

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III

1650 Arch Street Philadelphia, Pennsylvania 19103

Office of Regional Counsel Donna L. Mastro, Esq. (215) 814-2777 Fax (215) 814-2603

March 13, 2008

Honorable Susan L. Biro
U.S. Environmental Protection Agency
Office of Administrative Law Judges
Mailcode 1900L
1200 Pennsylvania Avenue NW
Washington, D.C. 20460

Re: In the Matter Scranton Products, Inc., Hoffman & Kozlanski Realty Trust LLC, and Wyoming S & P, Inc., Docket No. CAA-3-2008-0004

Dear Honorable Biro:

Enclosed please find a copy of the Consent Agreement and Final Order among Scranton Products, Inc., Hoffman & Kozlanski Realty Trust LLC, and US EPA which was entered on this date, March 13, 2008. The other Respondent, Wyoming S & P, Inc., is not a party to this Consent Agreement and Final Order, and this Consent Agreement and Final Order does not pertain to or in any way resolve the potential liability of Wyoming S & P, Inc. for the violations alleged in the underlying Complaint in this matter.

Sincerely,

DONNA L. MASTRO

Senior Assistant Regional Counsel

Enclosure

cc:

EPA Region III Regional Hearing Clerk

Bruce Postupak

Karoline Mehalchick, Esq.

CERTIFICATE OF SERVICE

I hereby certify that the original and one copy of the foregoing Consent Agreement and Final Order with Scranton Products, Inc. and Hoffman and Kozlansky Realty Co., LLC (re: Docket No. CAA-3-2008-0004) was hand-delivered to the Regional Hearing Clerk, EPA Region III, and that true and correct copies were mailed via first-class U.S. Mail, to the following persons:

Honorable Susan L. Biro (via POUCH MAIL)
U.S. Environmental Protection Agency
Office of Administrative Law Judges
Mailcode 1900L
1200 Pennsylvania Avenue NW
Washington, D.C. 20460

Bruce Postupak Wyoming S & P, Inc. 2143 White Haven Road White Haven, PA 18661

Karoline Mehalchick, Esquire Counsel for Scranton Products Inc. and Hoffman and Kozlansky Realty Co., LLC Oliver, Price & Rhodes 1212 South Abington Road PO Box 240 Clarks Summit, PA 18411

Date

Donna L. Mastro

Sr. Assistant Regional Counsel

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III

1650 Arch Street

Philadelphia, Pennsylvania 19103-2029

In the Matter of:

Scranton Products Inc., Hoffman and Kozlansky Realty Co., LLC, and

Wyoming S & P, Inc.

RESPONDENTS

DOCKET NO. CAA-3-2008-0004

CONSENT AGREEMENT WITH SCRANTON PRODUCTS INC. AND HOFFMAN AND KOZLANSKY REALTY CO., LLC

l. Preliminary Statement

- 1. Pursuant to Section 113(a)(3) and (d) of the Clean Air Act ("CAA" or the "Act"), 42 U.S.C. § 7413(a)(3) and (d), the Director of the Waste and Chemicals Management Division for the United States Environmental Protection Agency ("EPA"), Region III. initiated this administrative proceeding for the assessment of civil penalties against Scranton Products Inc. ("Scranton Products"), Hoffman and Kozlansky Realty Co., LLC ("H&K"), and Wyoming S & P, Inc. ("Wyoming") by issuance of a Complaint and Notice of Opportunity to Request a Hearing ("Complaint") dated October 22, 2007. The Complaint, incorporated herein by reference, alleges that the Respondents Scranton Products, H&K, and Wyoming violated Section 112 of the Act, 42 U.S.C. § 7412, and regulations promulgated thereunder at 40 C.F.R. Part 61. Subpart M, during an asbestos renovation project at a Facility the manufacturing building and land located at Winfield -Kane Street, Scranton, PA 18505 ("the Facility"). The Complaint was issued by the Director of the Waste and Chemicals Management Division for the United States Environmental Protection Agency, Region III ("Complainant"). This Consent Agreement is with Scranton Products and H&K.
- 2. Respondents Scranton Products and H&K admit the jurisdictional allegations set forth in the Complaint.
- 3. Respondents Scranton Products and II&K neither admit nor deny the factual allegations contained in the Complaint and in the Findings of Fact set forth in this Consent Agreement.
- 4. Respondents Scranton Products and H&K neither admit nor deny the legal conclusions contained in the Complaint and in the Conclusions of Law set forth in this Consent Agreement.

- 5. Respondents Scranton Products and H&K hereby expressly waive their right to a hearing on any issue of fact or law set forth herein and waive their right to appeal the attached Final Order.
- 6. Scranton Products and H&K consent to the issuance of the attached Final Order, hereinafter recited, and consent to the payment of the civil penalty in the amount and in the manner set forth therein and in this Consent Agreement.
- 7. Complainant, Scranton Products and H&K each agree to pay their own costs and attorney fees.
- 8. This Consent Agreement and the accompanying Final Order (collectively, "CAFO") resolve only the civil claims which are alleged against Respondents Scranton Products and H&K in the Complaint, incorporated herein by reference. Nothing herein shall be construed to limit the authority of EPA to undertake action against any person, including Scranton Products and H&K, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare or the environment. Nor shall anything in this Consent Agreement and Final Order be construed to limit the United States' authority to pursue criminal sanctions.
- 9. EPA reserves any and all rights and remedies available to it to enforce the provisions of this Consent Agreement and the attached Final Order, the Act, its implementing provisions and regulations, and of any other federal laws and/or regulations pursuant to which it has jurisdiction, following the entry of this Consent Agreement and the attached Final Order.
- 10. This Consent Agreement shall apply to and be binding upon Respondents Scranton Products and H&K, their officers, directors, trustees, successors and assigns.
- 11. Respondents Scranton Products and H&K herein certify to EPA that, upon investigation, to the best of their knowledge and belief, they are presently in compliance with the provisions of the Act and regulations promulgated thereunder pursuant to which violations were alleged against Respondents Scranton Products and H&K in the Complaint.

II. <u>Findings of Fact</u>

12. EPA incorporates by reference all factual allegations contained in the Complaint filed by EPA in this matter.

III. Conclusions of Law

- 13. EPA incorporates by reference all legal conclusions contained in the Complaint filed by EPA in this matter.
- 14. In view of the above incorporated Findings of Fact and Conclusions of Law, EPA concludes that Respondents Scranton Products and H&K failed to comply with the requirements of 40 C.F.R. §§ 61.145(c)(3) and 61.145(c)(6)(i) in violation of Section 112 of the Act, 42 U.S.C. § 7412, and on that basis, Respondents Scranton Products and H&K are liable to the United States for a civil penalty pursuant to Section 113(a) and (d) of the Act, 42 U.S.C. § 7413(a) and (d).

IV. <u>Settlement Recitation</u>

- 15. Complainant and Respondents Scranton Products and H&K enter into this Consent Agreement in order to fully settle and resolve all allegations set forth in the Complaint against Scranton Products and H&K without adjudication of any issue of law or fact, or admission or denial of any issue of law or fact by Respondents Scranton Products and H&K, except as provided in Paragraph 2 of this Consent Agreement.
- 16. In full settlement of any and all civil charges and allegations set forth in the Complaint against Scranton Products and H&K, and in consideration of each provision of this CAFO, Scranton Products and H&K consent to the assessment of a civil penalty of twenty thousand dollars (\$20,000). Scranton Products and H&K consent to pay the civil penalty in the manner set forth below.
- 17. The aforesaid settlement amounts are based upon Complainant's consideration of a number of factors, including, but not limited to, the penalty assessment criteria in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), including the size of Scranton Products and H&K; the economic impact of the penalty on the Respondents; Scranton Products' and H&K's full compliance history and good faith efforts to comply; the duration of the violation; the seriousness of the violations; the economic benefit of noncompliance; and the Clean Air Act Stationary Source Civil Penalty Policy, Appendix III. Scranton Products and H&K shall pay the civil penalty no later than thirty (30) days after the effective date of this CAFO.
- 18. Scranton Products and H&K agree not to deduct for federal tax purposes the civil penalty or any portion of the civil penalty specified in this CAFO.

19. Payment of the penalty shall be made by cashier's check, certified check, electronic wire transfer, Automated Clearing House ("ACII"), or an on line, internet payment as specified below. All payments are payable to Treasurer, United States of America and shall reference the above case caption and docket number.

All checks shall be made payable to Treasurer. United States of America and shall be mailed to the attention of:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P. O. Box 979077 St. Louis, MO 63197-9000.

Overnight deliveries shall be sent to:
U.S. Environmental Protection Agency
Fines and Penalties
ATTENTION: Natalie Pearson
U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101.

All electronic wire transfer payments shall be directed to:
Federal Reserve Bank of New York

ABA = 021030004

Account = 68010727

SWIFT address = FRNYUS33

33 Liberty Street

New York NY 10045

Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency"

Payments through ACH (also known as REX or remittance express) shall be directed to:
Automated Clearinghouse (ACH) for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
Contact – Jesse White 301-887-6548
ABA = 051036706
Transaction Code 22 - checking

Environmental Protection Agency Account 310006 CTX Format

An on-line, internet payment option, is also available through the United States Department of Treasury. This payment option can be accessed from www.pay.gov. Enter sfo 1.1 in the search field. Open form and complete required fields.

- 20. At the same time that any payment is made, copies of any corresponding check or written notification confirming any electronic transfer through wire transfer, ACH, or internet payment shall be mailed to Lydia A. Guy, Regional Hearing Clerk (3RC00), U.S. EPA, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029 and to Donna L. Mastro, Esq., Senior Assistant Regional Counsel (3RC10), U.S. EPA Region III, 1650 Arch Street, Philadelphia, Pennsylvania, 19103-2029.
- 21. Scranton Products' and/or H&K's failure to make timely payment of the civil penalty or any portion of the civil penalty provided herein may result in referral of this matter to the United States Attorney for enforcement of this Consent Agreement and the accompanying Final Order in the appropriate United States District Court. Additionally, Scranton Products' and/or H&K's failure to make timely payment of the civil penalty or any portion of the civil penalty provided herein may result in the assessment of additional interest, penalties and/or late payment penalty charges.
- 22. The following notice concerns interest and late payment penalty charges that will accrue if the civil penalty is not paid as directed.

Pursuant to 31 U.S.C. § 3717, an executive agency is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will begin to accrue on this civil penalty if it is not paid as directed. 4 C.F.R. § 102.13(b). Interest will be assessed at the rate of the United States Treasury tax and loan rate. 4 C.F.R. § 102.13(c). In addition, a penalty charge of no more than six percent per year will be assessed on any portion of the debt that remains delinquent more than ninety (90) days after payment is due. However, should assessment of the penalty charge on the debt be required, it will be assessed as of the first day payment is due. 4 C.F.R. § 102.13(e).

Thus, in accordance with the above provisions, to avoid the assessment of interest and handling charges on the penalty set forth herein, Scranton Products and H&K must pay the full amount of the civil penalty, in the manner directed, within thirty (30) days of the effective date of this CAFO. To avoid the assessment of penalty charges on the debt, Scranton Products and H&K must pay the full amount of the civil penalty, in the manner directed, within one hundred twenty (120) days of the effective date of this CAFO.

The undersigned representative of Scranton Products, Inc. certifies that he is fully authorized to execute this Partial Consent Agreement and to legally bind Scranton Products, Inc. to this Partial Consent Agreement.

02-18-08

Date

Glenn M. Fisher, CEO

The undersigned representative of Hoffman and Kozlansky Realty Co., LLC certifies that he or she is fully authorized to execute this Partial Consent Agreement and to legally bind Hoffman and Kozlansky Realty Co., LLC to this Partial Consent Agreement.

2-18-08

Date

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Partial Consent Agreement with Scranton Products, Inc. and Hoffman & Kozlansky Realty Co., LLC

For Complainant:

Date 27 2508

Donna L. Mastro

Senior Assistant Regional Counsel

EPA Region III

Accordingly, the Waste and Chemicals Management Division, United States Environmental Protection Agency, Region III, recommends that the Regional Judicial Officer issue the attached Final Order. The amount of the recommended civil penalty assessment is \$20,000.00.

Date Clark
Abraham Fe

Waste and Chemicals Management Division

EPA Region III

The handwritten markings in the header on pages 6, 7 and 8 of this Consent Agreement including the strike out of the word "Partial," the initials "DLM" and the date were made by Counsel for Complainant upon agreement with Counsel for Scranton Products and H&K on behalf of Scranton Products and H&K.

March 13, 2008

Date

Donna L. Mastro, Counsel for Complainant Senior Assistant Regional Counsel

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EPA Region III

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III 1650 Arch Street

Philadelphia, Pennsylvania 19103-2029

In the Matter of:

Scranton Products Inc., Hoffman and Kozlansky Realty Co., LLC, and Wyoming S & P, Inc.

DOCKET NO. CAA-3-2008-0004

RESPONDENTS

FINAL ORDER ISSUED TO SCRANTON PRODUCTS INC. AND HOFFMAN AND KOZLANSKY REALTY CO., LLC

The Preliminary Statement, Findings of Fact and Conclusions of Law, and other sections and terms of the foregoing Consent Agreement with Scranton Products Inc. and Hoffman and Kozlansky Realty Co., LLC are accepted by the undersigned and incorporated herein as if set forth at length.

NOW THEREFORE, pursuant to Section 113 of the Clean Air Act, as amended, 42 U.S.C. § 7413, and 40 C.F.R. Part 22, Scranton Products Inc. and Hoffman and Kozlansky Realty Co., LLC are hereby ordered to pay a civil penalty in the amount of \$20,000.00. Payment of the aforesaid civil penalty shall be made within thirty (30) days of the effective date of this Final Order.

The effective date of the accompanying Consent Agreement with Scranton Products, Inc. and Hoffman and Kozlansky Realty Co., LLC and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk of U.S. EPA Region III.

Date: 3/13/08

Renée Sarajian

Regional Judicial Officer U.S. EPA Region III