



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

REPLY TO THE ATTENTION OF:

**CERTIFIED MAIL 7009 1680 0000 7663 7039**  
**RETURN RECEIPT REQUESTED**

Mr. Charley Kubler, CHMM  
Director of Environmental Management  
G&K Services Company, Inc.  
5995 Opus Parkway  
Minnetonka, Minnesota 55343

Re: G&K Services, Inc.  
EPA ID No.: ILR 000 024 018  
Consent Agreement and Final Order  
Docket No.:

Dear Mr. Kubler,

Enclosed please find the original signed copy of a fully executed Consent Agreement and Final Order (CAFO) in response to the referenced case. We filed the original with the Regional Hearing Clerk on NOV 26 2013.

Please pay the civil penalty of \$280,000.00 in accordance with paragraph 52 of the CAFO, and reference your check with the Docket Number RCRA-05-2014-0003. Also, enclosed is a *Notice of Securities and Exchange Commission Registrant's Duty to Disclose Environmental Legal Proceedings*.

Thank you again for your cooperation in resolving this matter.

Sincerely,

Gary J. Victorine  
Chief,  
RCRA Branch

Enclosures

cc: Todd Marvel, Illinois EPA (w/ CAFO)(todd.marvel@illinois.gov)

bcc: Graciela Scambiaterra, CS1



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

IN THE MATTER OF:	)	Docket No.: RCRA-05-2014-0003
	)	
G&K SERVICES, INC.,	)	Proceeding to Commence and Conclude
JUSTICE, ILLINOIS,	)	an Action to Assess a Civil Penalty
	)	Under Section 3008(a) of the Resource
U.S. EPA ID No.: ILR 000 024 018,	)	Conservation and Recovery Act,
	)	42 U.S.C. § 6928(a)
RESPONDENT.	)	
	)	

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CONSENT AGREEMENT AND FINAL ORDER

PRELIMINARY STATEMENT

1. This is an administrative action commenced and concluded under section 3008(a) of the Solid Waste Disposal Act, also known as the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6928(a), and sections 22.13(b) and 22.18(b)(2) and (3) 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 Director of the Land and Chemicals Division, United States Environmental Protection Agency (U.S. EPA), Region 5.
3. U.S. EPA provided notice of commencement of this action to the State of Illinois pursuant to section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2).
4. Respondent is G&K Services, Inc., a Minnesota corporation doing business in the State of Illinois.

5. 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 complaint, an administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO).

6. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

7. Respondent consents to the terms of this CAFO, including the assessment of the civil penalty specified below.

#### **JURISDICTION AND WAIVER OF RIGHT TO HEARING**

8. Jurisdiction for this action is conferred upon U.S. EPA by sections 2002(a)(1), 3006(b), and 3008 of RCRA, 42 U.S.C. §§ 6912(a)(1), 6926(b), and 6928.

9. Respondent admits the jurisdictional allegations set forth in paragraphs 1 and 2 above and neither admits nor denies the factual allegations in this CAFO.

10. 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.

11. Respondent certifies that it is complying fully with RCRA, 42 U.S.C. §§ 6901 – 6939e, the regulations at 40 C.F.R. §§ 260.1 – 279.82 and the federally-authorized Illinois corollaries to the federal regulations for Respondent's Justice, Illinois, facility.

#### **STATUTORY AND REGULATORY BACKGROUND**

12. U.S. EPA has promulgated regulations, codified at 40 C.F.R. parts 260 through 279, governing generators and transporters of hazardous waste and facilities that treat, store, and dispose of hazardous waste or used oil, pursuant to, among others, sections 3001 – 3007, 3013 and 3014 of RCRA, 42 U.S.C. §§ 6921 – 6927, 6934 and 6935.

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

14. Pursuant to section 3006(b) of RCRA, 42 U.S.C. § 6926(b), at 51 Fed. Reg. 3778 (January 31, 1986), the Administrator of U.S. EPA granted the State of Illinois final authorization to administer a state hazardous waste program in lieu of the federal government's base RCRA program effective on the date of publication. This program has been amended and reauthorized several times since.

15. Under section 3008(a) of RCRA, 42 U.S.C. § 6928(a), U.S. EPA may issue an order assessing a civil penalty for any past or current violation. The Administrator of U.S. EPA may assess a civil penalty of up to \$25,000 per day for each violation of subtitle C of RCRA according to section 3008 of RCRA, 42 U.S.C. § 6928. The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 note (1996), required U.S. EPA to adjust its penalties for inflation on a periodic basis. Pursuant to the Civil Monetary Penalty Inflation Adjustment Rule, published at 40 C.F.R. part 19, U.S. EPA may assess a civil penalty of up to \$32,500 per day for each violation of subtitle C of RCRA that occurred after March 15, 2004 through January 12, 2009, and \$37,500 per day for each violation of subtitle C of RCRA that occurred after January 12, 2009.

## FACTUAL ALLEGATIONS AND ALLEGED VIOLATIONS

16. Respondent was and is a “person” as defined by 35 IAC § 720.110, 329 IAC §§ 3.1-4-1 and 3.1-4-1(b), 40 C.F.R. § 260.10, and section 1004(15) of RCRA, 42 U.S.C. § 6903(15).

17. Respondent is an “owner” or “operator,” as those terms are defined at IAC § 720.110 [40 C.F.R. § 260.10]<sup>1</sup>, of a facility located at 8201 South Cork Road, Justice, Illinois (facility).

18. The facility consists of land and structures, other appurtenances, and improvements on the land used for treating, storing, or disposing of hazardous waste.

19. At all times relevant to this CAFO, Respondent operated an industrial laundry which includes the operation of five steam drying machines used to remove solvent waste from contaminated rags prior to general laundering. Respondent’s facility is thus a “facility,” as that term is defined under 35 IAC § 720.110 [40 C.F.R. § 260.10].

20. At all times relevant to this CAFO, Respondent’s five steam drying machines generated solvent waste, a discarded material, for temporary periods in an approximately 70-gallon tank associated with the steam drying machines and a larger 2,000-gallon tank before the material was shipped from the facility for treatment, storage, disposal or incineration elsewhere.

21. Between December 11, 2008, and March 29, 2011, Respondent also accumulated solvent waste in a sump at the end of its wastewater treatment system before the material was shipped from the facility for treatment, storage, disposal or incineration elsewhere.

21. Respondent characterized its solvent waste as hazardous waste D001.

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<sup>1</sup> For the purposes of this document and for convenient reference, federal corollaries to enforceable Illinois hazardous waste program requirements are provided in brackets.

22. Respondent stored, transported, disposed of, or otherwise handled its D001 solvent waste in “tanks” as that term is defined under 35 IAC § 720.110 [40 C.F.R. § 260.10].

23. At all times relevant to this CAFO, Respondent’s D001 solvent waste was a “solid waste” as that term is defined under 35 IAC § 720.110 [40 C.F.R. § 260.10] and 35 IAC § 721.102 [40 C.F.R. § 261.2].

24. At all times relevant to this CAFO, Respondent’s D001 solvent waste was a “hazardous waste” as that term is defined under 35 IAC § 720.110 [40 C.F.R. § 260.10] and 35 IAC § 721.103 [40 C.F.R. § 261.3].

25. Respondent produced more than 1,000 kilograms (2,205 pounds) of hazardous waste each calendar month relevant to this CAFO, and was a large quantity generator and a “generator,” as that term is defined under 35 IAC § 720.110 [40 C.F.R. § 260.10].

26. At no time relevant to this CAFO had the State of Illinois issued a permit to Respondent to treat, store, or dispose of hazardous waste at its facility.

27. At no time relevant to this CAFO did Respondent have interim status for the treatment, storage, or disposal of hazardous waste at its facility.

28. On or about July 2, 1996, U.S. EPA received Respondent’s Hazardous Waste Notification in which Respondent identified itself as a large-quantity generator.

### **COUNT I**

29. Pursuant to 3005(a) of RCRA, 42 U.S.C. § 6925(a), 415 ILCS § 5/21(f) and authorized regulations promulgated thereunder, the treatment, storage or disposal of hazardous waste by any person who has not applied for or received a permit is prohibited.

30. Pursuant to 35 IAC § 722.134(a) [40 C.F.R. § 262.34], however, and subject to certain exceptions, a generator of hazardous waste in Illinois may accumulate hazardous waste

on-site for 90 days or less without having a permit or interim status, provided that the generator complies with all applicable conditions set forth in 35 IAC § 722.134 [40 C.F.R. § 262.34] including, but not limited to, requirements for owners and operators.

31. A generator who accumulates hazardous waste for more than 90 days is an operator of a storage facility and is subject to the requirements of 35 IAC parts 724 and 725 and the permit requirements of 35 IAC §§ 703.121, 703.180, and 705.121. Storage for more than 90 days subjects the generator of hazardous waste to the requirement to either obtain a permit or achieve interim status.

32. Similarly, a generator who stores hazardous waste but fails to comply with any of the conditions of 35 IAC § 722.134 [40 C.F.R. § 262.34], is subject to the requirements of 35 IAC parts 724 and 725 and the permit requirements of 35 IAC §§ 703.121, 703.180, and 705.121.

33. For a generator of hazardous waste to be exempt from the requirement to have an operating permit or interim status, 35 IAC § 722.134 [40 C.F.R. § 262.34] requires that it must, among other things: **1)** comply with the personnel training requirements of 35 IAC § 725.116 [40 C.F.R. § 265.16]; **2)** prepare and maintain a contingency plan as delineated by 35 IAC part 725, subpart D [40 C.F.R. part 265, subpart D]; **3)** prepare and maintain a written tank system certification as delineated by 35 IAC § 725.292(a) [40 C.F.R. § 265.192(a)]; **4)** conduct daily inspections of its hazardous waste tanks and tank systems and document those inspections as delineated by 35 IAC 725.295 [40 C.F.R. § 265.195]; **5)** mark each container holding hazardous waste with the date upon which each period of accumulation begins, as required by 35 IAC § 722.134(a)(2) [40 C.F.R. § 262.34(a)(2)]; and **6)** mark each container holding hazardous waste



with the words “Hazardous Waste” while waste is being accumulated it, as required by 35 IAC § 722.134(a)(3) [40 C.F.R. § 262.34(a)(3)].

34. On July 24, 2008, Respondent had neither conducted personnel training for the year 2007 nor maintained records of the training as required by 35 IAC § 725.116 [40 C.F.R. § 265.16].

35. On July 24, 2008, Respondent had neither prepared nor maintained a contingency plan for the facility conforming to the requirements of 35 IAC part 725 subpart D [40 C.F.R. part 265, subpart D].

36. On July 24, 2008, Respondent had neither prepared nor maintained written tank certifications conforming to the requirements of 35 IAC § 725.292(a) [40 C.F.R. § 265.192(a)] for the tanks holding hazardous waste at its facility.

37. On July 24, 2008, Respondent had neither performed daily inspections of its tanks and tank systems nor documented those inspections as required by 35 IAC § 725.295 [40 C.F.R. § 265.195].

38. On July 24, 2008, Respondent had not marked each container holding hazardous waste with the date upon which each period of accumulation begins, as required by 35 IAC § 722.134(a)(2) [40 C.F.R. § 262.34(a)(2)].

39. On July 24, 2008, Respondent had not marked each container holding hazardous waste with the words “Hazardous Waste” while waste was being accumulated it, as required by 35 IAC § 722.134(a)(3) [40 C.F.R. § 262.34(a)(3)].

40. Accordingly, Respondent failed to satisfy all of the conditions for maintaining its exemption from the requirement that it have an operating permit or interim status.

41. As a result of Respondent's failure to meet all of the applicable conditions for the generator exemption provided by 35 IAC § 722.134, Respondent became an operator of a hazardous waste treatment, storage, and disposal facility.

42. Respondent's storage of hazardous waste without a permit or interim status violated the requirements of 35 IAC §§ 703.121, 703.180, and 705.121 and section 3005 of RCRA, 42 U.S.C. § 6925(a), and authorizes assessment of a penalty under section 3008(a) of RCRA, 42 U.S.C. § 6928(a).

### **COUNT II**

43. Illinois hazardous waste regulations, at 35 IAC § 722.140(b), require that a generator preparing an Annual Report pursuant to 35 IAC § 722.141(a) must maintain a copy of that report for a period of at least three years from the due date of that report.

44. Respondent filed Annual Reports pursuant to 35 IAC § 722.141(a) for calendar years 2005, 2006 and 2007.

45. On July 24, 2008, Respondent could not produce copies of the Annual Reports for calendar years 2005, 2006 or 2007.

46. Respondent's failure to maintain copies of its Annual Reports prepared pursuant to 35 IAC § 722.141(a) for calendar years 2005, 2006 and 2007 is a violation of 35 IAC § 722.140(b) and authorizes assessment of a penalty under section 3008(a) of RCRA, 42 U.S.C. § 6928(a).

### **COUNT III**

47. Illinois hazardous waste regulations, at 35 IAC § 722.120(a), require that a generator who transports, or offers for transport, a hazardous waste for offsite treatment, storage, or disposal, must prepare a manifest on EPA Form 8700-22, and if necessary, EPA Form 8700-

22A, according to the instructions included in the appendix of that part, including the U.S. Department of Transportation (DOT) description of the waste and any RCRA waste codes associated with the waste.

48. On the following dates and under the listed manifest numbers, Respondent offered hazardous waste from the wastewater treatment system sump for transport:

<u>Date of Shipment</u>	<u>Manifest Number</u>
December 13, 2008	#001360174 FLE
December 13, 2008	#001360175 FLE
January 10, 2009	#001360185 FLE
January 10, 2009	#001360186 FLE
October 16, 2010	#007925154 JJK
September 25, 2010	#007813542 JJK
October 16, 2010	#007925238 JJK
November 13, 2010	#007925138 JJK
November 13, 2010	#007858675 JJK

49. The manifests listed in the previous paragraph failed to include all the information required by EPA Form 8700-22, specifically, information relating to the hazardous waste from the wastewater treatment system sump.

50. Respondent's failure to include all the information required by EPA Form 8700-22 on the hazardous waste manifests listed in paragraph 48 is a violation of 35 IAC § 722.120(a) and authorizes assessment of a penalty under section 3008(a) of RCRA, 42 U.S.C. § 6928(a).

#### **CIVIL PENALTY**

51. Pursuant to section 3008(a)(3) of RCRA, 42 U.S.C. § 6928(a)(3), Complainant determined that an appropriate civil penalty to settle this action is \$280,000. In determining the penalty amount, Complainant took into account the seriousness of the violation and any good faith efforts to comply with the applicable requirements. Complainant also considered U.S. EPA's RCRA Civil Penalty Policy, dated June 23, 2003.

52. Within 30 days after the effective date of this CAFO, Respondent must pay a \$280,000 civil penalty for the RCRA violations described herein by sending a cashier's or certified check, payable to the "Treasurer, United States of America," to:

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

The check must bear Respondent's name and the case docket number of this CAFO.

53. A transmittal letter stating Respondent's name, the case title and the case docket number must accompany the payment. Respondent must send a copy of the check and transmittal letter to:

Regional Hearing Clerk (E-19J)  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Graciela Scambiaterra (LR-8J)  
RCRA Branch  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Robert S. Guenther (C-14J)  
Office of Regional Counsel  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

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

55. If Respondent does not timely pay the civil penalty, U.S. EPA may bring an action to collect any unpaid portion of the penalty with interest, handling charges, nonpayment penalties, and the United States enforcement expenses for the collection action. Respondent

agrees that the validity, amount, and appropriateness of the civil penalty are not reviewable in a collection action.

56. Pursuant to 31 C.F.R. § 901.9, Respondent must pay the following on any amount overdue under this CAFO. Interest will accrue on any amount overdue from the date payment was due at a rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717(a)(1). Respondent must pay a \$15 handling charge each month that any portion of the penalty is more than 30 days past due. In addition, Respondent must pay a 6 percent per year penalty on any principal amount 90 days past due.

#### **GENERAL PROVISIONS**

57. This CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts alleged in the CAFO.

58. This CAFO does not affect the right of U.S. EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.

59. This CAFO does not affect Respondent's responsibility to comply with RCRA and other applicable federal, state, local laws or permits.

60. This CAFO is a "final order" for purposes of 40 C.F.R. § 22.31, U.S. EPA's RCRA Civil Penalty Policy, and U.S. EPA's Hazardous Waste Civil Enforcement Response Policy (December 2003).

61. The terms of this CAFO bind Respondent, its successors, and assigns.

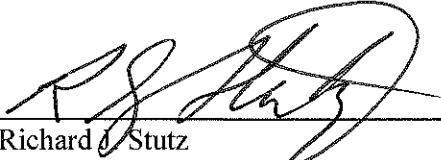
62. Each person signing this agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

63. Each party agrees to bear its own costs and attorney's fees in this action.

64. This CAFO constitutes the entire agreement between the parties.

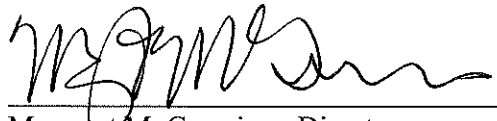
**G&K Services, Inc., Respondent**

10/8/13  
Date

  
Richard Stutz  
Senior Vice President  
Operations and Sourcing

**United States Environmental Protection Agency, Complainant**

11/15/2013  
Date

  
Margaret M. Guerriero, Director  
Land and Chemicals Division

In the Matter of:  
G&K Services, Inc.,  
Docket No. RCRA-05-2014-0003



**FINAL ORDER**

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing 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.

11/20/13

Date

A handwritten signature in blue ink, appearing to read "S. Hedman", written over a horizontal line.

Susan Hedman  
Regional Administrator  
United States Environmental Protection Agency  
Region 5

CASE NAME: G & K Services, Inc.

DOCKET NO: RCRA-05-2014-0003



**CERTIFICATE OF SERVICE**

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

I further certify that I then caused copies of the original filed documents to be mailed on the date below, via Certified Mail and Return Receipt Requested, to:

Mr. Charles Kubler/ CHMM  
G & K Services, Inc  
5995 Opus Parkway  
Minnetonka, Minnesota 55343  
Certified Mail # 7009 1680 0000 7663 7039

Dated: NOV, 26, 2013

A handwritten signature in black ink that reads "Ruben B. Aridge".

Ruben B. Aridge  
Office Administrative Assistant  
United States Environmental Protection Agency  
Region V  
Land and Chemicals Division LM-8J  
77 W. Jackson Blvd, Chicago, IL 60604-3590