



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
 REGION 5
 77 WEST JACKSON BOULEVARD
 CHICAGO, IL 60604-3590

25 JUL 2006

REPLY TO THE ATTENTION OF:

DE-9J

FEDERAL EXPRESS:

Tracking Number #: 822808512923

Mr. Richard Hufnagle
 President
 Page & Hill Forest Products, Inc.
 P.O. Box 7
 7556 County Road 31
 Big Falls, MN 56627

Re: Consent Agreement and Final Order
 Page & Hill Forest Products, Inc.
 Docket No:

Dear Mr. Hufnagle:

Enclosed please find an original signed fully-executed Consent Agreement and Final Order (CAFO) in resolution of the above case. The originals were filed on 25 JUL 2006, 2006 with the Regional Hearing Clerk (RHC).

Please remit the first of 5 installments of the \$5,000.00 civil penalty, in the manner prescribed in paragraph 70 of the CAFO, and reference all checks with the number BD 2750662R003 and docket number RCRA-05-2006-0016. Refer to the **Page & Hill Forest Products, Civil Penalty/ Schedule of Payment**, below, for payment and due date information.

PAGE & HILL FOREST PRODUCTS CIVIL PENALTY/SCHEDULE OF PAYMENT

		2.0%		
	PAYMENT	INTEREST		
DATE	DUE	PERIOD	PRINCIPAL	BALANCE
				\$5,000.00
8/1/2006	1,060.79	\$100.00	\$960.79	\$4,039.21
8/1/2007	1,060.79	\$80.78	\$980.01	\$3,059.20
8/1/2008	1,060.79	\$61.18	\$999.61	\$2,059.59
8/1/2009	1,060.79	\$41.19	\$1,019.60	\$1039.99
8/1/2010	1,060.79	\$20.80	\$1,039.99	-0-
TOTAL	\$5,303.95	\$303.95	\$5,000.00	

NOTE: CHECK PAYABLE TO: TREASURER, UNITED STATES OF AMERICA

U.S. EPA, Region 5
P.O. Box 371531
Pittsburgh, PA 15251-7531

Your first installment payment is due on August 1, 2006. Also, enclosed is a *Notice of Securities and Exchange Commission Registrant's Duty to Disclose Environmental Legal Proceedings*.

Thank you for your cooperation in resolving this matter.

Sincerely,

A handwritten signature in black ink that reads "Joseph M. Boyle". The signature is written in a cursive style with a large initial "J".

Joseph M. Boyle, Chief
Enforcement and Compliance Assurance Branch
Waste, Pesticides and Toxics Division

Enclosure

cc: Joseph Henderson, Minnesota Pollution Control Agency (w/CAFO)

NOTICE OF SECURITIES AND EXCHANGE COMMISSION REGISTRANTS' DUTY TO DISCLOSE ENVIRONMENTAL LEGAL PROCEEDINGS

Securities and Exchange Commission regulations require companies registered with the SEC (e.g., publicly traded companies) to disclose, on at least a quarterly basis, the existence of certain administrative or judicial proceedings taken against them arising under Federal, State or local provisions that have the primary purpose of protecting the environment. Instruction 5 to Item 103 of the SEC's Regulation S-K (17 CFR 229.103) requires disclosure of these environmental legal proceedings. For those SEC registrants that use the SEC's "small business issuer" reporting system, Instructions 1-4 to Item 103 of the SEC's Regulation S-B (17 CFR 228.103) requires disclosure of these environmental legal proceedings.

If you are an SEC registrant, you have a duty to disclose the existence of pending or known to be contemplated environmental legal proceedings that meet any of the following criteria (17 CFR 229.103(5)(A)-(C)):

- A. Such proceeding is material to the business or financial condition of the registrant;
- B. Such proceeding involves primarily a claim for damages, or involves potential monetary sanctions, capital expenditures, deferred charges or charges to income and the amount involved, exclusive of interest and costs, exceeds 10 percent of the current assets of the registrant and its subsidiaries on a consolidated basis; or;
- C. A governmental authority is a party to such proceeding and such proceeding involves potential monetary sanctions, unless the registrant reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than \$100,000; provided, however, that such proceedings which are similar in nature may be grouped and described generically.

Specific information regarding the environmental legal proceedings that must be disclosed is set forth in Item 103 of Regulation S-K or, for registrants using the "small business issuer" reporting system, Item 103(a)-(b) of Regulation S-B. If disclosure is required, it must briefly describe the proceeding, "including the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceedings and the relief sought."

You have been identified as a party to an environmental legal proceeding to which the United States government is, or was, a party. If you are an SEC registrant, this environmental legal proceeding may trigger, or may already have triggered, the disclosure obligation under the SEC regulations described above.

This notice is being provided to inform you of SEC registrants' duty to disclose any relevant environmental legal proceedings to the SEC. This notice does not create, modify or interpret any existing legal obligations, it is not intended to be an exhaustive description of the legally applicable requirements and it is not a substitute for regulations published in the Code of Federal Regulations. This notice has been issued to you for information purposes only. No determination of the applicability of this reporting requirement to your company has been made by any governmental entity. You should seek competent counsel in determining the applicability

of these and other SEC requirements to the environmental legal proceeding at issue, as well as any other proceedings known to be contemplated by governmental authorities.

If you have any questions about the SEC's environmental disclosure requirements, please contact the SEC Office of the Special Senior Counsel for Disclosure Operations at (202) 942-1888.

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:)	
)	DOCKET NO. RCRA-05-2006-0016
Page & Hill Forest Products)	
7556 County Road 31)	Consent Agreement and Final Order --
Big Falls, Minnesota 56627)	Proceeding to Assess an Administrative
)	Penalty Under Section 3008(a) of the
)	Resource Conservation and Recovery Act,
U.S. EPA ID No.: MND045391786)	42 U.S.C. §6928(a)
)	
Respondent)	
<hr/>		

CONSENT AGREEMENT AND FINAL ORDER

I. JURISDICTION AND LEGAL BASIS

1. This is a civil administrative action commenced and concluded under Section 3008(a) of the Solid Waste Disposal Act, also known as the Resource Conservation and Recovery Act of 1976, as amended (RCRA), 42 U.S.C. § 6928(a), and Sections 22.1(a)(4), 22.13(b), and 22.18 (b) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits (Consolidated Rules), as codified at 40 CFR Part 22 (2005). RCRA was amended in 1984 by the Hazardous and Solid Waste Amendments of 1984 (HSWA).

2. Jurisdiction for this action is conferred upon the United States Environmental Protection Agency (U.S. EPA) by Sections 3006(b) and 3008 of RCRA, 42 U.S.C. §§ 6926(b) and 6928.

US ENVIRONMENTAL PROTECTION AGENCY REGION 5

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REGION 5

3. The Complainant is, by lawful delegation, the Chief, Enforcement and Compliance Assurance Branch, Waste, Pesticides and Toxics Division, Region 5, U.S. EPA.

4. The Respondent is Page & Hill Forest Products, Inc. (Respondent), a corporation incorporated under the laws of Minnesota.

5. U.S. EPA has promulgated regulations, codified at 40 C.F.R. Parts 260 through 279, governing generators and transporters of hazardous waste and facilities that treat, store and dispose of hazardous waste.

6. Pursuant to Section 3006 of RCRA, 42 U.S.C. § 6926, the Administrator of U.S. EPA may authorize a state to administer a RCRA hazardous waste program in lieu of the federal program when the Administrator finds that the state program meets certain conditions. Any violation of regulations promulgated pursuant to Subtitle C (Sections 3001-3023 of RCRA, 42 U.S.C. §§ 6921-6939e) or of any state provision authorized pursuant to Section 3006 of RCRA, constitutes a violation of RCRA subject to the assessment of civil penalties and issuance of compliance orders as provided in Section 3008 of RCRA, 42 U.S.C. § 6928.

7. Pursuant to Section 3006(b) of RCRA, 42 U.S.C. § 6926(b), the Administrator of U.S. EPA granted the State of Minnesota final authorization to administer a state hazardous waste program in lieu of the federal government's base RCRA program effective February 11, 1985, 50 Fed. Reg. 3756 (January 28, 1985). The Administrator of U.S. EPA granted Minnesota final authorization to administer additional RCRA and certain HSWA requirements effective September 18, 1987, 52 Fed. Reg. 27199 (July 20, 1987); June 23, 1989, 54 Fed. Reg. 16361 (April 24, 1989) (corrected effective June 23, 1989, 54 Fed. Reg. 27169 (June 28, 1989)); August 14, 1990, 55 Fed. Reg. 24232 (June 15, 1990); August 23, 1991, 56 Fed. Reg. 28709 (June 24,

1991); May 18, 1992, 57 Fed. Reg. 9501 (March 19, 1992); May 17, 1993, 58 Fed. Reg. 14321 (March 17, 1993); March 21, 1994, 59 Fed. Reg. 2998 (January 20, 1994) and August 23, 2000, 65 Fed. Reg. 33774 (May 25, 2000). U.S. EPA authorized Minnesota regulations codified in Minnesota Rules (Minn. R.) Chapters 7001 and 7045. See also 40 C.F.R. § 272.1200 *et seq.*.

8. Pursuant to Section 3006(g) of RCRA, 42 U.S.C. §6926(g), U.S. EPA must carry out the new requirements promulgated pursuant to the HSWA until such time as the State is authorized to carry out such program. Under the terms of Section 3006(g), the requirements established by HSWA are effective in all States regardless of their authorization status and are implemented by U.S. EPA until the State is granted final authorization with respect to those requirements.

9. Pursuant to Section 3006(g) of RCRA, U.S. EPA has jurisdiction to implement and enforce those portions of the HSWA requirements for which the State is not authorized.

10. Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), provides U.S. EPA with the authority to enforce State regulations in those States authorized to administer a hazardous waste program.

11. U.S. EPA has provided notice of commencement of this action to the State of Minnesota pursuant to Section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2).

12. The parties agree that settlement of this matter pursuant to 22.13(b) of the Consolidated Rules, 40 C.F.R. § 22.13(b), is in the public interest and that entry of this Consent Agreement and Final Order (CAFO) without engaging in litigation is the most appropriate means of resolving this matter.

13. Respondent consents to the issuance of this CAFO, including the issuance of any

specified compliance or corrective action order contained herein, and to the assessment of the specified civil penalty; and agrees to comply with the terms of the CAFO.

II. FACTUAL ALLEGATIONS

14. Respondent is a "person" as defined by Minn. R. 7045.0020, Subp. 66, of Minnesota's authorized RCRA program, and Section 1004(15) of RCRA, 42 U.S.C. § 6903(15).

15. At all times relevant to this CAFO, Respondent was the owner and operator of contiguous land and structures, other appurtenances, and improvements on the land, located at 7556 County Road 31, Big Falls, Minnesota (hereinafter the "Facility"), which is a "facility" as defined by Minnesota Rule 7045.0020, Subp. 24, of Minnesota's authorized RCRA program.

16. On or about November 19, 1980, Respondent filed with U.S. EPA a Hazardous Waste Permit Application, EPA Form 3510-1 (6-80), ("Part A") for a permit to be issued pursuant to Section 3005 of RCRA, 42 U.S.C. § 6925, or Minn. Rule 7001.0520 to authorize it to store K001 hazardous waste at the Facility; but the Minnesota Pollution Control Agency (MPCA) withdrew Respondent's Part A application on September 24, 1986, and Respondent does not have a permit to handle hazardous waste.

17. At all times relevant to this CAFO, Respondent has generated, contained, and temporarily held discarded materials at the Facility, awaiting shipment for treatment, storage or disposal elsewhere, including hazardous waste with hazardous waste numbers F032 and F035.

18. The discarded materials referenced in paragraph 17, above, are "hazardous wastes," as defined by Section 1004(5) of RCRA, and by Minn. R. 7045.0020, Subpart 33, and 40 C.F.R. § 260.10.

19. Minnesota Rule 7045.0450, of Minnesota's authorized RCRA program, provides

that “Parts 7045.0450 to 7045.0544 apply to owners and operators of all facilities that treat, store, or dispose of hazardous waste except as specifically provided otherwise in this part or in parts 7045.0100 to 7045.0320.”

20. Minnesota Rule 7045.0450 Subp. 2, of Minnesota’s authorized RCRA program, states that “a facility owner or operator who has fully complied with the requirements for interim status under part 7045.0554 shall comply with parts 7045.0552 to 7045.0642 in lieu of parts 7045.0450 to 7045.0544 until final administrative disposition of the permit application is made. The treatment, storage or disposal of hazardous waste is prohibited except in accordance with a permit and except for the extent to which parts 7045.0552 to 7045.0642 provide for the continued operation of an existing facility which meets certain conditions until final administrative disposition of the owner’s or operator’s permit application is made.”

21. Respondent has stored F032 and F035 at the Facility within the meaning of authorized Minnesota Rule 7045.0020 Subp. 87, which defines “Storage” to mean “the holding of hazardous waste for a temporary period at the end of which the hazardous waste is treated, disposed of, or stored elsewhere.”

22. Minn. R. 7045.0292, Subparts 1.B [40 CFR § 262.34(a)(1)(iii)], 5.B.[40 CFR § 262.34(a)(4)], and 6.B.[40 CFR § 262.34(a)(4)], of Minnesota’s authorized RCRA program, allow a large quantity generator, a small quantity generator, and a very small quantity generator, respectively, to accumulate hazardous waste on site without obtaining a permit or interim status for hazardous waste storage if “the waste is placed in containers which meet the standards of part 7045.0270, subpart 4, and are managed in accordance with part 7045.0626; in tanks provided the generator complies with the requirements of part 7045.0628 except part 7045.0628,

subpart 9, item C, and subpart 12; or for wood preserving operations on drip pads, provided the generator complies with part 7045.0644 and maintains records containing a description of procedures that will be followed to ensure that all wastes are removed from drip pads and associated collection systems at least once every 90 days, and maintains documentation of the quantities, dates, and times of each waste removal.”

23. Under Minn. R. 7045.0292, Subpart 1.I., of Minnesota’s authorized RCRA program [40 CFR § 262.34(a)(4)], a large quantity generator must also comply with the requirements of Minn. R. Part 7045.0558, among other things, to accumulate hazardous waste on site without obtaining a permit or interim status for hazardous waste storage.

24. Minnesota Rule 7045.0206, of Minnesota’s authorized RCRA program, provides that a “generator is a large quantity generator if, in a calendar month, waste is generated in any of the following quantities:....A. greater than or equal to 1,000 kilograms of hazardous waste, excluding acute hazardous waste; B. greater than 100 kilograms of acute hazardous waste;....”

25. By failing to comply with the conditions for an exemption set forth at Minn. R. 7045.0292, of Minnesota’s state authorized RCRA program, a generator falls out of that exemption from the permit and interim status requirements for facilities that treat, store or dispose of hazardous waste, and is subject to the requirements for those facilities.

26. Minn. R. 7045.0644 Subpart 1, of Minnesota’s authorized RCRA program, provides that owners and operators of facilities that use new or existing drip pads to convey treated wood drippage, precipitation, and/or surface water runoff to an associated collection system are subject to the requirements of Code of Federal Regulations, title 40 part 265, subpart W, as amended, which includes 40 C.F.R. §§ 265.440 - 265.445.

27. 40 C.F.R. 265.440 states that the requirements of “this subpart apply to owners and operators of facilities that use new or existing drip pads to convey treated wood drippage, precipitation, and/or surface water run-off to an associated collection system.”

28. Minn. R. 7045.0020, Subp. 20a., of Minnesota’s authorized RCRA program, defines drip pad to mean an engineered structure consisting of a curbed, free-draining base, constructed of nonearthen materials and designed to convey preservative kick-back or drippage from treated wood precipitation, and surface water run-on to an associated collection system at wood preserving plants.

29. On or about November 5, 2003, U.S. EPA conducted a Compliance Evaluation Inspection (CEI) at the Facility.

30. During the November 5, 2003 inspection, Respondent allowed the U.S. EPA inspector to observe plant operations related to the handling of hazardous waste.

31. The U.S. EPA inspector observed a charge of pressure-treated wood on tracks at a location within Respondent’s facility to collect drippage from wood treated with Ammonical Copper Zinc Arsenate (ACZA). Respondent referred to this area of the facility as its “drip pad” (ACZA drip pad).

32. On or about April 1, 2004, Respondent received in the mail from U.S. EPA, a “Request for Information” dated March 29, 2004 (Information Request), which requested from Respondent information relating to hazardous waste management at the Facility.

33. On or about May 12, 2004, Respondent submitted to U.S. EPA its responses to the information request, and indicated that its “drip pad” was constructed in 1987, but without a curb or berm.

34. On or about July 30, 2005, Respondent received in the mail from U.S. EPA, a “Notice of Violation” (NOV) dated July 26, 2005, which outlined the violations of RCRA that were observed by the U.S. EPA inspector on November 5, 2003.

35. On or about August 25, 2005, Respondent submitted to U.S. EPA its response to the NOV.

36. The quantities of hazardous waste Respondent generated per month at the Facility exceeded 1000 kilograms in May 2003 and in October 2003.

37. Except for not having a curb, Respondent’s “drip pad” at the Facility was an existing drip pad within the meaning of authorized Minn. R. 7045.0020, Subp. 20. a. and 40 C.F.R. § 265.440.

38. At all times relevant to this CAFO, Respondent has used its drip pad at the Facility to convey treated wood drippage, precipitation, and/or surface water runoff to an associated collection system.

39. At all times relevant to this CAFO, Respondent has stored hazardous waste on its drip pad, and has stored hazardous waste in containers at the Facility.

40. Subparts 6.B, 6.C, and 6.D of authorized Minn. R. part 7045.0558 [40 C.F.R. §§ 264.16(d)(2), (3), (4); and 265.16(d)(2), (3), and (4)] require the owner or operator of a hazardous waste management facility to maintain at the facility a written job description for each position at the facility related to hazardous waste; a written description of the type and amount of both introductory and continuing training that will be given to each person in a position related to hazardous waste management; and records that document that the hazardous waste personnel training or job experience has been given to, and completed by, facility personnel.

41. At the time of the inspection, Respondent did not maintain at the Facility a written job description for each position at the Facility related to hazardous waste or a written description of the type and amount of both introductory and continuing training that will be given to each person in a position related to hazardous waste management.

42. By failing to maintain a written job description for each position at the Facility related to hazardous waste or a written description of the type and amount of both introductory and continuing training that will be given to each person in a position related to hazardous waste management, Respondent failed to comply with the conditions for an exemption at Minn. R. 7045.0292, and violated Minn. R. 7045.0558, of Minnesota's authorized RCRA program.

43. 40 C.F.R. § 265.441(a) provides that "For each existing drip pad as defined in § 265.440 of this subpart, the owner or operator must evaluate the drip pad and determine that it meets all of the requirements of this subpart, except the requirements for liners and leak detection systems of § 265.443(b). No later than the effective date of this rule, the owner or operator must obtain and keep on file at the facility a written assessment of the drip pad, reviewed and certified by an independent, qualified registered professional engineer that attests to the results of the evaluation. The assessment must be reviewed, updated and re-certified annually until all upgrades, repairs, or modifications necessary to achieve compliance with all of the standards of § 265.443 of this subpart are complete. The evaluation must document the extent to which the drip pad meets each of the design and operating standards of § 265.443 of this subpart, except the standards for liners and leak detection systems, specified in § 265.443(6) of this subpart."

44. At all times relevant to this CAFO, Respondent did not obtain and keep on file at the Facility a written assessment of the drip pad, received and certified by an independent,

qualified registered professional engineer that attests to the results of the evaluation.

45. By failing to obtain and keep on file at the Facility a written assessment of the drip pad, received and certified by an independent, qualified registered professional engineer that attests to the results of the evaluation, Respondent failed to comply with the conditions for an exemption at Minn. R. 7045.0292, and violated 40 C.F.R. § 265.441 and Minn. R. 7045.0644, Subpart 1, of Minnesota's authorized RCRA Program.

46. 40 C.F.R. § 265.443(a) (3) provides that drip pads must have a curb or berm around the perimeter.

47. Respondent's drip pad at the Facility did not have a curb or berm around its perimeter.

48. By failing to have a curb or berm around the perimeter of the drip pad at the Facility, Respondent failed to comply with the conditions for an exemption at Minn. R. 7045.0292, and violated 40 C.F.R. § 265.443(a)(3) and Minn. R. 7045.0644, Subpart 1, of Minnesota's authorized RCRA Program.

49. 40 C.F.R. § 265.443(k) provides that after being removed from the treatment vessel, treated wood from pressure and non-pressure processes must be held on the drip pad until drippage has ceased. The owner or operator must maintain records sufficient to document that all treated wood is held on the pad following treatment in accordance with this requirement.

50. From at least August 1, 2001, until August 25, 2005, Respondent did not maintain records sufficient to document that all treated wood was held on the drip pad following treatment until drippage ceased.

51. By failing to maintain records sufficient to document that all treated wood was held on the pad following treatment until drippage ceased, Respondent failed to comply with the conditions for an exemption at Minn. R. 7045.0292, and violated 40 C.F.R. § 265.443(k) and Minn. R. 7045.0644, Subpart 1, of Minnesota's authorized RCRA Program.

52. 40 C.F.R. § 265.443(i) provides that the drip pad surface must be cleaned thoroughly in a manner and frequency such that accumulated residues of hazardous waste or other materials are removed, with residues being properly managed as hazardous waste, so as to allow weekly inspections of the entire drip pad surface without interference or hindrance from accumulated residues of hazardous waste or other materials on the drip pad. The owner or operator must document the date and time of each cleaning and the cleaning procedure used in the Facility's operating log.

53. At all times relevant to this CAFO, Respondent did not document the date and time of drip pad cleaning or the cleaning procedure used in the Facility's operating log.

54. By failing to document the date and time of drip pad cleaning or the cleaning procedure used in the Facility's operating log, Respondent failed to comply with the conditions for an exemption at Minn. R. 7045.0292, and violated 40 C.F.R. § 265.443(i) and Minn. R. 7045.0644, Subpart 1, of Minnesota's authorized RCRA program.

55. Minn. R. Part 7045.0626, of Minnesota's authorized RCRA program, applies to owners and operators of hazardous waste facilities that store containers of hazardous waste, except as part 7045.0552 provides otherwise.

56. Minn. R. 7045.0626, Subpart 5, of Minnesota's authorized RCRA program, requires the owner or operator to inspect hazardous waste containers and areas where containers

are stored, at least weekly, looking for leaks and for deterioration caused by corrosion or other factors and to keep a written record of the dates and findings of these inspections.

57. At the time of U.S. EPA's November 5, 2003, inspection of the Facility, the Respondent had recorded weekly container/container area inspections for 11 out the 52 weeks for 2001; 30 out of the 52 weeks for the year 2002; and 8 out of the 45 weeks to that date for the year 2003.

58. By failing to keep records of weekly container and container area inspections for all weeks, Respondent failed to comply with the conditions for an exemption at Minn. R. 7045.0292, and violated Minn. R. 7045.0626, Subpart 5, of Minnesota's authorized RCRA program.

59. Respondent's violations of Minn. Rules 7045.0558, 7045.0644 and 7045.0626, of Minnesota's authorized RCRA program, subject Respondent to an order for compliance and civil penalties under Section 3008 of RCRA, 42 U.S.C. § 6928.

III. TERMS OF SETTLEMENT

60. Respondent admits the jurisdictional allegations in Section I of this CAFO.

61. Respondent neither admits nor denies the factual allegations contained in Section II of this CAFO.

62. Respondent shall:

A) within 45 days of the effective date of this CAFO, place a berm or curb around the perimeter of its ACZA drip pad as required by Minn. R. 7045.0644 and 40 CFR 265.443 (a) (3).

B) within 30 days of having placed the required berm or curb,

(i) evaluate Respondent's ACZA drip pad as required by Minn. R. 7045.0644 and 40 CFR 265.441(a) to determine that Respondent's ACZA drip pad meets the requirements of 40 CFR 265 Subpart W, except the requirements for liners and leak detection systems; and

(ii) submit to U.S. EPA and to MPCA a copy of the written assessment of Respondent's ACZA drip pad, reviewed and certified by an independent, qualified registered professional engineer that attests to the results of the evaluation as required by Minn. R. 7045.0644 and 40 CFR 265.441(a).

63. Respondent shall, immediately upon the effective date of this CAFO,

A) maintain on-site and available for inspection by U.S. EPA and MPCA (i) the written job description for each position at Respondent's facility related to hazardous waste management, and (ii) a written description of the type and amount of both introductory and continuing training that will be given to each person filling each position as required by Minn. R. 7045.0292, Subpart 1.I, and Subparts 6 of Minn. R. 7045.0454 and 7045.0558 [40 CFR §§264.16(d) and 265.16(d)]

B) maintain on-site and available for inspection by U.S. EPA and MPCA documentation that wood is kept on the Respondent's drip pad until drippage ceases as codified at Minn. R. 7045.0644 and 40 C.F.R. § 265.443(k).

C) maintain on-site and available for inspection by U.S. EPA and MPCA documentation of drip pad cleaning codified at Minn. R. 7045.0644 and 40 CFR §265.443(i).

D) Maintain on-site and available to inspection by U.S. EPA and MPCA

documentation of weekly inspection of containers and container storage areas codified at Minn. R. 7045.0626.

64. Respondent shall cease, immediately upon the effective date of the CAFO all storage of hazardous waste, except for such storage of hazardous waste accumulated in accordance with all generator conditions for a hazardous waste storage license/permit exemption in Minn. R. 7045.0292.

IV. CIVIL PENALTY

65. The Administrator of U.S. EPA may assess a civil penalty of up to \$25,000 per day for each violation of Subtitle C of RCRA according to Section 3008 of RCRA, 42 U.S.C. § 6928. The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, required U.S. EPA to adjust its penalties for inflation on a periodic basis. Pursuant to the Civil Penalties Inflation Adjustment Act, 28 U.S.C. § 2461, as amended by the Debt Collection Improvement Act of 1996 (“DCIA”), U.S. EPA may assess a civil penalty of up to \$27,500 for each day of violation of Subtitle C of RCRA occurring or continuing from January 31, 1997 to March 15, 2004; and may assess a civil penalty of up to \$ 32,500 for each day of violation occurring or continuing after March 15, 2004. (See 40 C.F.R. Part 19, as amended by 69 Fed. Reg. 7121 (Feb. 13, 2004)).

66. Complainant determined whether a civil penalty should be assessed in this matter with reference to RCRA Section 3008, 42 U.S.C. § 6928. In assessing a civil penalty, the Administrator of U.S. EPA must consider “the seriousness of the violation and any good faith efforts to comply with applicable requirements.” Section 3008(a) (3) of RCRA, 42 U.S.C.

§ 6928(a) (3). Complainant has considered the facts and circumstances of this case with specific reference to U.S. EPA's 2003 RCRA Civil Penalty Policy.

67. Respondent claimed an inability to pay a penalty, and submitted information in support of that claim on or about September 21, 2005, December 21, 2005, and January 18, 2006. Complainant had a financial analyst review that information.

68. Pursuant to Sections 3008(a) and 3008(g) of RCRA, 42 U.S.C. §§ 6928(a) and 6928(g), and based on the foregoing, an analysis of the nature of the alleged violation, the applicable statutory penalty factors, the nature and seriousness of the violations alleged, the potential harm to human health and the environment, Respondent's willfulness/negligence or lack thereof, Respondent's compliance history, information exchanged by the parties, consideration of the steps Respondent has taken to achieve and maintain compliance, Respondent's good faith efforts to comply, Respondent's co-operation in U.S. EPA's investigation of the issues, and other relevant factors, including Respondent's ability to pay, U.S. EPA has determined that it is appropriate to settle the violations alleged in this action under the terms set forth in this CAFO with a civil penalty amount of five thousand dollars (\$5,000) and the parties have agreed to a civil penalty in that amount, to be paid as specified below. Complainant accordingly assesses a civil penalty against Respondent in the amount of \$5,000.

69. Respondent agrees to pay such civil penalty amount.

70. Respondent agrees to pay the penalty amount of \$5,000 plus interest in five equal annual installments of \$1,060.79 for a grand total penalty of \$5,303.95. Respondent shall make payment of the first installment of \$1,060.79 on or before August 1, 2006, and make annual subsequent payments of \$1,060.79 on or before August 1, 2007, August 1, 2008, August 1, 2009,

and August 1, 2010. Respondent shall make payments as provided in the attached schedule of payment.

71. Payment shall be made by certified or cashier's check, payable to "Treasurer, the United States of America", and shall be sent to:

U.S. EPA, Region 5
P.O. Box 371531
Pittsburgh, PA 15251-7531

A transmittal letter stating Respondent's name, complete address, the case docket number, and the billing document number must accompany each payment made. Respondent must write the case docket number and the billing document number on the face of the check. Interest and late charges shall be paid as specified below.

72. Upon payment of the civil penalty, Respondent must send copies of the check and transmittal letter to:

Regional Hearing Clerk
U.S. EPA, Region 5
77 West Jackson Blvd. (E-13J)
Chicago, Illinois 60604-3590;

Maria Gonzalez (C-14J)
Associate Regional Counsel
U.S. EPA, Region 5
Office of Regional Counsel
77 West Jackson Blvd.
Chicago, Illinois 60604-3590; and

Robert Dean Smith (DE-9J)
Enforcement and Compliance Assurance Branch
Waste, Pesticides and Toxics Division,
U.S. EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

73. Pursuant to 31 U.S.C. § 3717, Respondent shall pay the following amounts on any

amount overdue under this CAFO:

(a) **Interest.** Any unpaid portion of a civil penalty shall bear interest at the rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717(a) (1). Interest will therefore begin to accrue on a civil penalty if it is not paid by the last date required. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 31 C.F.R. § 901.9.

(b) **Monthly Handling Charge.** Respondent shall pay a late payment handling charge of \$15.00 on any late payment, with an additional charge of \$15.00 for each subsequent 30 calendar day period over which an unpaid balance remains.

(c) **Non-Payment Penalty.** On any portion of a civil penalty more than 90 calendar days past due, Respondent shall pay a non-payment penalty of six percent per annum, which will accrue from the date the penalty payment, became due and is not paid. This non-payment is in addition to charges which accrue or may accrue under subparagraphs (a) and (b) above.

74. If Respondent fails to comply with any provision of this CAFO, the full amount of civil penalty proposed in the CAFO, that being \$5,000, immediately shall become due and owing, to be paid by Respondent as provided for in Paragraphs 71-73, minus any penalty amounts on the principal earlier paid by Respondent. (See 31 C.F.R. § 901.8)

75. Respondent agrees not to claim or attempt to claim a Federal income tax deduction or credit covering all or any part of the cash civil penalty paid to the U.S. Treasury.

V. GENERAL TERMS OF SETTLEMENT

76. Respondent consents to all of the conditions in this CAFO.

77. This CAFO constitutes the entire agreement and settlement between the parties.

78. Respondent waives any right to contest or appeal the factual allegations contained in this CAFO and any right to appeal the Final Order that accompanies this Consent Agreement.

79. Nothing in this CAFO shall be construed to relieve the Respondent from its

obligation to comply with all applicable federal, state and local statutes and regulations.

80. If Respondent fails to comply with any provision contained in this CAFO, Respondent waives any rights it may possess in law or equity to challenge the authority of U.S. EPA to bring a civil action in the appropriate United States District Court to compel compliance with this CAFO and/or seek an additional penalty for noncompliance with the CAFO.

81. Nothing in this agreement shall be construed as prohibiting, altering or in any way limiting the ability of U.S. EPA to seek any other remedies or sanctions available by virtue of Respondent's violation of this agreement or of the statutes and regulations upon which this agreement is based, or for Respondent's violation of any applicable provision of law, other than the specific matters resolved herein. Notwithstanding any other provision of this CAFO, U.S. EPA expressly reserves any and all rights to bring an enforcement action pursuant to Section 7003 of RCRA, 42 U.S.C. § 6973, or other statutory authority should U.S. EPA find that the handling, storage, treatment, transportation, or disposal of solid waste or hazardous waste at the installation may present an imminent and substantial endangerment to health or the environment. U.S. EPA also expressly reserves the right: (a) for any matters other than violations alleged herein, to take any action authorized under Section 3008 of RCRA; (b) to take any action under 40 C.F.R. Parts 124 and 270; and (c) to enforce compliance with this CAFO.

82. This CAFO resolves only Respondent's liability for federal civil penalties pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), for the violations alleged in Section II of this CAFO. Compliance with this CAFO shall not be a defense to any actions subsequently commenced pursuant to federal laws and regulations administered by U.S. EPA, including actions based on information submitted by Respondent.

83. The effect of settlement described in paragraph 82 above is conditional upon the accuracy of the Respondent's representations to U.S. EPA, as referenced in paragraph 67 of this CAFO and Respondent's correspondence dated September 21, 2005, December 21, 2005, and January 18, 2006.

84. Whenever, under the terms of this CAFO, notice is required to be given or a document sent by one Party to another, it shall be directed to the individuals at the addresses specified below:

To EPA:

Robert Dean Smith (DE-9J)
Enforcement and Compliance Assurance Branch
United States Environmental Protection Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

To MPCA

Joe Henderson
Hazardous Waste Compliance and Enforcement Unit
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, Minnesota 55155

To Respondent:

Richard Hufnagle
Page & Hill Forest Products, Inc.
P.O. Box 7
7556 County Road 31
Big Falls, MN 56627

85. Each party shall bear its own costs and attorneys fees in connection with the action resolved by this CAFO.

86. The information required to be maintained or submitted pursuant to this CAFO is not subject to the Paperwork Reduction Act of 1980, as amended, 44 U.S.C. §§ 3501 et seq. .

87. Respondent waives any right it may have pursuant to 40 CFR § 22.8, to be present during discussions with, or to be served with and reply to, any memorandum or communication addressed to the Director, Waste, Pesticides and Toxics Division, or her superiors, where the purpose of such discussion, memorandum or communication is to persuade such an official to accept and issue the CAFO.

88. This CAFO terminates when U.S. EPA determines that Respondent has fully complied with all terms and conditions of this CAFO, including payment, in full, of all penalties due and owing.

89. Respondent and U.S. EPA agree to the issuance and entry of the accompanying Final Order.


90. This CAFO shall become effective on the date it is filed with the Regional Hearing Clerk of U.S. EPA Region 5.

**In The Matter of: Page & Hill Forest Products
Docket No. RCRA-05-2006-0016
Consent Agreement and Final Order**

SIGNATORIES

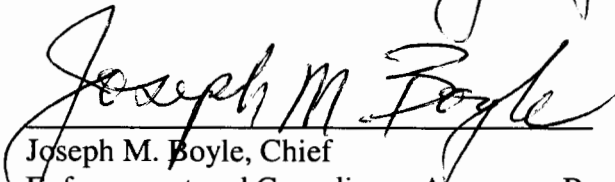
91. Each undersigned representative of a party to this Consent Agreement and Final Order certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Agreement and Final Order and to bind legally such party to this document.

Agreed to this 12th day of July, 2006.



Richard Hufnagle, President
Page & Hill Forest Products, Inc.

Agreed to this 27th day of July, 2006.



Joseph M. Boyle, Chief
Enforcement and Compliance Assurance Branch
Waste, Pesticides and Toxics Division
U.S. EPA, Region 5
Complainant

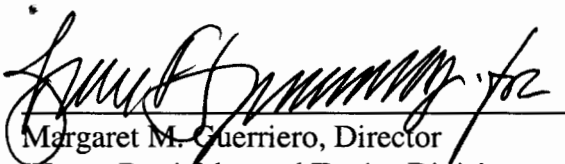
**In The Matter of: Page & Hill Forest Products
Docket No. RCRA-05-2006-0016**

FINAL ORDER

The foregoing Consent Agreement is hereby approved and incorporated by reference into this FINAL ORDER. Respondent is hereby ORDERED to comply with all of the terms of the foregoing Consent Agreement, effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This Order disposes of this matter pursuant to 40 CFR §§ 22.18 and 22.31.

The above being agreed and consented to, it is so ordered

this 25TH day of JULY, 2006.

By: 
Margaret M. Guerriero, Director
Waste, Pesticides and Toxics Division
U.S. EPA Region 5

In The Matter of: Page & Hill Forest Products
Docket No. RCRA-05-2006-0016
Consent Agreement and Final Order
Attachment

PAGE & HILL FOREST PRODUCTS
CIVIL PENALTY/SCHEDULE OF PAYMENT

	DATE	PAYMENT DUE	2.0% INTEREST PERIOD	PRINCIPAL	BALANCE
					\$5,000.00
1	8/1/2006	1,060.79	\$100.00	\$960.79	\$4,039.21
2	8/1/2007	1,060.79	\$80.78	\$980.01	\$3,059.20
3	8/1/2008	1,060.79	\$61.18	\$999.61	\$2,059.59
4	8/1/2009	1,060.79	\$41.19	\$1,019.60	\$1039.99
5	8/1/2010	1,060.79	\$20.80	\$1,039.99	-0-
	TOTAL	\$5,303.95	\$303.95	\$5,000.00	

NOTE: CHECK PAYABLE TO: TREASURER, UNITED STATES OF AMERICA

MAIL TO: U.S. EPA, Region 5
P.O. Box 371531
Pittsburgh, PA 1521-7531

CASE NAME: Page & Hill Forest Products, Inc.
DOCKET NO: RCRA-05-2006-0016

CERTIFICATE OF SERVICE

I hereby certify that today, 7/25/06, I filed the original of this **Consent Agreement and Final Order** and this **Certificate of Service** in the office of the Regional Hearing Clerk (E-19J), United States Environmental Protection Agency, Region 5, 77 W. Jackson Boulevard, Chicago, IL 60604-3590.

I further certify that I then caused true and correct copies of the filed document to be mailed on 25 JUL 2006 Federal Express:

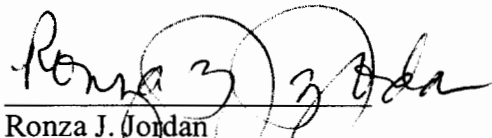
Tracking Number #: 822808512923

Mr. Richard Hufnagle
President
Page & Hill Forest Products, Inc.
P.O. Box 7
7556 County Road 31
Big Falls, MN 56627

And Via 1st Class Mail

Joseph Henderson
Hazardous Waste Compliance/Enforcement
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul MN 55155

Dated: 25 JUL 2006



Ronza J. Jordan
Administrative Program Asst.
Waste, Pesticides and Toxics
Division
United States Environmental
Protection Agency
77 W. Jackson Boulevard
Chicago, IL 60604-3590
(312) 353-0849

REGIO
6 JUL 25 P 2:20
US ENVIRONMENTAL PROTECTION AGENCY
REGION V