

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

2012 MAR 27 PM 12:28

IN THE MATTER OF:

Collis, Inc.

EPA ID Number IAD047303771

Respondent

Proceeding under Section 3008 (a) and (g) of
the Resource Conservation and Recovery Act
as amended, 42 U.S.C. § 6928(a) and (g).

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)
) COMPLAINT, COMPLIANCE
) ORDER, AND NOTICE OF
) OPPORTUNITY FOR HEARING
)
)

) Docket No. RCRA-07-2012-0014

I. PRELIMINARY STATEMENT

1. This Complaint, Compliance Order, and Notice of Opportunity for Hearing ("Complaint") is issued pursuant to Section 3008(a) and (g) of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 ("RCRA" or "the Act"), and the Hazardous and Solid Waste Amendments of 1984 ("HSWA"), 42 U.S.C. § 6928(a) and (g), and in accordance with the United States Environmental Protection Agency's ("EPA") 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 of Practice"), Title 40 Code of Federal Regulations ("C.F.R.") Part 22.

2. The Complainant is the Chief of the Waste Enforcement and Materials Management Branch ("WEMM") of the EPA, Region 7, who has been duly delegated the authority to bring this action. The Respondent is Collis, Inc., a company incorporated under the laws of Delaware and authorized to conduct business in the state of Iowa.

3. The authority to execute this Complaint is provided to the Regional Administrators by EPA Delegation No. 8-9-A, dated March 20, 1985. The Regional Administrator has delegated this authority to the Chief of the WEMM Branch, Region 7, by EPA Delegation No. R7-8-9-A, dated June 15, 2005.

4. Section 3008(g) of RCRA, U.S.C. § 6928(g), authorizes a civil penalty of not more than \$25,000 per day for violations of Subchapter III of RCRA (Hazardous Waste Management). This figure has been adjusted upward for inflation pursuant to the Civil Monetary Penalties Inflation Adjustment Rule, 40 C.F.R. Part 19, so that penalties of up to \$32,500 per day are authorized for violations of Subchapter III of RCRA that occur between March 15, 2004 and January 12, 2009, and penalties of up to \$37,500 per day are authorized for violations that occur after January 12, 2009. Based upon the facts alleged in this Complaint and upon those factors which the Complainant must consider pursuant to Section 3008(a)(3) of RCRA, 42 U.S.C. § 6928(a)(3), as discussed in the RCRA Civil Penalty Policy issued by EPA in June 2003, and attached hereto. The Complainant proposes that Respondent be assessed a civil penalty pursuant to Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), for the violations of RCRA alleged in the Complaint. These factors include the seriousness of the violations, the threat of harm to public health or the environment, any good faith efforts of Respondent to comply with the applicable requirements, as well as other matters as justice may require. The proposed penalty may be adjusted if Respondent establishes bona fide issues relevant to the statutory factors for the assessment of the proposed penalty.

II. COMPLAINT

ALLEGATIONS COMMON TO ALL COUNTS

5. Respondent is a Delaware corporation authorized to conduct business in the state of Iowa and is a "person" as defined in Section 1004(15) of RCRA, 42 U.S.C. § 6903(15).
6. Respondent operates a facility located at 2005 South 19th Street, Clinton, Iowa (Facility), which specializes in the fabrication and powder-coating of metal racks and shelving brackets for refrigerators. Respondent began operations in 1902 and currently employs approximately 240 employees.
7. In 1980, Respondent notified the EPA as a generator of D007, P030, and P121 hazardous wastes, and was assigned the Facility identification number IAD047303771.
8. On September 7 and 10, 2007, and again on June 2, 2010, representatives of the EPA, Region 7, inspected Respondent's Facility. The inspections were conducted under authority of Section 3007 of RCRA.
9. At the time of the 2007 inspection, Respondent was identified as a large quantity generator, generating greater than 1,000 kilograms of hazardous waste per month. Respondent generates filter cake which is hazardous for chromium (D007). Respondent is also a used oil generator and a small quantity handler of universal waste. Based on information obtained during the 2007 inspection, Respondent was issued a Notice of Violation (NOV) on September 10, 2007, for violations of RCRA.

10. Based on information obtained during the 2010 inspection, Respondent was issued a Notice of Preliminary Findings on June 2, 2010, followed by a Notice of Violation on September 15, 2010. The documents indicated that Respondent violated multiple regulations applicable to handling of hazardous waste, universal waste, and used oil.

III. VIOLATIONS

Count I

Failure to Conduct Hazardous Waste Determinations

11. The allegations stated in Paragraphs 5 through 10 above are realleged and incorporated as if fully set forth herein.

12. Respondent is subject to 40 C.F.R. § 262.11, which provides that a person who generates a solid waste must determine if that waste is hazardous.

13. At the time of the 2010 inspection, Respondent had in storage acidic and alkaline liquids in twenty-six tote containers located next to the filter building (the "filter building container storage area") at the Facility.

14. The acidic and alkaline liquids stored in the filter building container storage area were generated from metal finishing processes at the Facility.

15. The acidic and alkaline liquids stored in the filter building container storage area at the time of the 2010 inspection were solid waste.

16. At the time of the 2010 inspection, Respondent had not conducted a hazardous waste determination on the acid and alkaline liquids stored in the twenty-six tote containers in storage in the filter building container storage area.

17. Respondent's failure to make a hazardous waste determination on the contained waste in storage in the filter building container storage area is a violation of 40 C.F.R. § 262.11.

18. Pursuant to Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), and based upon the allegations contained above, it is proposed that Respondent be assessed a civil penalty of \$25,823 for the violations set forth in this Count 1.

Count 2

Operation of a Hazardous Waste Facility Without a RCRA Permit or Interim Status

19. The allegations stated in Paragraphs 5 through 10 above are realleged and incorporated as if fully set forth herein.

20. Section 3005 of RCRA, 42 U.S.C. § 6925, requires that any owner or operator of a facility who treats, stores, or disposes of hazardous waste must have a permit or interim status.

However, the regulations at 40 C.F.R. § 262.34 state that a generator may accumulate hazardous waste for up to ninety (90) days without a permit or without interim status, provided conditions listed in 40 C.F.R. § 262.34 are met.

21. At the time of the 2007 inspection, Respondent had in storage D007 filter sludge in a roll-off box located northeast of the main facility building.
22. At the time of the 2010 inspection, Respondent had in storage twenty-eight containers in the filter building container storage area at the Facility. Two of the twenty-eight containers were empty, and the remaining twenty-six contained either acidic or alkaline liquid.
23. The filter building container storage area is located outside the filter building at the Facility, and the containers stored there at the time of the 2010 inspection were stored uncovered.
24. At the time of the 2010 inspection, at least twenty-one of the containers stored in the filter building container storage area were labeled "hazardous waste."
25. At the time of the 2010 inspection, written information on the hazardous waste labels attached to containers stored in the filter building container storage area included, variously: "Zinc ???," "Acid," "Clarifier Acid," "Stage 1 Cleaner," "Cleaner," and "Spent Acid." The hazardous waste labels for multiple containers had writing that was illegible or lacked any written information.
26. Multiple containers stored in the filter building container storage area lacked a written accumulation start date.
27. Multiple containers stored in the filter building container area were dated with dates ranging from March 27, 2008 to August 18, 2009.
28. The acidic and alkaline liquids stored in the containers in the filter building container storage area were solid waste.
29. The acidic and alkaline liquids stored in the containers in the filter building container storage area were placed into storage in 2008 and 2009.
30. The material in at least seven of the containers stored in the filter building container storage area was hazardous for corrosivity, with a pH of 2.0 or less or 12.5 or greater.
31. At the time of the 2007 and 2010 inspections, Respondent did not have a RCRA Permit or Interim Status to operate as a storage facility.

Failure to Comply with Generator Requirements

32. At the time of the 2007 and 2010 inspections, Respondent was not complying with the following conditions in 40 C.F.R. § 262.34:

Accumulation Start Date

33. The regulation at 40 C.F.R. § 262.34(a)(2), requires a generator to clearly mark the date upon which the period of accumulation begins for each container of hazardous waste.

34. At the time of the 2007 inspection, Respondent had failed to adequately mark the accumulation start date on the filter sludge hazardous waste roll-off box.

35. Respondent failed to adequately mark the accumulation start date on the hazardous waste roll-off box in accordance with 40 C.F.R. § 262.34(a)(2).

*Labeling and Marking
Hazardous Waste Containers*

36. The regulation at 40 C.F.R. § 262.34(a)(3) requires a generator to clearly label or mark each container of hazardous waste with the words "Hazardous Waste."

37. At the time of the 2007 inspection, Respondent had failed to adequately label or mark the words "Hazardous Waste" on the filter sludge hazardous waste roll-off box.

38. Respondent failed to label or clearly mark the words "Hazardous Waste" on each container of hazardous waste stored at its facility in accordance with 40 C.F.R. § 262.34(a)(3).

Adequate Aisle Space

39. The regulation at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.35, requires a generator to maintain adequate aisle space to allow the unobstructed movement of personnel, fire protection equipment, spill control equipment, and decontamination equipment to any area of facility operation in an emergency, unless aisle space is not needed for any of these purposes.

40. At the time of the 2010 inspection, Respondent failed to maintain adequate aisle space in the filter building container storage area at the Facility in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.35.

Weekly Inspections

41. The regulations at 40 C.F.R. § 262.34(a)(1)(i), referencing 40 C.F.R. § 265.174, require that an owner or operator must inspect areas where hazardous waste containers are stored, at least weekly. The generator must look for leaking containers and for deterioration of containers caused by corrosion or other factors.

42. At the time of the June 2010 inspection, Respondent was not performing weekly inspections in the filter building container storage area in accordance with 40 C.F.R. §§ 262.34(a)(1)(i) and 265.174.

Labeling Satellite Accumulation Containers

43. The regulation at 40 C.F.R. § 262.34(c)(1)(ii) states that a generator may accumulate as much as 55-gallons of hazardous waste in satellite accumulation areas provided the generator marks the containers either with the words “Hazardous Waste” or with other words that identify the contents of the container.

44. At the time of the June 2010 inspection, Respondent had failed to label a satellite accumulation container beneath the Facility filter press with the words “Hazardous Waste” or with other words identifying the contents of the container in accordance with 40 C.F.R. § 262.34(c)(1)(ii).

Hazardous Waste Job Descriptions

45. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.16(d)(2), require that a generator maintain a written job description for each position at the facility related to hazardous waste management including the requisite skill, education, or other qualifications.

46. At the time of the June 2010 inspection, the job descriptions for facility personnel engaged in hazardous waste management lacked a description of duties related to hazardous waste management, as required by 40 C.F.R. §§ 262.34(a)(4) and 265.16(d)(2).

Training Descriptions

47. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.16(d)(3), require that a generator maintain a written description of the type and amount of both introductory and continuing training that will be given to each person whose position at the facility is related to hazardous waste management.

48. At the time of the September 2007 inspection, Respondent had failed to maintain descriptions of introductory and continuing training for positions at the Facility related to hazardous waste management in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.16(d)(3).

Contingency Plan

49. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.51, require that an owner or operator of a hazardous waste facility have a contingency plan for the Facility.

50. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.52(a), require that a hazardous waste facility’s contingency plan describe the actions facility personnel must take to comply with 40 C.F.R. §§ 265.51 and 265.56 in response to fires or explosions.

51. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.52(c), require that the contingency plan provide a description of arrangements with local authorities to coordinate emergency services.
52. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.52(d), require that the contingency plan list names, addresses, and phone numbers (office and home) of all persons qualified to act as emergency coordinator.
53. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.52(e), require that the contingency plan include a list of emergency response equipment.
54. At the time of the September 2007 inspection, the inspector documented that Respondent had failed to develop a hazardous waste management contingency plan, in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.51(a).
55. At the time of the June 2010 inspection, Respondent had failed to maintain a contingency plan with descriptions of actions necessary to respond to hazardous waste releases in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.52(a).
56. At the time of the June 2010 inspection, Respondent had failed to provide a description in the contingency plan of arrangements with local authorities in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.52(c).
57. At the time of the June 2010 inspection, Respondent had failed to include home addresses and telephone numbers of the emergency coordinators in its contingency plan, in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.52(d).
58. At the time of the June 2010 inspection, Respondent had failed to include a list of emergency response equipment in the contingency plan in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.52(e).

Alarm/Communications Device Access

59. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.34(a), require that whenever hazardous waste is being handled at a hazardous waste facility, all personnel involved in the operation must have immediate access to an internal alarm or emergency communication device.
60. At the time of the September 2007 inspection, Respondent failed to have access to an alarm or communications device at the filter sludge hazardous waste roll-off box storage area in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.34(a).

Failure to Maintain Spill Kit

61. The regulations at 40 C.F.R. § 262.34(a)(4), referencing 40 C.F.R. § 265.32(c), require that a facility that handles hazardous waste must be equipped with spill control equipment.

62. At the time of the June 2010 inspection, Respondent had failed to maintain a spill kit at the facility's filter building container storage area in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.32(c).

Illegal Storage of Hazardous Waste

63. At the time of the 2007 inspection, Respondent had hazardous waste in storage at its facility.

64. At the time of the 2010 inspection, Respondent had hazardous waste in storage in the filter building container storage area at its facility.

65. At the time of the 2007 inspection, Respondent was operating a treatment, storage, or disposal facility without a permit or interim status in violation of Section 3005 of RCRA, 42 U.S.C. § 6925.

66. At the time of the 2010 inspection, Respondent was operating a treatment, storage, or disposal facility without a permit or interim status in violation of Section 3005 of RCRA, 42 U.S.C. § 6925.

67. Pursuant to Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), and based upon the allegations contained above, it is proposed that Respondent be assessed a civil penalty of \$314,841 for the violations set forth in this Count 2.

Count 3

Failure to Comply with Used Oil Requirements

68. The allegations stated in Paragraphs 5 through 10 above are realleged and incorporated as if fully set forth herein.

69. At the time of the 2007 and 2010 inspections, Respondent had failed to label multiple containers of used oil, as described below.

Labeling Used Oil Containers

70. The regulation at 40 C.F.R. § 279.22(c)(1) requires that containers and aboveground tanks used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil."

71. At the time of the 2007 inspection, one or more containers of used oil at the Facility were not labeled with the words "Used Oil."

72. At the time of the 2010 inspection, one or more containers of used oil at the Facility were not labeled with the words "Used Oil."

73. Respondent's failure to properly label containers of used oil with the words "Used Oil" is a violation of 40 C.F.R. § 279.22(c)(1).

74. Pursuant to Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), and based upon the allegations contained above, it is proposed that Respondent be assessed a civil penalty of \$1,000 for the violations set forth in this Count 3.

Count 4
Failure to Comply with Universal Waste Requirements

75. The allegations stated in Paragraphs 5 through 10 above are realleged and incorporated as if fully set forth herein.

76. At the time of the 2007 and 2010 inspections, Respondent had failed to comply with multiple universal waste requirements, described below.

Labeling Universal Waste Containers

77. The regulation at 40 C.F.R. § 273.14(e) requires that a small quantity handler of universal waste must mark the universal waste to identify the type of universal waste. For waste lamps, a small quantity handler must label each lamp or a container or package in which such lamps are contained with one of the following phrases: "Universal Waste – Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)."

78. At the time of the 2007 inspection, waste lamps at the Facility were not marked with the phrases "Universal Waste – Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)," either on the containers or on the individual lamps.

79. At the time of the 2010 inspection, waste lamps at the Facility were not marked with the phrases "Universal Waste – Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)," either on the containers or on the individual lamps.

80. Respondent's failure to properly label waste lamps is a violation of 40 C.F.R. § 273.14(e).

Demonstration of Accumulation Period of Universal Waste

81. The regulation at 40 C.F.R. § 273.15(c) requires that a small quantity handler of universal waste who accumulates universal waste must be able to demonstrate the length of time that the universal waste has been accumulated from the date it becomes a waste or is received.

82. At the time of the 2010 inspection, Respondent was unable to demonstrate the length of time that a container of waste lamps had accumulated at the facility.

83. Respondent's failure to demonstrate the length of time the universal waste had accumulated at the facility is a violation of 40 C.F.R. § 273.15(c).

Closed Containers of Universal Waste

84. The regulation at 40 C.F.R. § 273.13(d)(1) requires that a small quantity handler of universal waste must contain any lamp in containers or packages that are structurally sound, adequate to prevent breakage, and compatible with the contents of the lamps. Such containers and packages must remain closed and must lack evidence of leakage, spillage or damage that could cause leakage under reasonably foreseeable conditions.

85. At the time of the 2007 inspection, one or more containers of waste lamps were not closed.

86. Respondent's failure to close one or more containers of waste lamps is a violation of 40 C.F.R. § 273.13(d)(1).

87. Pursuant to Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), and based upon the allegations contained above, it is proposed that Respondent be assessed a civil penalty of \$1,002 for the violations set forth in this Count 4.

IV. PROPOSED CIVIL PENALTY

88. Based upon the facts alleged in this Complaint and upon those factors which Complainant must consider pursuant to Section 3008(a)(3) of RCRA, 42 U.S.C. § 6928(a)(3), as discussed in the RCRA Civil Penalty Policy issued by EPA in June 2003, the Complainant proposes that Respondent be assessed a civil penalty of \$342,742 pursuant to Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), for the violations of RCRA alleged in this Complaint. These factors include the seriousness of the violations, the threat of harm to public health or the environment, any good faith efforts of Respondent to comply with the applicable requirements, as well as other matters as justice may require. The proposed penalty is summarized in the attached Penalty Computation Worksheet and may be adjusted if Respondent establishes bona fide issues relevant to the statutory factors for the assessment of the proposed penalty.

89. Unless Respondent files an Answer to this Complaint in accordance with 40 C.F.R. § 22.15, payment shall be made within 30 days of receipt of this Complaint by certified or cashier's check payable to "Treasurer of the United States" and remitted to:

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

A copy of said check shall be sent simultaneously by certified mail, return receipt requested, to:

Kevin Snowden
AWMD/WEMM
U.S. EPA Region 7
901 North 5th Street
Kansas City, Kansas 66101.

90. The check must reference the EPA Docket Number of this Complaint and Respondent by name.

V. COMPLIANCE ORDER

91. IT IS HEREBY ORDERED that within thirty (30) days of receipt of this Complaint, Respondent shall submit to EPA for review and approval a Compliance Plan describing all actions taken and/or planned by Respondent to ensure compliance with the following provisions of RCRA, and of Title 40 of the Code of Federal Regulations that are the subject of this Complaint:

Respondent shall take the following actions within the time periods specified, according to the terms and conditions specified below:

- a. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, an updated copy of the facility contingency plan that includes the capabilities of the emergency equipment, in accordance with 40 C.F.R. § 262.34(a)(4).
- b. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, job descriptions for positions at the facility that include hazardous waste management duties, in accordance with 40 C.F.R. § 262.34(a)(4).
- c. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, documentation demonstrating that Respondent has performed hazardous waste determinations on all solid waste streams being generated by Respondent at Respondent's facility at 2005 South 19th Street, Clinton, Iowa, on the date of the Final Order, in accordance with 40 C.F.R. § 262.11. Such documentation shall include a description of each solid waste stream generated at the facility (clearly delineating the source of the waste stream, including the previous use of the material if the waste stream is a spent material); whether each solid waste is a hazardous waste or non-hazardous waste; a list of all hazardous waste codes that apply to each hazardous waste generated at the facility; and all information (including but not limited to analytical results, Material Safety Data Sheet documentation, and process knowledge information) which form the basis of Respondent's hazardous waste determinations for each solid waste stream.
- d. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, documentation and supporting narrative demonstrating that, for any hazardous waste stored on site, including that generated by the removal of spent acid and caustic cleaners from Respondent's metal finishing process, such waste is stored in accordance with the permitting requirements of RCRA Section 3005 or that it is

- exempt from the permitting requirements by meeting the requirements of 40 C.F.R. § 262.34 or other applicable exemption.
- e. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, hazardous waste manifests for off-site shipments of any hazardous waste generated at the Facility, for the period from June 2010 to the most recent manifest as of the effective date of this Order. Once quarterly for a period of one year, Respondent shall provide, to the EPA representative referenced below, hazardous waste manifests for off-site shipments of any hazardous waste generated at the Facility. If no hazardous wastes were manifested within the previous quarter, Respondent shall provide notification to the EPA representative stating such. If any hazardous waste generated by Respondent at the Facility is disposed or treated in lieu of being shipped off-site, Respondent will provide documentation and supporting narrative with its quarterly submittal pursuant to this subparagraph demonstrating that such disposal or treatment is in accordance with RCRA.
 - f. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, documentation of compliance with the wastewater treatment unit exemption for owners and operators of hazardous waste treatment, storage, and disposal facilities, as described in 40 C.F.R. § 264.1(g)(6), or a statement that such exemption is not relevant to the processes at the Facility.
 - g. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, photographic documentation of compliance with the requirement that used oil stored at a generator's facility be labeled or marked clearly with the words "Used Oil," as described in 40 C.F.R. § 279.22(c)(1).
 - h. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, documentation of compliance with the requirements to close containers of universal waste lamps, to label the containers of waste lamps or the individual lamps, and to track the accumulation period of universal waste stored at the facility, as described in 40 C.F.R. §§ 273.13(d)(1), 273.14(e), and 273.15(c).
 - i. Within 30 days of the effective date of this Order provide, to the EPA representative referenced below, photographic and narrative documentation that a spill kit is being maintained at the Facility's storage area(s) for hazardous wastes, including those wastes generated by spent acids and spent caustics from Respondent's processes, in accordance with 40 C.F.R. §§ 262.34(a)(4) and 265.32(c), or an explanation why this requirement is not applicable to the Facility.
 - j. Within 180 days of the effective date of this Order, provide documentation of all weekly inspections of all hazardous waste storage areas at the facility performed in accordance with the requirements of 40 C.F.R. §§ 262.34(a)(1)(i) and 265.174, for the period from the effective date of this Order through the date upon which the documentation is provided.
 - k. Submittal of Closure Plan for the Filter Building Container Storage Area: Within forty-five (45) days of the effective date of this Order, submit to EPA a closure plan for the illegal hazardous waste storage area adjacent to the facility filter building (filter building container storage area) in accordance with 40 C.F.R. Part 265 Subpart G. The closure plan should be designed to determine the extent, if any, of hazardous waste releases from the illegal hazardous waste storage area. Respondent shall submit and EPA will review the plan in accordance with the procedures set forth in

40 C.F.R. § 265.112(d). Upon EPA approval, Respondent shall fully implement the closure plan in accordance with the schedule contained therein.

- l. Within fifty (50) days of the effective date of this Order, Respondent shall submit evidence to EPA that Respondent has established and shall maintain financial assurance for closure, as required by 40 C.F.R. Part 265 Subpart H.
- m. EPA and/or its authorized representatives shall have access to the Facility at all reasonable times for the purpose of reviewing the progress of Respondent in carrying out the provisions of this Order and for purposes including, but not limited to, inspecting and copying records, collecting samples, and verifying data. Nothing in this Order shall restrict EPA's rights under Section 3007 of RCRA, 42 U.S.C. § 6927, or other statutory authority.
- n. EPA may move to modify or revoke this Order based upon information discovered during the course of implementation of the Order.
- o. The provisions of this Order shall remain in full force and effect until all actions required by this Order have been completed and EPA has notified the Respondent, in writing, that the actions required by this Order have been completed. Respondent shall notify EPA in writing at such time as it believes that all such actions have been completed. The EPA shall have sole discretion in determining whether or not all such actions have in fact been completed. Failure to complete all activities required hereunder as directed by EPA shall be deemed a violation of this Order. The EPA's provision of written notice to Respondent pursuant to this Paragraph shall not be construed as a waiver of any of EPA's rights to take further enforcement action under RCRA or any other laws.
- p. Respondent shall provide the deliverables referenced in subparagraphs a-o above to the following contact:

Kevin Snowden
AWMD/WEMM
EPA Region 7
901 North 5th Street
Kansas City, Kansas 66101

Telephone: 913-551-7022
Email: snowden.kevin@epa.gov

92. In accordance with Section 3008(b) of RCRA, 42 U.S.C. § 6928(b), and 40 C.F.R. § 22.37(b), the Compliance Order section of this Complaint shall become final unless Respondent requests a public hearing in writing to contest the appropriateness of the Compliance Order in accordance with the requirements of 40 C.F.R. § 22.15 no later than thirty (30) days after service of this Complaint.

V. NOTICE OF OPPORTUNITY TO REQUEST A HEARING

93. Respondent may request a hearing to contest any material fact contained in the Complaint, or to contest the appropriateness of the proposed penalty and/or Compliance Order, by filing an answer in accordance with the requirements of 40 C.F.R. § 22.15 of the Consolidated Rules of Practice, a copy of which is enclosed hereto. The answer and request for hearing must be filed with the Regional Hearing Clerk at:

Regional Hearing Clerk
U.S. EPA Region 7
901 North 5th Street
Kansas City, Kansas 66101.

A copy of the answer and request for hearing and copies of any subsequent documents should also be sent to Mr. Chris R. Dudding, Office of Regional Counsel, at the same address.

94. Respondent's failure to file a written answer and request a hearing within thirty (30) days of service of this Complaint will constitute a binding admission of all allegations contained in the Complaint and a waiver of Respondent's right to a hearing. A Default Order may thereafter be issued by the Regional Judicial Officer, and the civil penalty proposed herein shall become due and payable without further proceedings.

95. Respondent's failure to request a public hearing in writing to contest the appropriateness of the Compliance Order within thirty (30) days after service of this Complaint shall automatically cause the Compliance Order section of this Complaint to become final.

VI. SETTLEMENT CONFERENCE

96. Whether or not Respondent requests a hearing, an informal conference may be requested in order to discuss the facts of this case in an attempt to arrive at settlement. To request a settlement conference, please contact Mr. Chris Dudding, Office of Regional Counsel, U.S. EPA Region 7, 901 North 5th Street, Kansas City, Kansas 66101, (913) 551-7524.

97. Please note that a request for an informal settlement conference does not extend the thirty (30) day period during which a written answer and request for a hearing must be submitted. The informal conference procedure may be pursued simultaneously with the adjudicatory hearing procedure.

98. EPA encourages all parties against whom a civil penalty is proposed to pursue the possibility of settlement as a result of an informal conference. However, no penalty reduction will be made simply because such a conference is held. Any settlement which may be reached as a result of such a conference shall be embodied in a written Consent Agreement and Final Order issued by the Regional Judicial Officer, U.S. EPA Region 7.

99. If Respondent has neither filed an answer nor requested a hearing within thirty (30) days of service of this Complaint, Respondent may be found in default. Default by the Respondent constitutes, for the purposes of this proceeding, admission of all allegations made in the Complaint and a waiver of Respondent's right to contest such factual allegations. A Default Order may thereafter be issued by the Presiding Officer and the civil penalties proposed shall be ordered without further proceedings and Respondent will be notified that the penalties have become due and payable.

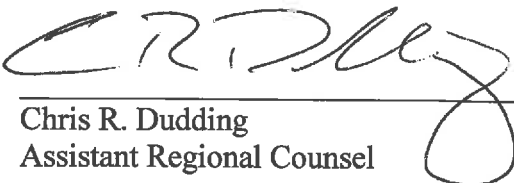
VII. EFFECTIVE DATE

100. This Complaint, Compliance Order, and Notice of Opportunity for Hearing shall become effective on the date signed by the Chief of the Waste Enforcement and Materials Management Branch, EPA Region 7.

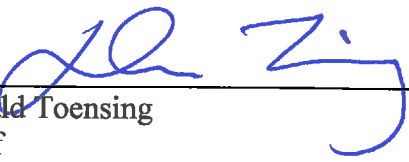
101. The Compliance Order section of this Complaint shall only be terminated upon receipt of written notice from EPA that all requirements herein have been satisfied.

IT IS SO ISSUED AND ORDERED:

3/27/12
Date


Chris R. Dudding
Assistant Regional Counsel

3-27-12
Date


Donald Toensing
Chief
Waste Enforcement and Materials Management Branch

Attachments: Penalty Computation Worksheet
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
RCRA Civil Penalty Policy (June 2003)
Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings

Penalty Computation Worksheet

Company Name: Collis, Inc.
Address: 2005 S. 19th Street, Clinton, Iowa 52733
RCRA ID: IAD047303771

Count I: Title 40 Code of Federal Regulations (40 CFR) § 262.11—Failure to conduct hazardous waste determinations on multiple containers.

| | |
|---|-----------|
| Penalty Amount for Count I | \$9,210 |
| 1. Gravity Based Matrix Value (value from Matrix Table) Calculated for violations occurring 2008-2010. a. Potential for Harm: moderate b. Extent of Deviation: moderate c. Cell Position: 50% of the cell value | |
| 2. Multi-day/Multiple Occurrence Component for Count I Multiple Occurrence: Calculated for violations occurring 2008-2010 = 1 occurrences x \$9,210 = a. Potential for Harm: moderate b. Extent of Deviation: moderate c. Cell Position: 50% of the cell value | \$9,210 |
| Multi-Day: Not Applicable | |
| Initial Penalty Total | \$18,400 |
| 3. Adjustment Factors (+/- 25 % adjustment allowed on each factor) | 0% |
| a. Good Faith | |
| b. Willfulness/Negligence | +25% |
| c. History of Noncompliance | 0% |
| % Amount of Penalty Adjustment | +25% |
| \$ Amount of Penalty Adjustment | \$4,600 |
| 4. Economic Benefit | \$2,823 |
| Penalty Amount for Count I | \$25,823 |
| Total Penalty Amount for Complaint | \$342,742 |

Penalty Computation Worksheet

Company Name: Collis, Inc.
Address: 2005 S. 19th Street, Clinton, Iowa 52733
RCRA ID: IAD047303771

Count II: Solid Waste Disposal Act (SWDA) § 3005 (42 U.S.C. § 6925)—Operating as a TSDF without a permit for failing to comply with generator requirements.

| | |
|---|-----------|
| Penalty Amount for Count II | \$8,382 |
| 1. Gravity Based Matrix Value (value from Matrix Table) Calculated for 2007 violations a. Potential for Harm: moderate b. Extent of Deviation: moderate c. Cell Position: 50% of the cell value | |
| 2. Multi-day/Multiple Occurrence Component for Count II Multiple Occurrence: Calculated for 2010 violations = 1 occurrence x \$9210 = a. Potential for Harm: moderate b. Extent of Deviation: moderate c. Cell Position: 50% of the cell value | \$9,210 |
| Multi-Day: Calculated for 2010 violations = (180 days – 2 days) x \$1,295 = a. Potential for Harm: moderate b. Extent of Deviation: moderate c. Cell Position: 50% of the cell value | \$230,510 |
| Initial Penalty Total | \$248,100 |
| 3. Adjustment Factors (+/- 25 % adjustment allowed on each factor) | 0% |
| a. Good Faith | |
| b. Willfulness/Negligence | 25% |
| c. History of Noncompliance | 0% |
| % Amount of Penalty Adjustment | 25% |
| \$ Amount of Penalty Adjustment | \$62,025 |
| 4. Economic Benefit | \$4,792 |
| Penalty Amount for Count II | \$314,917 |
| Total Penalty Amount for Complaint | \$342,742 |

Penalty Computation Worksheet

Company Name: Collis Inc.
Address: 2005 S. 19th Street, Clinton, Iowa 52733
RCRA ID: IAD047303771

Count III: 40 C.F.R. § 279.22(c)(1)—Failure to label used oil containers

| | |
|--|-----------|
| Penalty Amount for Count III | \$387 |
| 1. Gravity Based Matrix Value (value from Matrix Table) Calculated for 2007 violations a. Potential for Harm: minor b. Extent of Deviation: minor c. Cell Position: 50% of the cell value | |
| 2. Multi-day/Multiple Occurrence Component for Count III Calculated for 2010 violations a. Potential for Harm: minor b. Extent of Deviation: minor c. Cell Position: 50% of the cell value | \$425 |
| Initial Penalty Total | \$800 |
| 3. Adjustment Factors (+/- 25 % adjustment allowed on each factor) | 0% |
| a. Good Faith | |
| b. Willfulness/Negligence | 25% |
| c. History of Noncompliance | 0% |
| % Amount of Penalty Adjustment | 25% |
| \$ Amount of Penalty Adjustment | \$200 |
| 4. Economic Benefit | \$0 |
| Penalty Amount for Count III | \$1,000 |
| Total Penalty Amount for Complaint | \$342,742 |

Penalty Computation Worksheet

Company Name: Collis Inc.
Address: 2005 S. 19th Street, Clinton, Iowa 52733
RCRA ID: IAD047303771

Count IV: Failure to comply with universal waste requirements

| | |
|---|-----------|
| Penalty Amount for Count IV | \$387 |
| 1. Gravity Based Matrix Value (value from Matrix Table) Calculated for 2007 violations a. Potential for Harm: minor b. Extent of Deviation: minor c. Cell Position: 50% of the cell value | |
| 2. Multi-day/Multiple Occurrence Component for Count IV Calculated for 2010 violations a. Potential for Harm: minor b. Extent of Deviation: minor c. Cell Position: 50% of the cell value | \$425 |
| Initial Penalty Total | \$800 |
| 3. Adjustment Factors (+/- 25 % adjustment allowed on each factor) | 0% |
| a. Good Faith | |
| b. Willfulness/Negligence | 25% |
| c. History of Noncompliance | 0% |
| % Amount of Penalty Adjustment | 25% |
| \$ Amount of Penalty Adjustment | \$200 |
| 4. Economic Benefit | \$2 |
| Penalty Amount for Count IV | \$1,002 |
| Total Penalty Amount for Complaint | \$342,742 |

CERTIFICATE OF SERVICE

I certify that on the date noted below I hand delivered the original and one copy of the Complaints and Notice of Opportunity for Hearing in the matter of Collis, Inc., Docket No. RCRA-07-2012-0014 to the Regional Hearing Clerk, EPA, 901 North 5th Street, Kansas City, Kansas 66101.

I further certify that on the date noted below I sent a copy of the above-referenced documents to the following:

via Certified Mail, to:

CT Corporation System
Registered Agent for Collis, Inc.
500 East Court Ave
Des Moines, IA 50309

via Certified Mail, to:

Hank Evans
General Manager
Collis, Inc.
2005 South 19th Street
Clinton, IA 52732

Via Certified Mail, to:

Charles M. Denton
Suite 1000
171 Monroe Avenue, NW
Grand Rapids, MI 49503

3/27/12
Date


Name: