

**STATE OF LOUISIANA**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**IN THE MATTER OF:**

**GULF SOUTH ARMATURE, INC.**

**AI # 235996**

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

\* **Settlement Tracking No.**  
\* **SA-MM-24-0063**  
\*  
\* **Enforcement Tracking No.**  
\* **MM-PP-23-00057**  
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**SETTLEMENT AGREEMENT**

The following Settlement Agreement is hereby agreed to between Gulf South Armature, 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 generator repair facility located in Houma, Terrebonne Parish, Louisiana ("the Facility").

**II**

On May 30, 2023, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. MM-PP-23-00057 (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 TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), of which Two Thousand Two Hundred Thirteen and 40/100 Dollars (\$2,213.40) 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).

## V

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the 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.

## VI

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.

## VII

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.

## 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 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.

## X

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 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 attached hereto.

## XI

In consideration of the above, any claims for penalties are hereby compromised and settled in

accordance with the terms of this Settlement Agreement.

## 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.

**GULF SOUTH ARMATURE, INC.**

BY: \_\_\_\_\_

(Signature)

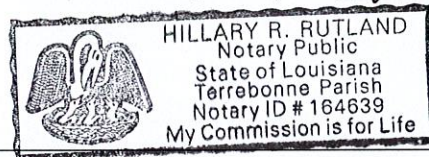
Arthur P. Mathene Jr.  
(Printed)

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

Manager

THUS DONE AND SIGNED in duplicate original before me this 25<sup>th</sup> day of February, 20 25, at Houma, LA.

Hillary R Rutland  
NOTARY PUBLIC (ID # 164639)



(stamped or printed)

**LOUISIANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY**

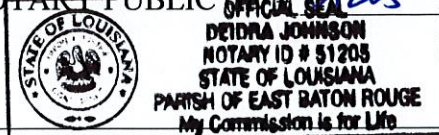
Aurelia S. Giacometto, Secretary

BY: \_\_\_\_\_

Jerrie "Jerry" Lang, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 30<sup>th</sup> day of April, 20 25, at Baton Rouge, Louisiana.

Deidra Shice  
NOTARY PUBLIC (ID # 51205)



(stamped or printed)

Approved: \_\_\_\_\_

Jerrie "Jerry" Lang, Assistant Secretary

JOHN BEL EDWARDS  
GOVERNOR

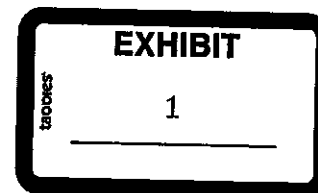


ROGER W. GINGLES  
SECRETARY

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

MAY 30 2023

CERTIFIED MAIL (7021 2720 0002 7447 0038)  
RETURN RECEIPT REQUESTED



**GULF SOUTH ARMATURE, INC.**  
c/o Michael J. Smith  
Agent for Service of Process  
8550 Park Avenue  
Houma, LA 70363

**RE: NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. MM-PP-23-00057  
AGENCY INTEREST NO. 235996**

Dear Sir:

On or about October 12, 2022, and October 24, 2022, a partial compliance evaluation inspection of a generator repair facility owned and/or operated by **GULF SOUTH ARMATURE, INC. (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Hazardous Waste and Water Quality Regulations. The facility is located at 8550 East Park Avenue in Houma, Terrebonne Parish, Louisiana.

The Department issued Warning Letter (WL) MM-L-23-00057 to the Respondent on or about January 23, 2023, for violations noted during the inspection. The Respondent submitted responses on or about March 1, 2023, March 17, 2023, March 29, 2023, April 4, 2023, and May 17, 2023.

While the investigation by the Department is not yet complete, the following violations were noted during the course of the inspection and subsequent file review conducted on or about April 18, 2023:

- A. The Respondent treated, stored, and/or disposed of hazardous waste without a permit, in violation of LAC 33:V.303.B. Specifically, the Respondent disposed of spent, unpunctured/drained aerosol cans (D003) within the facility's municipal waste bins. According to a response dated March 17, 2023, the facility instituted procedures to puncture, crush, and properly dispose of the aerosol cans.
- B. The Respondent failed to perform a proper hazardous waste determination, in violation of LAC 33:V.1005.A. Specifically, the Respondent failed to make a hazardous waste determination on the following:

1. Spent, punctured/drained aerosol cans (D003);
2. Spent abrasive media, collected dust, and spent filters used to clean generator parts;
3. A mixture of spent mineral spirits used to wash generator parts, and contaminants removed during the washing process including oil, grease, and other materials located within a one thousand (1,000) gallon tank;
4. Hardened varnish drippings collected at the bottom of a baking oven; and
5. Ash collected at the bottom of a baking oven.

In a response dated March 17, 2023, hazardous waste determinations for the spent blast media and burn out oven ash were submitted to the Department. The burn out oven ash was determined to be non-hazardous. The spent blast media was determined to be hazardous and the facility instituted procedures to properly containerize and disposed of the waste. In a response dated March 29, 2023, a hazardous waste determination for baked oven varnish was submitted to the Department; the baked oven varnish was determined to be non-hazardous. In a response dated April 4, 2023, a hazardous waste determination for aerosol cans was submitted to the Department; the aerosol cans were determined to be non-hazardous. According to the April 4, 2023 response, a hazardous waste determination was performed on the spent mineral spirits, oil, grease, and varying contaminants located within a one thousand (1,000) gallon tank. On or about May 17, 2023, the results were submitted to the Department; the spent mineral spirits, oil, grease, and varying contaminants determined to be non-hazardous.

- C. The Respondent failed to clearly mark or label a container used to store used oil with the words "Used Oil," in violation of LAC 33:V.4013.D.1. Specifically, one (1) 55-gallon drum in the maintenance shop was labeled "Bad Oil." A representative of the Respondent relabeled the drum "Used Oil" during the inspection.
- D. The Respondent failed to obtain an active EPA identification number by notifying the Office of Environmental Services using the Notification of Hazardous Waste Activity Form (HW-1) within fourteen (14) days after first generating any hazardous waste at the location specified in the notification, in violation of LAC 33:V.1017.A. Specifically, the facility has been in operation since approximately February 1991 and the Respondent failed to notify the Department. The Department received a Notification of Hazardous Waste Activity (HW-1) Form on or about March 8, 2023.
- E. The Respondent failed to determine the generator category for the facility based on the amount of hazardous waste generated each month, in violation of LAC 33:V.1007.A. Specifically, the facility generates hazardous waste during normal operations and failed to document/determine the amount of hazardous waste generated in a calendar month. The Department received a Notification of Hazardous Waste Activity (HW-1) Form on or about March 8, 2023 indicating the facility is a Very Small Quantity Generator (VSQG) of hazardous waste.
- F. The Respondent failed to prepare a Spill Prevention Control (SPC) Plan in accordance with the Water Quality Regulations. Specifically, the facility stores oil on-site in amounts exceeding 1,320 gallons in aggregate and consists of one tank of oily water

mixture with a capacity of approximately 1,020 gallons. Three (3) 55-gallon drums of kerosene, one (1) 55-gallon drum for used oil, and one (1) 1000-gallon tank for used oil were located at the facility. In addition, one (1) 985-gallon tank of a varnish and xylene mixture, four (4) 55-gallon of xylene, and three (3) 55-gallon drums of mineral spirits were also onsite. The storage of the substances in the amounts specified herein require the preparation and implementation of an SPC Plan. The failure to prepare the SPC plan is a violation of La. R.S. 30:2076(A)(3) and LAC 33:IX.905.A. On or about April 3, 2023, the Department received a response that included a copy of the facility's SPC Plan prepared on March 20, 2023.

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 Deonne Bodin at (504) 736-7715 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 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 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.

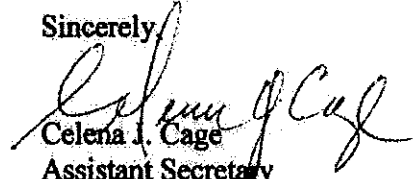
For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. 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,

A handwritten signature in black ink, appearing to read "Celena J. Cage".

Celena J. Cage  
Assistant Secretary  
Office of Environmental Compliance

CJC/DB/sbp

Alt ID Nos. LAR000102689; LAU008453

<b>LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY</b> <b>OFFICE OF ENVIRONMENTAL COMPLIANCE</b> <b>ENFORCEMENT DIVISION</b> <b>POST OFFICE BOX 4312</b> <b>BATON ROUGE, LOUISIANA 70821-4312</b>		<b>NOTICE OF POTENTIAL PENALTY</b> <b>REQUEST TO SETTLE (OPTIONAL)</b>		
Enforcement Tracking No.	MM-PP-23-00057	Contact Name	Deonne Bodin	
Agency Interest (AI) No.	235996	Contact Phone No.	(504) 736-7715	
Alternate ID Nos.	LAR000102689; LAU008453			
Respondent:	GULF SOUTH ARMATURE, INC.	Facility Name:	Gulf South Armature Inc.	
	c/o Michael J. Smith	Physical Location:	8550 East Park Avenue	
	Agent for Service of Process	City, State, Zip:	Houma, LA 70363	
	8550 Park Avenue	Parish:	Terrebonne	
<b>SETTLEMENT OFFER (OPTIONAL)</b> <i>(check the applicable option)</i>				
<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 33:1 Subpart 1, Chapter 7.			
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in <b>NOTICE OF POTENTIAL PENALTY (MM-PP-23-00057)</b> , 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"/>	In order to resolve any claim for civil penalties for the violations in <b>NOTICE OF POTENTIAL PENALTY (MM-PP-23-00057)</b> , 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. <ul style="list-style-type: none"> <li>• Monetary component = \$ _____</li> <li>• Beneficial Environmental Project (BEP) component (optional) = \$ _____</li> <li>• <b>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.</b></li> </ul>			
<input type="checkbox"/>	The Respondent has reviewed the violations noted in <b>NOTICE OF POTENTIAL PENALTY (MM-PP-23-00057)</b> and has attached a justification of its offer and a description of any BEPs if included in settlement offer.			
<b>CERTIFICATION STATEMENT</b> <i>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.</i>				
Respondent's Signature		Respondent's Printed Name		Respondent's Title
Respondent's Physical Address		Respondent's Phone #		Date
<b>MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:</b> Louisiana Department of Environmental Quality Office of Environmental Compliance Enforcement Division P.O. Box 4312 Baton Rouge, LA 70821 Attn: <b>Deonne Bodin</b>				