

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

QUALAWASH HOLDINGS, LLC

AI # 26272

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

* Settlement Tracking No.

* SA-AE-25-0075

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* Enforcement Tracking No.

* AE-PP-23-00475

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SETTLEMENT AGREEMENT

The following Settlement Agreement is hereby agreed to between Qualawash Holdings, 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 a truck wash facility located in Geismar, Ascension Parish, Louisiana (“the Facility”).

II

On April 19, 2024, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-23-00475 (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 NINE THOUSAND ONE HUNDRED SIXTY-FOUR AND 40/100 DOLLARS (\$9,164.40), of which Eight Hundred Twelve and 83/100 Dollars (\$812.83) 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 Ascension 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 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.

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.

QUALAWASH HOLDINGS, 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**
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

JEFF LANDRY
GOVERNOR



AURELIA S. GIACOMETTO
SECRETARY

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

APR 19 2024

CERTIFIED MAIL (9589 0710 5270 0478 1480 72)
RETURN RECEIPT REQUESTED

EXHIBIT

1

QUALAWASH HOLDINGS, LLC
c/o National Registered Agents, Inc.
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, Louisiana 70816

RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-23-00475
AGENCY INTEREST NO. 26272

Dear Sir/Madam:

On or about March 3, 2023 and April 5, 2024, an inspection and subsequent file review, respectively, were conducted of the **QUALA GEISMAR TERMINAL 260 (FACILITY)**, a truck wash facility, owned and/or operated by **QUALAWASH HOLDINGS, LLC (RESPONDENT)**, to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 35072 East Highway 30 in Geismar, Ascension Parish, Parish, Louisiana. The Respondent operated under the authority of Minor Source Air Permit No. 0180-00188-04, issued on February 14, 2014, which expired on February 14, 2024.

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:

- A. The Respondent modified operation of the facility, which may result in an increase in emissions of air contaminants, by failing to include all emission sources in Minor Source Air Permit No. 0180-00188-04. Specifically, at the time of the Department's inspection on or about March 3, 2023, six (6) emission sources including five (5) storage tanks, which included one (1) ~1,500 gallon tank containing solution with detergent Red Hammer NA1760, one (1) ~1,500 gallon compartment of large subdivided square tank containing solution of cleaner Dyna Strip "2020" concentrate, one (1) 500-gallon diesel tank, and two (2) frac tanks storing wastewater from truck tank cleanout, and one (1) wastewater sump were operating and not included in Minor Source Air Permit No. 0180-00188-04. Modification of the facility operations without an approved permit modification is a violation of LAC 33:III.501.C.2, La. R.S.

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30:2057(A)(1), and La. R.S. 30:2057(A)(2). According to the Respondent's correspondence dated February 28, 2024, the ~1,500 gallon tanks containing detergent Red Hammer NA1760 and Dyna-Strip "2020" concentrate and the 500 gallon diesel tank were included as insignificant sources in the air permit modification/renewal application submitted to the Department on February 2, 2024. The two (2) frac tanks have been taken out of service and removed from the facility. A case-by-case insignificant activity determination for the wastewater sump was submitted to the Department on February 27, 2024.

- B. The Respondent failed to submit an application for renewal of Minor Source Air Permit No. 0180-00188-04 at least six (6) months prior to the date of permit expiration. Specifically, Minor Source Air Permit No. 0180-00188-04 expired on February 14, 2024. The Respondent submitted a minor source air permit renewal application to the Department on February 2, 2024. The failure to submit an application for renewal of a Minor Source Air Permit at least six (6) months prior to the date of expiration is a violation of LAC 33:III.503.C.3.a, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).
- C. The Respondent operated the facility, which may have resulted in the emissions of air contaminants, without a permit. Specifically, Minor Source Air Permit No. 0180-0188-04 expired on February 14, 2024. The Respondent submitted a minor source air permit renewal application to the Department on February 2, 2024. As of the time of the Department's file review on April 5, 2024, the minor source air permit renewal has not been issued. The unauthorized operation of the facility from the expiration date of Minor Source Air Permit No. 0180-0188-04 until the issuance of the permit renewal is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1), and La. R.S. 30:2057(A)(2).

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 Alissa Cockerham at (225) 219-3785 or Alissa.cockerham@la.gov 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

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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 33:1.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 may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. 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,



Jerry Lang

Assistant Secretary

Office of Environmental Compliance

JL/ARC/arc
Alt ID No. 0180-00188

c: Qualawash Holdings, LLC
c/o Devon Wilmington
500 North Westshore Boulevard, Suite 435
Tampa, Florida 33609

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.	AE-PP-23-00475	Contact Name	Alissa Cockerham
Agency Interest (AI) No.	26272	Contact Phone No.	(225) 219-3785
Alternate ID No.	0180-00188		
Respondent:	Quatalwash Holdings, LLC c/o National Registered Agents, Inc. Agent for Service of Process 3867 Plaza Tower Drive Baton Rouge, Louisiana 70816	Facility Name: Physical Location: City, State, Zip: Parish:	Quala Geismar Terminal 260 35072 East Highway 30 Geismar, Louisiana 70734 Ascension

	REQUEST TO SETTLE (OPTIONAL)
(check the applicable option)	

	<p>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.</p> <p>In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-23-00475), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.</p> <p>The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY (AE-PP-23-00475).</p> <p>In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-23-00475), 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.</p> <ul style="list-style-type: none"> • 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. <p>The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-PP-23-00475) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.</p>
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	CERTIFICATION STATEMENT	
<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.</p>		

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: Alissa Cockerham