Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

### The range is adjusted using the following violator specific factors:

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.





Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times [\text{Penalty Event Maximum} - \text{Penalty Event Minimum}])$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

#### WHAT IS A BEP?

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement. Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

#### WHAT HAPPENS IF MY OFFER IS REJECTED?

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

#### WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?

Settlement Offers .....	searchable in <u>EDMS</u> using the following filters Media: Air Quality, Function: Enforcement; Description: Settlement
Settlement Agreements .....	<u>Enforcement Division's website</u> specific examples can be provided upon request
Penalty Determination Method .....	<u>LAC 33:I Chapter 7</u>
Beneficial Environmental Projects .....	<u>LAC 33:I Chapter 25</u> <u>FAQs</u>
Judicial Interest.....	<u>provided by the Louisiana State Bar Association</u>

