



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AUG 01 2017

Mr. Gerald L. Pouncey, Jr.
Morris, Manning and Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, Georgia 30326

Re: Dustin Hewatt and Clint Dixon
Ratified Consent Agreement and Final Order
Docket No. CAA-04-2017-1751(b)

Dear Mr. Pouncey:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties as directed in Section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22.

Please refer to Section V of the CAFO for penalty information and payment requirements. To ensure proper processing, the Respondent's Name and Docket Number for this case, identified above and in the CAFO, should be noted on any cashier's or certified checks submitted in payment of the penalty.

Also, enclosed is a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission any environmental enforcement actions taken by the U. S. Environmental Protection Agency. Where used in the document "SEC" refers to the Securities and Exchange Commission.

Should you have any questions about this matter or your compliance status in the future, please contact Ms. Pamela McIlvaine of the EPA Region 4 staff at (404) 562-9197.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anthony G. Toney".

Anthony G. Toney
Chief

Chemical Safety and Enforcement Branch

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
BEFORE THE ADMINISTRATOR

In the Matter of:

Dustin Hewatt and Clint Dixon

Respondents.

Docket No.
CAA-04-2017-1751(b)

CONSENT AGREEMENT

A. PRELIMINARY STATEMENT

1. This is an administrative penalty assessment proceeding brought under Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and Sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits ("Consolidated Rules"), as codified at 40 C.F.R. Part 22.
2. Complainant is the United States Environmental Protection Agency, Region 4 (the "EPA"). On the EPA's behalf, the Director of the Air, Pesticides and Toxics Management Division, is delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the Act.
3. Respondents are Dustin Hewatt and Clint Dixon. Each Respondent is a "person" as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).
4. Complainant and Respondents, having agreed that settlement of this action is in the public interest, consent to the entry of this consent agreement ("Consent Agreement" or "Agreement") and the attached final order ("Final Order" or "Order") without adjudication of any issues of law or fact herein, and Respondents agree to comply with the terms of this Consent Agreement and Final Order.

B. JURISDICTION

5. This Consent Agreement is entered into under Section 113(d) of the Act, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice, 40 C.F.R. Part 22.
6. The Regional Judicial Officer is authorized to ratify this Consent Agreement which memorializes a settlement between Complainant and Respondents. 40 C.F.R. §§ 22.4(b) and 22.18(b).
7. The issuance of this Consent Agreement and attached Final Order simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

C. GOVERNING LAW

8. Pursuant to Section 112(I) of the CAA, the EPA delegated the Administrator's authorities and responsibilities to implement and enforce emission standards and prevention requirements for asbestos under Section 112 of the CAA, 42 U.S.C. § 7412, to the State of Georgia. The State has adopted rules for asbestos that are at least or more stringent than the EPA's asbestos regulations located at 40 C.F.R. Part 61, Subpart M, promulgated pursuant to Section 112 of the CAA. As indicated in Section 112(I)(7) of the CAA, nothing in Section 112(I) of the CAA shall prohibit the Administrator from enforcing any applicable emission standard or requirement under Section 112 of the CAA.
9. Asbestos is a "hazardous air pollutant" as that term is defined in Section 112(a) of the CAA, 42 U.S.C. § 7412(a), and is the subject of regulations codified at 40 C.F.R. Part 61, Subpart M, "National Emission Standard for Asbestos," promulgated pursuant to Section 112 of the CAA, 42 U.S.C. § 7412.
10. A "person" is defined in Section 302 of the CAA, 42 U.S.C. § 7602 as an individual, corporation, partnership, association, state, municipality, political subdivision of a state and

any agency, department or instrumentality of the United States and any officer, agent or employee thereof.

11. A “facility” is defined in 40 C.F.R. § 61.141, in part, as any institutional, commercial, public, industrial or residential structure, installation or building (including any structure, installation or building containing condominiums or individual dwelling units operated as a residential cooperative, but excluding residential buildings having four or fewer dwelling units); any ship; and any active or inactive waste disposal site.
12. “Demolition” is defined in 40 C.F.R. § 61.141 as the wrecking or taking out of any load-supporting structural member of a facility together with any related handling operations or the intentional burning of any facility.
13. “Renovation” is defined in 40 C.F.R. § 61.141 as altering a facility or one or more facility components in any way, including the stripping or removal of regulated asbestos-containing material from a facility component.
14. An “owner or operator of a demolition or renovation activity” is defined in 40 C.F.R. § 61.141 as any person who owns, leases, operates, controls or supervises the facility being demolished or renovated or any person who owns, leases, operates, controls or supervises the demolition or renovation operation or both.
15. Pursuant to Section 112 of the CAA and 40 C.F.R. § 61.145(b), the owner or operator of a renovation or demolition operation is required to provide the Administrator with written notice of intent to demolish or renovate 10 days prior to the renovation or demolition.
16. Pursuant to Section 112 of the CAA and 40 C.F.R. § 61.145(a), the owner or operator of a renovation or demolition operation is required to conduct a thorough inspection for the presence of asbestos prior to conducting renovation or demolition.

17. Since the EPA has delegated the Administrator's authorities and responsibilities for asbestos under Section 112 of the CAA to the State of Georgia, owners or operators of demolition or renovation activity occurring in the State must notify the Georgia Department of Natural Resources, Georgia Environmental Protection Division (Georgia EPD), Lead-Based Paint and Asbestos Program of any such activity pursuant to 40 C.F.R. § 61.145(b).
18. Any person who violates Section 112 of the CAA may be assessed a penalty of up to \$25,000 for each such violation, in accordance with Section 113(d) of the CAA, 42 U.S.C. § 7413(d). Pursuant to the Adjustment of Civil Monetary Penalties for Inflation Rule, as amended through 2017 (40 C.F.R. Part 19), the Agency is required to review and make annual adjustments to penalties, as necessary for inflation. The maximum penalty for each violation occurring after November 2, 2015, but before January 15, 2017, is \$93,750. Each day a violation continues may constitute a separate violation.

D. STIPULATED FACTS

19. Each Respondent is an individual, and therefore meets the definition of a "person" as defined in Section 302 of the CAA, 42 U.S.C. § 7602.
20. Demolition occurred on or about September 1, 2016, through September 20, 2016, at Kar Kingdom LLC, an automotive dealer, formerly located at 395 Buford Drive in Lawrenceville, Georgia.
21. At the time of the demolition, the building above-referenced in paragraph 20 was an automotive retail sales office which meets the definition of a "Facility."
22. At the time of the demolition, Respondent Dustin Hewatt was the owner of the Facility. Respondent Clint Dixon was involved in supervising the demolition operation activities at the Facility. Therefore, each Respondent meets the definition of an "owner or operator of a renovation or demolition activity."

23. The EPA determined Respondents' compliance through the review of information submitted by the City of Lawrenceville. The EPA also obtained information from subsequent discussions and email correspondence with Respondents' legal counsel.
24. On September 20, 2016, after the completion of the demolition of the Facility, the Respondents conducted an asbestos inspection which included sampling of the demolition debris. While the sampling results indicated that there was some asbestos-containing material (ACM) detected in the debris, the information was insufficient to verify that threshold amounts of regulated ACM were present in the Facility at the time of demolition.
25. Based on the investigation, the EPA determined that the Respondents did not conduct a thorough inspection for the presence of asbestos prior to commencing the demolition at the Facility.
26. Based on the investigation, the EPA also determined that the Respondents did not provide the State of Georgia with any written notice of intention to demolish the Facility.

E. ALLEGED VIOLATIONS OF LAW

27. Based on the facts stipulated above in Section D, the EPA alleges that the Respondents violated Section 112 of the CAA, 42 U.S.C. § 7412, and 40 C.F.R. § 61.145(a) by failing to conduct a thorough inspection for the presence of asbestos prior to commencing the demolition at the Facility.
28. Based on the facts stipulated above in Section D, the EPA also alleges that Respondents violated Section 112 of the CAA, 42 U.S.C. § 7412, and 40 C.F.R. § 61.145(b) by failing to provide the State of Georgia with written notice of intention to demolish the Facility.

F. TERMS OF CONSENT AGREEMENT

29. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondents:

- (a) admit that the EPA has jurisdiction over the subject matter alleged in this Agreement;
- (b) neither admit nor deny the factual allegations stated above;
- (c) consent to the assessment of a civil penalty as stated below with the understanding that Respondents are jointly and severally liable for payment of the full civil penalty amount identified in paragraph 31;
- (d) consent to the issuance of any specified compliance or corrective action order;
- (e) consent to the conditions specified in this Agreement;
- (f) waive any right to contest the alleged violations of law set forth in Section E of this Consent Agreement;
- (g) waive their rights to appeal the Order accompanying this Agreement; and
- (h) certify that as of their execution of this Agreement, they are in compliance with all the relevant requirements of 40 C.F.R. Part 61 Subpart M.

30. For the purpose of this proceeding, Respondents:

- (a) agree that this Agreement states a claim upon which relief may be granted against Respondents;
- (b) acknowledge that this Agreement constitutes an enforcement action for purposes of considering Respondents' compliance history in any subsequent enforcement actions;
- (c) waive any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondents may have with respect to any

issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1);

- (d) consent to personal jurisdiction in any action to enforce this Agreement or Order, or both, in the United States District Court for the Middle District of Georgia; and
- (e) waive any rights they may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the Agreement or Order, or both, and to seek an additional penalty for such noncompliance, and agree that federal law shall govern in any such civil action.

31. Penalty Payment. Respondents agree to:

- (a) pay the civil penalty of **Seventeen Thousand, Seven Hundred Ninety-Nine Dollars and Sixty Cents (\$17,799.60)** (“EPA’s Penalty”) within 30 calendar days of the Effective Date of this Agreement.
- (b) pay the EPA Penalty by forwarding a cashier’s check(s) or certified check(s) payable to the “Treasurer, United States of America,” or by electronic transfer to one of the addresses below. (The check(s) shall reference on its face the name and the Docket Number of the CAFO (**In the Matter of Dustin Hewatt and Clint Dixon, Docket No. CAA-04-2017-1751(b)**):

For Payment(s) via electronic transfer
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727

SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Beneficiary: “U.S. Environmental Protection Agency”;

For payment(s) sent via standard delivery
U.S. Environmental Protection Agency
Cincinnati Finance Center Box 979077
St. Louis, Missouri 63197-9000; or

For payment(s) sent for signed receipt confirmation (FedEx, DSL, UPS, USPS Certified)
U.S. Environmental Protection Agency
Cincinnati Finance Center Box 979077
1005 Convention Plaza
SL-MO-C2GL
St. Louis, Missouri 63101
Delivery Location Phone Number: 314-425-1819.

- (c) send proof of payment within 24 hours of payment of the EPA Penalty to the following persons at the following addresses:

Pamela McIlvaine
U.S. EPA Region 4,
61 Forsyth Street, S.W.
Atlanta, Georgia 30303
mcilvaine.pam@epa.gov.

Regional Hearing Clerk
61 Forsyth Street, S.W.
U.S. EPA Region 4
Atlanta, Georgia 30303

“Proof of payment” means, as applicable, a copy of the check(s), confirmation of credit card or debit card payment(s), confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to the EPA requirements.

32. If Respondents fail to timely pay the full penalty assessed under this Agreement, the EPA may
- (a) request the Attorney General to bring a civil action in an appropriate district court to recover: the amount assessed or any amount in arrears; interest at rates established pursuant to 26 U.S.C. § 6621(a)(2); the United States’ enforcement

expenses; and a ten percent quarterly nonpayment penalty, 42 U.S.C.

§ 7413(d)(5);

(b) refer the debt to a credit reporting agency or a collection agency, 42 U.S.C.

§ 7413(d)(5), 40 C.F.R. §§ 13.13, 13.14, and 13.33; or

(c) collect the debt by administrative offset (i.e., the withholding of money payable

by the United States to, or held by the United States for, a person to satisfy the

debt the person owes the Government), which includes, but is not limited to,

referral to the Internal Revenue Service for offset against income tax refunds, 40

C.F.R. Part 13, Subparts C and H; and

(d) suspend or revoke Respondents' licenses or other privileges, or (ii) suspend or

disqualify Respondents from doing business with the EPA or engaging in

programs the EPA sponsors or funds, 40 C.F.R. § 13.17.

33. The provisions of this Agreement shall apply to and be binding upon Respondents and their officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns.

34. By signing this Agreement, Respondents acknowledge that this Agreement and Order will be available to the public and agree that this Agreement does not contain any confidential business information or personally identifiable information.

35. By signing this Agreement, the undersigned representative of Complainant and the undersigned representatives of Respondents each certify that he or she is fully authorized to execute and enter into the terms and conditions of this Agreement and has the legal capacity to bind the party he or she represents to this Agreement.

36. By signing this Agreement, Respondents certify that the information they have supplied concerning this matter was at the time of submission true, accurate, and complete for each

such submission, response, and statement. Respondents acknowledge that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information under 18 U.S.C. § 1001.

37. Except as qualified by Paragraph 32, each party shall bear its own attorney's fees, costs and disbursements in this proceeding.

G. EFFECT OF CONSENT AGREEMENT AND ATTACHED FINAL ORDER

38. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this Consent Agreement and Final Order resolves only Respondents' liability for federal civil penalties for the violations and facts specifically alleged above.
39. Penalties paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.
40. This Agreement constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to the subject matter hereof.
41. The terms, conditions, and compliance requirements of this Agreement may not be modified or amended except upon the written agreement of all parties, and approval of the Regional Judicial Officer.
42. Any violation of this Order may result in a civil judicial action for an injunction or civil penalties of up to \$95,284 per day per violation, or both, as provided in Section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2) and the Civil Monetary Penalty Inflation Adjustment Rule of 2017, as well as criminal sanctions as provided in Section 113(c) of the Act, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.

43. Nothing in this Agreement shall relieve Respondents of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.
44. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondents or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.
45. The EPA reserves the right to revoke this Agreement and settlement penalty if and to the extent that the EPA finds, after signing this Agreement, that any information provided by Respondents was materially false or inaccurate at the time such information was provided to the EPA, and the EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. The EPA shall give Respondents notice of its intent to revoke, which shall not be effective until received by Respondents in writing.

H. EFFECTIVE DATE

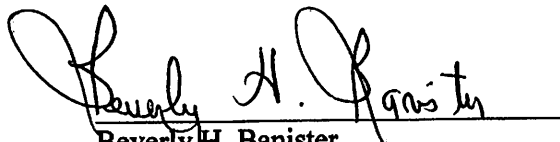
46. Respondents and Complainant agree to issuance of the attached Final Order. Upon filing, the EPA will transmit a copy of the filed Consent Agreement to the Respondents. This Consent Agreement and attached Final Order shall become effective after execution of the Final Order by the Regional Judicial Officer, on the date of filing with the Hearing Clerk.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

The foregoing Consent Agreement In the Matter of Dustin Hewatt and Clint Dixon, Docket No. CAA-04-2017-1751(b), is Hereby Stipulated, Agreed, and Approved for Entry.

FOR COMPLAINANT:

7/17/17
DATE


Beverly H. Banister
Director
Air, Pesticides and Toxics
Management Division

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
BEFORE THE ADMINISTRATOR

In the Matter of:

Dustin Hewatt and Clint Dixon

Respondents.

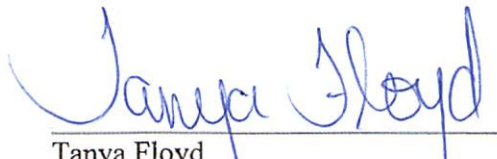
Docket No.
CAA-04-2017-1751(b)

Pursuant to 40 C.F.R. § 22.18(b) of the EPA's Consolidated Rules of Practice and Section 113(d) of the Clean Air Act, 42 U.S.C. § 7413(d), the attached Consent Agreement resolving this matter is incorporated by reference into this Final Order and is hereby ratified.

The Respondents are ORDERED to comply with all terms of the Consent Agreement, effective immediately.

So ordered.

July 31, 2017
DATE



Tanya Floyd
Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that the foregoing "Consent Agreement" and "Final Order," in the Matter of Dustin Hewatt and Clint Dixon, Docket No. CAA-04-2017-1751(b), were filed and copies of the same were mailed to the parties as indicated below.

Via Certified Mail, Return Receipt Requested

Mr. Gerald L. Pouncey, Jr.
Morris, Manning & Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, Georgia 30326

Via EPA's internal mail

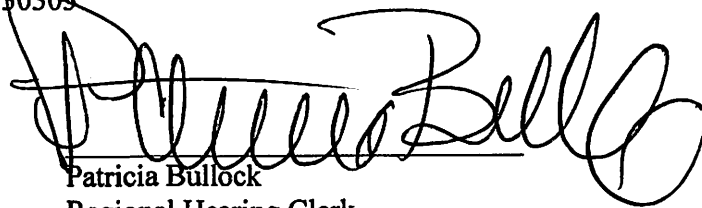
Ms. Pamela McIlvaine
Lead and Asbestos Section
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

Ms. Marlene Tucker
Office of Regional Counsel
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

Mr. Bob Caplan
Office of Regional Counsel
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

8-1-17

DATE



Patricia Bullock
Regional Hearing Clerk