



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590
JAN 03 2017

REPLY TO THE ATTENTION OF:
WC-15J

CERTIFIED MAIL 7009 1680 0000 7646 0255
RETURN RECEIPT REQUESTED

Mr. Michael Pellin
President
United Transportation Group, Inc.
1150 East 145th Street
East Chicago, Indiana 46312

Subject: United Transportation Group, Inc.
Consent Agreement and Final Order
Docket No. CWA-05-2017-0001

Dear Mr. Pellin:

I have enclosed one copy of the fully executed Consent Agreement and Final Order (CAFO) in the resolution of the above case. It was filed 1/3/2017 with the Regional Hearing Clerk.

The penalty amount agreed upon is \$1,000, which is due 30 days after the effective date of this CAFO. A Certified or Cashier Check should be made payable to the "Treasurer, United States of America" at the following address:

[for checks sent by regular U.S. Postal Service mail]
U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, Missouri 63197-9000

[for checks sent by express mail]
U.S. Environmental Protection Agency
Government Lockbox 979077
U.S. EPA Fines and Penalties
1005 Convention Plaza
Mail Station SL-MO-C2-GL
St. Louis, Missouri 63101

When submitting your check, **please be sure that the Case Docket No. and the Billing Docket No. (BD) are included at the bottom of your check.**

There is now an On Line Payment Option available through the Department of Treasury at <https://www.pay.gov> which allows you to make payments using your credit card, checking, or savings account. Using the Search Public Forms field (left side of page) enter "SFO 1.1" to access the EPA miscellaneous Payments-Cincinnati Finance Center Form. Follow the instructions for payment.

A copy of the check or electronic transfer must be sent to:

Regional Hearing Clerk
Planning and Management Division (19J)
EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590


Kathleen Schneiders
Office of Regional Counsel (C-14J)
EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

Ray Cullen
Water Enforcement and Compliance Assurance Branch (WC-15J)
EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

If you have any questions, please contact Ray Cullen at (312) 886-2785 or Kathleen Schneiders at (312) 353-8912.

Sincerely,



 Patrick F. Kuefler, Chief
Water Enforcement & Compliance Assurance Branch

Enclosure

cc: Michael Scanlon, via email

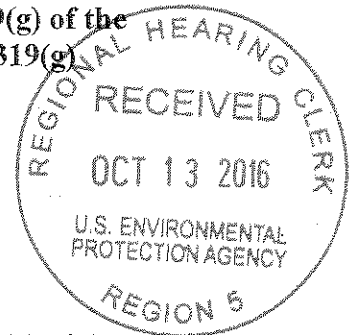
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:

United Transportation Group,
Inc.
1150 E. 145th Street
East Chicago, Indiana 46312

Respondent

) DOCKET NO. CWA-05-2017-0001
)
) Consent Agreement and Final Order to
) Resolve a Proceeding to Assess a Civil
) Penalty Pursuant to Section 309(g) of the
) Clean Water Act, 33 U.S.C. § 1319(g)
)



CONSENT AGREEMENT AND FINAL ORDER

1. This administrative action is commenced and concluded under section 309(g) of the Clean Water Act (CWA), 33 U.S.C. § 1319(g), and sections 22.13(b) and 22.18(b) of the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits* found at 40 C.F.R. §§ 22.13(b) and 22.18(b).
2. According to 40 C.F.R. § 22.13(b), where the parties agree to settle one or more causes of action before the filing of a compliant, an administrative action may be commenced and concluded simultaneously by the issuance of a Consent Agreement and Final Order (CAFO).
3. Complainant is, by lawful delegation, the Director of the Water Division, U.S. Environmental Protection Agency, Region 5.
4. Respondent is United Transportation Group, Inc. (Respondent or UTG). Respondent is a "person" as that term is defined at section 502(5) of the CWA, 33 U.S.C. § 1362(5).
5. The parties agree that settling this action without the filing of a compliant or the adjudication of any issue of fact or law is in their interest and in the public interest.
6. Respondent consents to the terms of this CAFO, including the assessment of the civil penalty specified below.

JURISDICTION AND WIVER OF RIGHT TO HEARING

7. For purposes of this CAFO, Respondent stipulates that EPA has jurisdiction over the subject matter of this CAFO and waives any jurisdictional objections it may have.
8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO, and its right to appeal this CAFO.

9. By executing this CAFO, the Respondent does not admit liability or admit Complainant's factual allegations set forth in this CAFO. The Respondent's execution of this CAFO does not constitute a waiver or admission of any kind, including without limitation a waiver of any defense, legal or equitable, which Respondent may have in this or any other administrative or judicial proceeding, other than a proceeding to enforce this CAFO.

STATUTORY AND REGULATORY BACKGROUND

10. Section 301(a) of the CWA, 33 U.S.C. § 1311(a), prohibits the discharge of any pollutant, unless the discharge is in compliance with various sections of the CWA, including Section 307 of the CWA, 33 U.S.C. § 1317.
11. Section 307(b) of the CWA, 33 U.S.C. § 1317(b), states "[t]he Administrator shall... publish proposed regulations establishing pretreatment standards for introduction of pollutants into treatment works... which are publicly owned for those pollutants which are determined not to be susceptible to treatment by such treatment works or which would interfere with the operation of such treatment works."
12. Pursuant to 307(b) of the CWA, 33 U.S.C. § 1317(b), the Administrator published "General Pretreatment Regulations for Existing and New Sources" on January 28, 1981, codified at 40 C.F.R. Part 403. By the terms of this regulation, the requirements of Part 403 became effective three years from the date of promulgation.
13. Section 307(d) of the CWA, 33 U.S.C. § 1317(d), states that "[a]fter the effective date of any... pretreatment standard promulgated under this section, it shall be unlawful for any owner or operator of any source to operate any source in violation of any such... pretreatment standard."
14. Section 309(g) of the CWA, 33 U.S.C. § 1319(g), authorizes the Administrator to assess a Class II civil penalty under Section 309(g)(2)(B) of the CWA, 33 U.S.C. § 1319(g)(2)(B), after consultation with the State, when the Administrator finds, on the basis of any information available, that a person has violated Section 301 of the CWA, 33 U.S.C. § 1311.

VIOLATIONS

15. UTG owns and operates a Transportation Equipment Cleaner (TEC) and transloading facility located at 1150 East 145th Street, East Chicago, Indiana (the Facility). The Facility discharges industrial process wastewater to the City of East Chicago's sanitary sewer.
16. The City of East Chicago (East Chicago), through the East Chicago Sanitary District (ECSD), owns and operates a publicly owned treatment works (POTW) located at 5201 Indianapolis Boulevard, East Chicago, Indiana. The POTW collects and treats residential, commercial, and industrial waste.

17. 40 C.F.R. § 403.1(b)(1) states the General Pretreatment Regulations for Existing and New Sources of Pollution applies to pollutants from non-domestic sources covered by Pretreatment Standards which are indirectly discharged into or otherwise introduced into POTWs as defined in § 403.3. 40 C.F.R. § 403.1(b)(4) states that the regulations apply to any new or existing source subject to Pretreatment Standards.
18. 40 C.F.R. § 403.3(c) defines the term “Approval Authority” to mean the Director in an NPDES State with an approved State pretreatment program and the appropriate Regional Administrator in a non-NPDES State or NPDES State without an approved State pretreatment program.
19. 40 C.F.R. § 403.3(f)(1) states that the term “Control Authority” refers to the POTW if the POTW's Pretreatment Program Submission has been approved by the Approval Authority.
20. U.S. EPA approved ECSD's pretreatment program on February 14, 1986. The pretreatment program and regulatory provisions for the pretreatment program are incorporated in ECSD's NPDES Permit, No. IN0022829, under Part III - Requirement to Operate a Pretreatment Program.
21. EPA is the “Approval Authority” and ECSD is the “Control Authority” for the Facility as these terms are used in this Order and as defined in the General Pretreatment Regulations at 40 C.F.R. §§ 403.3(c) and (f).
22. 40 C.F.R. § 403.3(i) states that the term “Indirect Discharge” or “Discharge” means the introduction of pollutants into a POTW from any non-domestic source regulated under section 307(b), (c), or (d) of the CWA.
23. 40 C.F.R. § 403.3(j) defines the term “Industrial User” to mean a source of Indirect Discharge.
24. UTG is an Industrial User subject to the General Pretreatment Regulations at 40 C.F.R. § 403 as these terms are used in this Order and as defined in the General Pretreatment Regulations at 40 C.F.R. §§ 403.3(i) and (j).
25. 40 C.F.R. § 403.3(v)(1)(i) states that a Significant Industrial User (SIU) means all Industrial Users subject to Categorical Pretreatment Standards under 40 C.F.R. § 403.6 and the Effluent Guidelines and Standards for Point Source Categories at 40 C.F.R. chapter I, subchapter N.
26. On August 14, 2000, EPA promulgated the Pretreatment standards for existing sources, Transportation Equipment Cleaning Point Source Category, Subpart A at 40 C.F.R. § 442.15 and Subpart B at 40 C.F.R. § 442.25. 65 Fed. Reg. 49700 (August 14, 2000) and at 70 Fed. Reg. 5061 (February 1, 2005).
27. 40 C.F.R. Part 442, Subpart A, at § 442.10, states that the provisions for the Transportation Equipment Cleaning Point Source Category, Subpart A for Tank Trucks,

are applicable to "...discharges resulting from the cleaning of tank trucks and intermodal tank containers which have been used to transport chemical or petroleum cargos."

28. The Pretreatment standards for existing sources under 40 C.F.R. § 442.15 state that no later than August 14, 2003, any existing source subject to this subpart which introduces pollutants into a POTW must achieve pretreatment standards for non-polar material, copper, and mercury.
29. 40 C.F.R. Part 442, Subpart B, at § 442.20, states that the provisions for the Transportation Equipment Cleaning Point Source Category, Subpart B for Rail Tank Cars, are applicable to "...discharges resulting from the cleaning of rail tank cars which have been used to transport chemical or petroleum cargos."
30. The Pretreatment standards for existing sources under 40 C.F.R. § 442.25 state that no later than August 14, 2003, any existing source subject to this subpart which introduces pollutants into a POTW must achieve pretreatment standards for non-polar material, fluoranthene, and phenanthrene.
31. The Facility began a cleaning operation for rail cars and tank trucks containing chemical and/or petroleum products in 1989 and 1990, respectively.
32. UTG operates a transportation equipment cleaning process, as it is defined at 40 C.F.R. § 442.1, and is an SIU subject to the transportation equipment cleaning effluent guidelines for existing sources at 40 C.F.R. Part 442 Subpart A for Tank Trucks at § 442.15, and Subpart B for Rail Tank Cars at § 442.25.
33. 40 C.F.R. § 403.5(c)(1) states that each POTW developing a POTW Pretreatment Program pursuant to § 403.8 shall develop and enforce specific limits to implement the prohibitions listed in paragraphs (a)(1) and (b) of this section. 40 C.F.R. § 403.5(d) states that where specific prohibitions or limits on pollutants or pollutant parameters are developed by a POTW in accordance with § 403.5(c), such limits shall be deemed Pretreatment Standards for the purposes of Section 307(d) of the CWA.
34. On March 12, 2007, the City of East Chicago adopted and passed Ordinance No. 07-0007, "Wastewater Discharge Regulations" at Chapter 13.13 of the Municipal Code of the City of East Chicago, Indiana which established Specific Pollutant Limitations at 13.13.3.02.3 (Local Limits), as required by 40 C.F.R. § 403.5(c)(1), including limits for the following parameters: ammonia, copper, lead, oil and grease, phenol, and phosphorous.
35. On June 6, 2011, UTG submitted a permit renewal entitled "Work Sheet & Application for Sewer Connection" to ECSD which details its wastewater treatment process.
36. East Chicago issued a revised and amended industrial wastewater discharge permit for Outfall No. 521 (Permit No. 521) on January 24, 2013, allowing UTG to discharge waste streams to ECSD's POTW, subject to certain conditions. The Permit No. 521 authorizes UTG to discharge Transportation Equipment Cleaning (TEC) and Centralized Waste

Treatment (CWT) process wastewater into ECSD's combined sewer system. See Attachment A.

37. On January 29-31 and September 26-27, 2013, EPA conducted on-site compliance inspections of the Facility (2013 Inspections).
38. Based on the information provided by UTG during the 2013 Inspections and as detailed below, EPA finds that UTG is in violation of the General Pretreatment Regulations for Existing and New Sources of Pollution at 40 C.F.R. Part 403 and the Pretreatment standards for existing sources, Transportation Equipment Cleaning Point Source Category at 40 C.F.R. Part 442.
39. 40 C.F.R. § 403.5(a)(1) General Prohibitions state that a User may not introduce into a POTW any pollutant(s) which cause Pass Through or Interference. In addition, 40 C.F.R. § 403.5(b)(4) Specific Prohibitions state that any pollutant released in a Discharge at a flow rate and/or pollutant concentration which will cause Interference with the POTW shall not be introduced into a POTW.
40. 40 C.F.R. § 403.5(b)(6) states that petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass through shall not be introduced into a POTW.
41. During the 2013 Inspections, EPA observed spilled petroleum on the ground, uncovered roll-off boxes with discharge pathways from their bases, an oil sheen in standing storm water adjacent to a storm drain leading to ECSD's combined sewer system, and general poor facility spill control and maintenance.
42. ECSD reported oil and grease effluent violations on numerous dates, including 1/31/2010, 1/31/2012, 2/28/2012, and 2/28/2014. UTG's poor containment practices introduced oil and grease which caused or contributed to pass through at the POTW on numerous dates, in violation of 40 C.F.R. § 403.5(b)(6).
43. 40 C.F.R. § 403.12(e)(1) states that any IU subject to a categorical Pretreatment Standard, shall submit to the Control Authority during the months of June and December, a report which indicates the nature and concentration of pollutants in the effluent which are limited by such categorical Pretreatment Standards. In addition, this report shall include a record of measured or estimated average and maximum daily flows for the reporting period for the Discharge reported in paragraph (b)(4) of this section (Flow Measurement) except that the Control Authority may require more detailed reporting of flows.
44. During the 2013 inspections, EPA inspectors observed that the Facility's wastewater flow meter stopped measuring flow after the wastewater treatment plant pumps had been turned off, yet EPA observed a continued wastewater discharge for over an hour after those pumps had been turned off, indicating inaccurate reporting of average and maximum flow for every reporting period, in violation of 40 C.F.R. § 403.12(e)(1).
45. 40 C.F.R. § 403.12(g)(1) states that the reports required in paragraphs (b), (d), (e), and (h) of this section shall contain the results of sampling and analysis of the Discharge,

including the flow and the nature and concentration of pollutants contained therein which are limited by the applicable Pretreatment Standards.

46. 40 C.F.R. § 403.12(g)(2) states that if sampling performed by an IU indicates a violation, the User shall notify the Control Authority within 24 hours of becoming aware of the violation. The User shall also repeat the sampling and analysis and submit the results of the repeat analysis to the Control Authority within 30 days after becoming aware of the violation.
47. From January 2010 through November 2012, UTG effluent samples indicated the following exceedances of local limit parameters:

Sample Collection Date	Parameter	Permit Limit, mg/L	Reported Value, mg/L	Limit Type	Sample Collected By
1/19/2010	Ammonia - Nitrogen	77	135	Daily Max	ECSD
1/19/2010	HEM - Oil and Grease	50	536	Daily Max	ECSD
3/2/2010	Ammonia - Nitrogen	77	208	Daily Max	ECSD
3/2/2010	HEM - Oil and Grease	50	191	Daily Max	ECSD
4/6/2010	Ammonia - Nitrogen	77	282	Daily Max	ECSD
4/6/2010	HEM - Oil and Grease	50	51	Daily Max	ECSD
9/30/2010	HEM - Oil and Grease	50	152	Daily Max	ECSD
9/30/2010	HEM - Oil and Grease	50	250	Daily Max	UTG
12/16/2010	Phenol 4-AAP	0.700	1.150	Daily Max	ECSD
1/19/2011	Total Phosphorus	5.50	11.10	Daily Max	ECSD
1/19/2011	Phenol - 4AAP	0.700	1.170	Daily Max	ECSD
1/19/2011	Total Lead	0.2240	0.2290	Daily Max	ECSD
1/19/2011	Total Copper	0.1700	0.2970	Daily Max	ECSD

2/24/2011	HEM - Oil and Grease	50	69	Daily Max	UTG
3/23/2011	HEM - Oil and Grease	50	56.4	Daily Max	ECSD
4/6/2011	HEM - Oil and Grease	50	199.0	Daily Max	ECSD
5/26/2011	HEM - Oil and Grease	50	140	Daily Max	UTG
7/12/2011	HEM - Oil and Grease	50	170	Daily Max	UTG
9/7/2011	HEM - Oil and Grease	50	71	Daily Max	UTG
10/26/2011	HEM - Oil and Grease	50	230	Daily Max	UTG
12/29/2011	HEM - Oil and Grease	50	80	Daily Max	UTG
3/29/2012	HEM - Oil and Grease	50	290	Daily Max	UTG
4/18/2012	HEM - Oil and Grease	50	99	Daily Max	UTG
6/5/2012	HEM - Oil and Grease	50	120	Daily Max	UTG
7/10/2012	HEM - Oil and Grease	50	380	Daily Max	UTG
11/29/2012	HEM - Oil and Grease	50	54	Daily Max	UTG

48. For each self-monitored effluent violation identified in the table above, UTG did not notify ECSD within 24 hours after becoming aware of the effluent violations, as required by, and in violation of, 40 C.F.R. § 403.12 (g)(2).
49. UTG did not resample within 30 days of becoming aware of effluent exceedances from samples collected on 9/30/2010, 2/24/2011, 5/26/2011, 7/12/2011, 9/7/2011, 12/29/2011, 4/18/2012, 7/10/2012, and 11/29/2012, in violation of 40 C.F.R. § 403.12(g)(2).
50. 40 C.F.R. § 403.12(g)(3) states that the reports required in paragraphs (b), (d), (e), and (h) must be based upon data obtained through appropriate sampling and analysis performed during the period covered by the report, which data are representative of conditions

- occurring during the reporting period. 40 C.F.R. § 403.12(g)(3) further specifies requirements for frequency of monitoring and appropriate methods for collecting samples, including the use of the protocols specified in 40 CFR part 136 and appropriate EPA guidance.
51. 40 C.F.R. § 403.12(o)(2) states that any IU subject to the reporting requirements established in this section shall be required to retain for a minimum of three years any records of monitoring activities and results (whether or not such monitoring activities are required by this section) and shall make such records available for inspection and copying by the Director and the Regional Administrator.
 52. UTG was unable to provide all documentation of wastewater sample analysis for the previous three years for all required effluent parameters (including effluent limits required by 40 C.F.R. §§ 442.15 and 442.25, and all ECSD local limits) as was requested by EPA during the 2013 Inspections and following the inspections, in violation of 40 C.F.R. §§ 403.12(g)(1) and (o)(2).
 53. 40 C.F.R. § 403.17(d) prohibits the intentional diversion of wastestreams from any portion of an IU's treatment facility.
 54. During the January 2013 EPA Inspection, EPA inspectors observed that the wastewater treatment system was not operating as it is described in UTG's June 6, 2011 permit renewal application. In addition, several wastewater treatment units were not in operation and significant portions of the treatment process were not being utilized prior to the wastewater discharge.
 55. During at least the January 2013 EPA Inspection, UTG was intentionally diverting wastestreams around portions of its wastewater treatment process in violation of 40 C.F.R. § 403.17(d).
 56. 40 C.F.R. § 403.12(b) states that at least 90 days prior to commencement of discharge, New Sources, and sources that become IUs subsequent to the promulgation of an applicable categorical Standard, shall be required to submit to the Control Authority a report which contains the information listed in paragraphs (b)(1)-(5) of this section - baseline report. New sources shall also be required to include in this report information on the method of pretreatment the source intends to use to meet applicable pretreatment standards.
 57. UTG's June 23, 2009, and January 24, 2013, Industrial Wastewater Discharge Permits for Outfall No. 521 identify Centralized Waste Treatment (CWT) Point Source Category Subpart D third party waste streams which are authorized to be accepted and treated in compliance with requirements at 40 C.F.R. § 437.47.
 58. 40 C.F.R. § 437.47(a)(2) states that the discharger will notify its local control authority at the time of submitting its application for an individual control mechanism or pretreatment agreement of its desire to be subject to Multiple Waste Subcategory by submitting to the local control authority an initial certification statement as described in § 437.41(a).

59. As of the date of this Order, UTG has not submitted a baseline report or an initial certification statement required by 40 C.F.R. § 437.47(a)(2) to begin operation as a CWT under the CWT Categorical Pretreatment Standard at 40 C.F.R. Part 437 in violation of 40 C.F.R. § 403.12(b).
60. In a separate Administrative Consent Order under Sections 308(a) and 309(a) of the CWA, 33 U.S.C. §§ 1318(a) and 1319(a), Respondent and its assigns have agreed to undertake tasks and reporting to ensure compliance with the CWA.
61. The CWA includes provisions for administrative penalties for violations of the CWA. Specifically, EPA may assess civil administrative penalties under 33 U.S.C. § 1319(g) and 40 C.F.R. Part 19 of \$11,000 per day for each violation that occurred after March 15, 2004 through January 12, 2009, and \$16,000 per day for each violation that occurred after January 12, 2009. An Administrative Penalty action may total up to \$177,500 for actions filed after January 12, 2009 up to December 6, 2013 or up to \$187,500 for actions filed after December 6, 2013.

TERMS OF SETTLEMENT

62. For the purpose of this proceeding and according to 40 C.F.R. § 22.18(b) and (c), Respondent: (a) admits that EPA has jurisdiction over the subject matter set forth in this consent agreement; (b) neither admits nor denies the facts stipulated in this consent agreement; and (c) consents to the terms of this CAFO.
63. Based upon the penalty factors set forth in Section 309(g) of the CWA, 33 U.S.C. § 1319(g), EPA and Respondent agree to settle this action for \$1,000.
64. This CAFO settles the civil violations alleged in paragraphs 15 through 59 of this CAFO.
65. Upon execution of the final order attached hereto, Respondent waives all rights to request a judicial or administrative hearing on any issue of law or fact set forth in this consent agreement, including, but not limited to, its right to request a hearing under Section 309(g)(2)(B) of the CWA, 33 U.S.C. § 1319(g)(2)(B), and its right to appellate review of the attached final order found at Section 309(g)(8)(B) of the CWA, 33 U.S.C. § 1319(g)(8)(B).
66. Respondent agrees to pay the \$1,000 civil penalty for the alleged violations by mailing a certified or cashier's check made payable to "Treasurer, United States of America" to the following address:

[for checks sent by regular U.S. Postal Service mail]

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

[for checks sent by express mail]

U.S. Bank
Government Lockbox 979077
U.S. EPA Fines and Penalties
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101

67. Payment of the civil penalty is due within thirty (30) calendar days from the effective date of this CAFO, which is the date that the CAFO is filed with the Regional Hearing Clerk.
68. A transmittal letter, stating Respondent's name, the case title, Respondent's complete address, and the case docket number must accompany the payment.
69. The check must note the case caption and the docket number of this CAFO.
70. When Respondent pays the civil penalty in accordance with Paragraph 66 above, Respondent shall simultaneously and separately send notice of such payment, including a copy of the check and transmittal letter, to each of the following three parties at the address indicated:

Regional Hearing Clerk
Planning and Management Division (19J)
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

and

Kathleen Schnieders
Office of Regional Counsel (C-14J)
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

and

Michelle Heger
Water Enforcement and Compliance Assurance Branch (WC-15J)
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

71. This civil penalty is not deductible for federal tax purposes.

72. Respondent's failure to pay the assessed civil penalty in accordance with the provisions of this CAFO will result in the referral of this matter to the United States Department of Justice for collection in accordance with Section 309(g)(9) of the CWA, 33 U.S.C. § 1319(g)(9). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review. In addition to any unpaid balance and interest on this penalty, Respondent shall also be required to pay attorney's fees and costs for collection proceedings and a quarterly nonpayment penalty. This nonpayment penalty shall be in an amount equal to 20% of the aggregate amount of Respondents' penalties and nonpayment penalties which are unpaid as of the beginning of each such quarter.
73. Interest shall accrue on any amount overdue under the terms of this CAFO at an annual rate calculated in accordance with 40 C.F.R. § 13.11.

GENERAL PROVISIONS

74. This CAFO resolves Respondent's liability and assigns federal civil penalties for the violations and facts alleged in this CAFO.
75. This CAFO does not affect the right of EPA or the United States to pursue appropriate injunctive relief or other equitable relief or criminal sanctions for any violations of law. EPA reserves all rights and remedies, legal and equitable, available to address any violation cited in this Order, any other violation of the CWA, and to enforce this Order. Neither issuance of this Order by EPA nor compliance with its terms precludes further enforcement action pursuant to Section 309 of the CWA, 33 U.S.C. § 1319, for the violations cited herein, for any other violations of the CWA committed by Respondent, or to enforce this Order.
76. This CAFO does not affect Respondent's responsibility and duty to comply with the CWA, or other federal, state, or local laws or regulations.
77. The terms of this CAFO bind both parties, their officers, directors, employees, successors, and assigns to this action. The representative of each party signing this consent agreement certifies that he or she has authority to enter into the terms of this consent agreement and bind that party to it. Respondent shall give notice and a copy of this CAFO to any successor in interest prior to any transfer of ownership or operational control of the Facility.
78. Each party agrees to bear its own costs and fees accrued in the course of this action.
79. The effective date of this CAFO is the date that the Final Order signed by the Acting Regional Administrator or his designated representative is filed with the Regional Hearing Clerk. This CAFO is subject to the public notice requirements of Section 309(g)(4)(C) of the CWA, 33 U.S.C. § 1319(g)(4)(C).
80. Complainant is providing public notice of and reasonable opportunity to comment on the proposed issuance of the CAFO according to section 309(g)(4) of the CWA, 33 U.S.C. § 1319(g)(4).

In the Matter of: United Transportation Group, Inc. Respondent.
East Chicago, Indiana

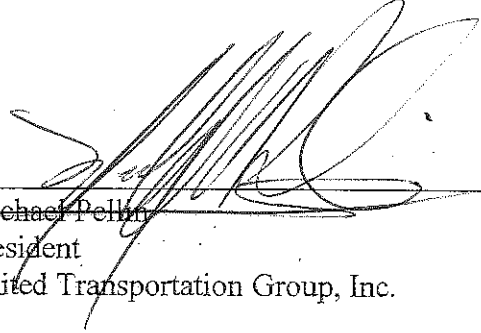
Docket Number: **CWA-05-2017-0001**

For Respondent:

United Transportation Group, Inc.

Date: _____

9-23-16



Michael Pollin
President
United Transportation Group, Inc.

In the Matter of: United Transportation Group, Inc., Respondent.
East Chicago, Indiana

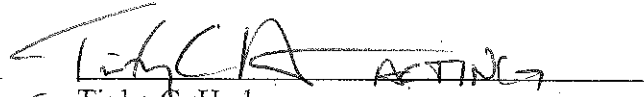
Docket Number: **CWA-05-2017-0001**

For Complainant:

United States Environmental Protection Agency
Region 5

Date:

9/30/17



Tinka G. Hyde
Director, Water Division
United States Environmental Protection Agency
Region 5

In the Matter of: United Transportation Group, Inc., Respondent.
East Chicago, Indiana



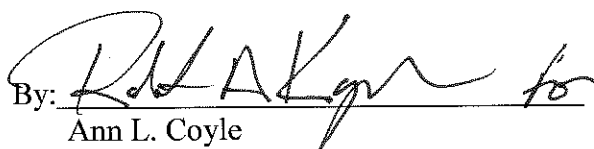
Docket Number: **CWA-05-2017-0001**

FINAL ORDER

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing of this Order with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31.

IT IS SO ORDERED

Date: 12/30/15

By: 
Ann L. Coyle
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 5

CWA-05-2017-0001

Attachment A

United Transportation Group Permit No. 521

IU Permit Issued by East Chicago Sanitary District

January 24, 2013



CITY OF EAST CHICAGO

Nickie Geros
Pre-Treatment Coordinator
East Chicago Sanitary District
Wastewater Division
5201 Indianapolis Boulevard
East Chicago, IN 46312
Phone: (219) 391-8466
Fax: (219) 391-8254

January 24, 2013

Fred Davis
United Transportation Group
1150 E. 145th Street
East Chicago, IN 46312

**RE: Permit Revised and Amended for Outfall No. 521 2013
to include the Centralized Waste Treatment (CWT) Categorical Regulations**

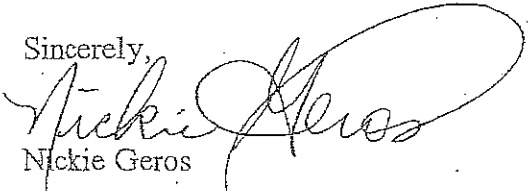
Dear Mr. Davis:

Please find a revised permit with the revisions regarding the CWT Regulation per our meeting on January 11. I have placed the changes in the permit along with the methods. There were some errors made to the previous permit regarding parameters for the CWT. The methods and limits were not correct. In regards to the CWT parameters, barium is no longer on the list.

The Categorical sampling shall be done in June and December of each year according to federal regulation code.

If you should have any questions regarding the permit or any changes, please do not hesitate to contact me at 391-8466. Thank you.

Sincerely,


Nickie Geros

Encls.

EAST CHICAGO SANITARY DISTRICT
EAST CHICAGO, INDIANA
INDUSTRIAL WASTEWATER DISCHARGE PERMIT
NO. 521

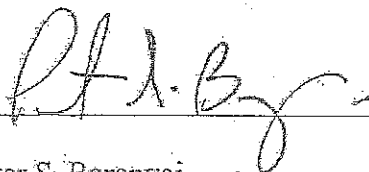
ISSUED TO

UNITED TRANSPORTATION GROUP

EFFECTIVE DATE: January 24, 2013

EXPIRATION DATE: January 23, 2016

Signed this 24th day of January, 2013,
For the East Chicago Sanitary District,



Peter S. Baranyai
Director of Utilities

Permittee: Name: United Transportation Group
Address: 1150 E. 145th Street
City, State, ZIP East Chicago, IN, 46312

Existing Permit: Permit Number: 521

Informaton: Expiration Date: **January 23, 2016**

Source Contact: Name, Phone Number: Fred Davis
Title: Operator

Source Location: Address: 1150 E. 145th Street
City, State East Chicago, IN
County: Lake

Receiving POTW: Name: East Chicago Sanitary District Wastewater Division
Address: 5201 Indianapolis Blvd.
City, State ZIP: East Chicago, IN 46312
NPDES Permit#: 0022829

Proposed Acton: *Choose One*
New Permit:
Renew Permit:
Modify Permit: X
Terminate Permit:

Date Application Received: November 2012

Source Category: Industrial Permit

Permit Writer: Name: Nickie Geros
Title and Contact Info: Pretreatment Coordinator, 219-391-8466

**EAST CHICAGO SANITARY DISTRICT
EAST CHICAGO, INDIANA
INDUSTRIAL WASTEWATER DISCHARGE PERMIT**

1) In compliance with Article 13.13.5.01 (General permits) of the East Chicago Wastewater Discharge Resolution No. S.D. 93-10, (Ordinance No. 0-93-0017) (hereinafter "Ordinance"), the East Chicago Sanitary District (hereinafter "District"), by the issuance of this permit, authorizes

United Transportation Group (hereinafter "permittee")
SIC Code: 4741 Rail
7699 Truck

to discharge the following, and only the following, specific wastewater streams from its facility located at

1150 East 145th Street

to the District's publicly owned treatment works (hereinafter "POTW"):

- i) Centralized Waste Treatment Point Source Category CWT subpart D-Multiple Waste streams part 437.47 (PSNS)
- ii) Transportation Equipment Cleaning Point Source Category part 442
- iii) Rail tank cars transporting chemical and petroleum cargos
- iv) Tank trucks and Intermodal tank containers transporting chemical and petroleum cargos
- v) Sanitary wastewater

This permit sets forth the standards required of the permittee by the District to ensure compliance with the limitations and conditions of the Ordinance and, where applicable, standards established by the State or Federal authorities. Unless otherwise specified, these requirements shall take effect upon issuance of this permit and shall remain in effect until the expiration date of this permit or until the permit is modified in accordance with Article 13.13.5.02.3 (Permit Modifications) of the Ordinance.

b) By the issuance of this permit, the District acknowledges that the permittee has complied with the requirements set forth in Article 13.13.5.02.2 (Permit Application) of the Ordinance.

c) By the issuance of this permit, the District acknowledges that the permittee has paid the assessed permit application fee as provided in Article 13.13.4.03 (Permit Application Fees) of the Ordinance.

d) In compliance with Article 13.13.5.02.4(b) of the Ordinance, the District designates both this permit and the permittee's discharge and sampling location by the identification number 521.

e) In accordance with Articles 13.13.5.02.3 (Permit Modifications) and 13.13.5.02.5 (Permits Duration) of the Ordinance, both this permit and the authorization to discharge shall expire five (5) years from the date of issuance.

f) In accordance with Article 13.13.5.02.6 (Limitations on Permit Transfer) of the Ordinance, the District forbids the employment of this permit by any other than the permittee named in Part I) a) of this permit. The District also forbids the employment of this permit for any purpose, or any location, other than those specified in Part I) a) of this permit.

II) a) The permittee shall at no time discharge wastewater containing pollutants in excess of any of the following specific pollutant limitations as established by Article 13.13.3.02.3 (Specific Pollutant Limitations) of the Ordinance:

These limitations are for the CWT point source category part 437.25.

<u>Metal</u>			<u>SM 18TH ED</u>	
<u>Parameter</u>	<u>Limitation</u>	<u>Sample Type</u>	<u>Method Number</u>	<u>Limit Type</u>
T=Total				
Chromium (T)	0.282 mg/L ECSD 0.282 mg/L	composite	200.7	daily max monthly avg.
Copper (T)	0.170 mg/L ECSD 0.170 mg/L	composite	200.7	daily max monthly avg.
Lead (T)	0.224 mg/L ECSD 0.160 mg/L	composite	200.7	daily max monthly avg.
Nickel (T)	3.95 mg/L 1.45 mg/L	composite	200.7	daily max monthly avg.
Zinc (T)	2.87 mg/L 0.641 mg/L	composite	200.7	daily max monthly avg.
Organics				
bis(2-ethylhexyl)	0.267 mg/L	composite	625	daily max
phthalate	0.158 mg/L	composite	625	monthly avg.
Carbazole	0.392 mg/L	composite	625	daily max
	0.233 mg/L	composite	625	monthly avg.
n-Decane	5.79 mg/L	composite	625	daily max
	3.31 mg/L	composite	625	monthly avg.
Fluoranthene	0.690 mg/L	composite	625	daily max
	0.393 mg/L	composite	625	monthly avg.
n-Octadecane	1.22 mg/L	composite	625	daily max

This specific list of contaminants shall not relieve the permittee of its responsibility to comply with all other specific pollutants as listed in the Ordinance 13.13.3.02.3. The district requires complete compliance with the Sewer User Ordinance and compliance with all local limitations:

<u>PARAMETER</u>	<u>Limitation</u>	<u>Sample Type</u>	<u>EPA Test Method</u>	<u>Limit Type</u>
			<u>Number</u>	
Arsenic	0	composite		daily max
Cadmium	0.140 mg/L	composite	200.7	daily max
Chromium, Total	0.282 mg/l	composite	200.7	daily max
Copper	0.170 mg/L	composite	200.7	daily max
Cyanide (free)	0.003 mg/L	composite	4500-CN-G SM	daily max
Lead	0.224 mg/L	composite	200.7	daily max
Mercury	0.0002 mg/L 0.2 ng/L	composite	1631, Revision E	daily max
Molybdenum	0.2 mg/L	composite	246.2	daily max
Nickel	0.390 mg/L	composite	200.7	daily max
Silver	0.05	composite	200.7	daily max

Zinc	5.5 mg/L	composite	200.7	daily max
Ammonia-Nitrogen	77 mg/L	composite	4500-NH3 F SM	daily max
Thallium	4.3 mg/L	composite	200.7	daily max
Total Phosphorus	5.5 mg/L	composite	4500 B-SM	daily max
Fluoride	2.9 mg/L	composite	4500 F-C-SM	daily max
Oil and Grease	50 mg/L	grab	1664, Revision A	daily max
pH	<5 and >10 S.U.	grab	150	instantaneous
Phenols,4-AAP	0.7 mg/L	composite	420.1	daily max
Residual Chlorine	0.4 mg/L	grab	330	instantaneous
Fluoranthene	0.69 mg/L	grab	625	daily max
Bis(2ethylhexyl) Phthalate	1.03 mg/L	grab	625	daily max

b) [RESERVED: amendments(s) pursuant to Article 13.13.5.02.3 of the Ordinance (Permit Modifications)].

c) The permittee shall comply with the discharge prohibitions listed in Articles 3.01 (General Discharge Prohibitions) and 13.13.3.02.5 (Dilution) of the Ordinance.

d) The permittee shall comply with the discharge prohibitions listed in Article 13.13.3.01.2 (Limitations on Trucked or Hauled Waste) of the Ordinance.

III) The permittee shall comply with all the conditions of Article 13.13.5.06 (Pretreatment) of the Ordinance.

IV)a) The permittee shall comply with all the conditions of Article 13.13.5.04 a) (Monitoring Facilities and Calibration Requirements) of the Ordinance, and shall secure the District's approval of all devices and methods prior to operation. The monitoring facility is located inside of the pretreatment building, which is 1150 East 145th Street, where the effluent discharges at the end of treatment with a flow meter. The monitoring point is identified as No. 521.

b) Pursuant to Article 13.13.5.04.b (Calibration Requirements) of the Ordinance, the permittee shall submit to the District written notification that calibration and maintenance have been performed on each flow-measuring device employed by the permittee. Said notification shall be submitted every April and October, and shall be signed by an authorized representative of the permittee.

V) a) Pursuant to Article 13.13.5.02.4(f) of the Ordinance, the permittee will be required to perform self-monitoring.

Subpart A-442.15 Tank Trucks and Intermodal Tank Containers Transporting Chemical & Petroleum Cargos

<u>PARAMETER</u>	<u>Sample Type</u>	<u>EPA Test Method</u>		<u>Limit & Type</u>
		<u>Number</u>	<u>Sample Frequency</u>	
Non-polar material (SGT-HEM)	Grab	1664	2x per year	26 mg/L daily max
Copper	composite	220.2	2x per year	0.170 mg/L daily max
Mercury	composite	1631, Revision E	2x per year	0.0002 ng/L (nanogram/L) daily max

Subpart B-part 442.25-Rail Tank Cars Transporting Chemical & Petroleum Cargos

<u>PARAMETER</u>	<u>Sample Type</u>	<u>EPA Test Method</u>		<u>Limit & Type</u>
		<u>Number</u>	<u>Sample Frequency</u>	
Non-polar material (SGT-HEM)	Grab	1664	2x per year	26 mg/L daily max
Fluoranthene	composite	625	2x per year	0.076 mg/L daily max
Phenanthrene	composite	625	2x per year	0.34 mg/L and

When any self-monitoring is performed, it should be in accordance with Title 40 CFR Part 136. Analytical data will be reported to the District within thirty (30) days. If the sampling performed by the permittee indicates a violation, the permittee shall notify the District within twenty four (24) hours of becoming aware of the violation, and resample within thirty (30) days.

b) The permittee is required to submit to the District all data obtained through any self-monitoring of a discharge conducted in accordance with Title 40 CFR part 136. This data must be submitted within thirty (30) days of sampling.

c) If the permittee monitors any pollutant more frequently than required by the District (if required by the District), using the procedures prescribed in Title 40 CFR Part 136, the results of this monitoring must be submitted to the District within thirty (30) days.

d) The District shall routinely monitor the permitted discharge for compliance with this permit and the ordinance. The District will charge the permittee for the cost to conduct this monitoring. Self-monitoring by the permittee can be conducted in lieu of some District monitoring, if desired by the permittee. This permit can be modified by the District at the permittee's request to include additional self-monitoring by the permittee for this purpose.

VI)a) In compliance with Article 13.13.5.03.2 (Compliance Reports) of the Ordinance, the permittee is not required to submit two (2) compliance reports annually due to the information submitted through monthly reports and monthly monitoring.

b) In accordance with Article 13.13.5.03.5 (Spill Control Plans) of the Ordinance, Spill Control Plans will be submitted on a biennial basis to the District.

c) In compliance with Article 13.13.3.03 (Accidental Discharges) of the Ordinance, and in the event of an accidental discharge of either prohibited substances or an excess of regulated substances to the POTW, the permittee shall alert the District immediately upon occurrence. Within five (5) working days of the occurrence, the permittee shall provide written notification of the discharge. The notification shall specify no less than the following:

- i) the location of the discharge;
- ii) the date and time of the discharge;
- iii) the type of waste discharged;
- iv) the concentration and volume of the waste; and
- v) an explanation of corrective actions taken.

d) In compliance with Article 13.13.6.08 (Operating Upsets) of the Ordinance, and in the event of an operating upset, the permittee shall alert the District within 24 hours of recognition of the upset. Within five (5) days of recognition of the upset, the permittee shall submit a written follow-up report. The report shall specify no less than the following:

- i) a description of the upset and its cause;
- ii) the impact of the upset on the permittee's compliance status;
- iii) the duration of non-compliance, including exact dates and times of noncompliance;
- iv) if noncompliance continues, the date by which compliance should be attained; and
- v) an explanation of actions to be taken to prevent recurrence of an upset or other conditions of non-compliance.

e) In the event of a non-accidental discharge of any prohibited substance or an excess of regulated substances to the POTW, the permittee shall alert the District immediately upon occurrence. Within five (5) working days of the occurrence, the permittee shall provide written notification of the Discharge. The notification shall specify no less than the following:

- i) the location of the discharge;
- ii) the date and time of the discharge;
- iii) the type of waste discharged;
- iv) the concentration and volume of the waste; and
- v) an explanation of corrective actions taken.

f) In the event of any slug discharge or any other discharge which could cause problems to the POTW, which shall mean any pollutant, including oxygen demanding pollutants (BOD, COD, etc.), pollutants which create a fire or explosion hazard, pollutants which will cause corrosive structural damage, solid or viscous pollutants in amounts which will cause an obstruction to the flow in the POTW, or any heat in amounts which will inhibit biological activity in the POTW, released in such a single extraordinary discharge episode of such volume or strength as to cause interference to the POTW, the permittee shall alert the District immediately upon occurrence. Within five working days of the occurrence, the permittee shall provide written notification of the discharge. The notification shall specify no less than the following:

- i) the location of the discharge;
- ii) the date and time of the discharge;
- iii) the type of waste discharged;

- iv) the concentration and volume of the waste; and
- v) an explanation of corrective actions taken.

Signs shall be permanently posted in conspicuous places on the Discharger's premises, advising employees whom to call in the event of a slug, accidental, or non-accidental discharge. Employers shall instruct all employees who may cause or discover such a discharge with respect to emergency notification procedures.

g) Pursuant to Article 13.13.5.03.6 (Hazardous Waste Notification) of the Ordinance, the permittee shall submit to the District, on a biennial basis, a list of all substances present in each discharge which, if disposed of by other means would be considered hazardous as defined by 40 CFR, Part 261.

h) Pursuant to Article 13.13.5.03.7 (Notification of Changed Discharge) of the Ordinance, the permittee shall notify the District in advance of any substantial change in the volume and/or character of pollutants in each discharge.

i) The above-mentioned reports, and all other reports, correspondence, and information as the District may require shall be signed and dated by an authorized representative of the permittee.

j) The permittee shall comply with the inspection and sampling requirements listed in Article 13.13.5.05 (Inspection and Sampling) of the Ordinance.

k) The permittee in order to operate a wastewater or water treatment plant, shall have an operator with the qualifications as established in the Indiana Administrative Code, Title 327-IAC-8-12-3, Section 3(a). In accordance with Title 327-IAC-8-12-1(8), "operator" shall mean the person in direct or responsible charge and supervising the operation of a wastewater or water treatment plant and/or a water distribution system. All industrial pretreatment facilities shall be classified per Title 327-IAC-8-12-2(b). These classifications shall be based on the type of treatment afforded, design population equivalent, and the average daily flow.

VII)a) The permittee shall comply with all requirements of this permit and with all requirements of the Ordinance not specifically referenced by the permit.

b) In any event of non-compliance, the permittee shall be subject to all applicable enforcement actions as set forth in Article Six (Enforcement) of the Ordinance, and all applicable penalties set forth in Article Seven (Penalties) of the Ordinance. Any permittee who is found to have violated an order of the District or who has failed to comply with any provision of the Ordinance, and the regulations, or rules of the District, or orders of any court of competent jurisdiction or permits issued hereunder, shall be liable for a penalty of up to \$2,500.00 per violation, per day. Each day that a violation occurs shall be deemed a separate offense and subject to penalty.

VIII) The permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from non-compliance with the permit, including such accelerated or additional monitoring as the District may require determining the nature and impact of the non-complying discharge.

In the matter of: United Transportation Group, Inc., Respondent
Docket Number: CWA-05-2017-0001

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of the foregoing *Consent Agreement and Final Order*, which was filed on 1/3/2017, in the following manner to the addressees:

Copy by Certified Mail to
Respondent, Return-receipt:

Michael Pellin
United Transportation Group, Inc.
1150 East 145th Street
East Chicago, Indiana 46312

Copy by Certified Mail to
Attorney for Respondent,
Return-receipt:

Michael T. Scanlon
Barnes & Thornburg, LLP
11 South Meridian Street
Indianapolis, Indiana 46204-3535

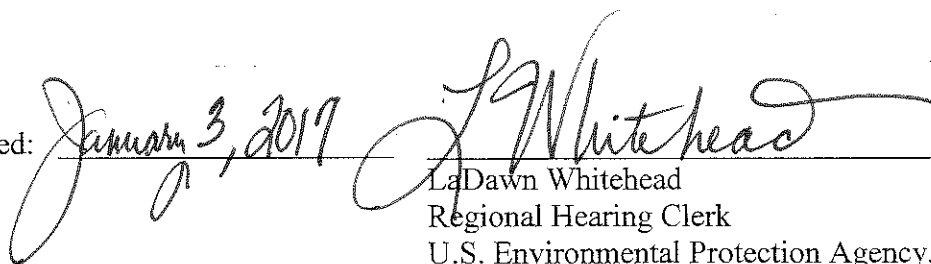
Copy by E-mail to
Attorney for Complainant:

Kathleen Schnieders
schnieders.kathleen@epa.gov

Copy by E-mail to
Regional Judicial Officer:

Ann Coyle
coyle.ann@epa.gov

Dated: January 3, 2017



LaDawn Whitehead
Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 5

CERTIFIED MAIL RECEIPT NUMBER(S):

7009 1680 0000 7646 0255