UNITED STATES ENVIRONMENTAL PROTECTION AGENCY Region 4

In the Matter of:	
107 Brigade Street, LLC, and Charleston Foundry Owner, LLC	Docket No. TSCA-04-2021-3204(b)
Respondents.	

CONSENT AGREEMENT

I. NATURE OF ACTION

- 1. This is an administrative penalty assessment proceeding brought under Section 16(a) of the Toxic Substances Control Act (TSCA or the Act), 15 U.S.C. § 2615(a), and Sections 22.13(b) and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at Title 40 of the Code of Federal Regulations (C.F.R.), Part 22.
- 2. This Consent Agreement and the attached Final Order shall collectively be referred to as the CAFO.
- 3. Having found that settlement is consistent with the provisions and objectives of the Act and applicable regulations, the Parties have agreed to settle this action pursuant to 40 C.F.R. § 22.18 and consent to the entry of this CAFO without adjudication of any issues of law or fact herein.

II. PARTIES

- 4. Complainant is the Director of the Enforcement and Compliance Assurance Division, Region 4, who has been delegated the authority on behalf of the Administrator of the U.S. Environmental Protection Agency to enter into this CAFO pursuant to 40 C.F.R. Part 22 and Section 16(a) of TSCA, 15 U.S.C. § 2615(a).
- 5. Respondents are 107 Brigade Street, LLC and Charleston Foundry Owner, LLC, doing business in the State of South Carolina. This proceeding pertains to the redeveloped property owned and operated by Respondents and located at 6805 Morrison Boulevard, Charleston, South Carolina 29403 (Facility).

III. GOVERNING LAW

- 6. Pursuant to Section 6(e) of TSCA, 15 U.S.C. § 2605, the Administrator of the EPA promulgated regulations in 40 C.F.R. Part 761 pertaining to Polychlorinated Biphenyls (PCBs). Failure to comply with any such rule constitutes a violation of Section 15 of TSCA, 15 U.S.C. § 2614. Any person who violates Section 15 of TSCA, 15 U.S.C. § 2614, may be assessed a civil penalty in accordance with Section 16(a) of TSCA, 15 U.S.C. § 2615(a), and 40 C.F.R. Part 19, as amended. Each day a violation continues may constitute a separate violation.
- 7. The term "PCB waste" is defined in 40 C.F.R. § 761.3, as those PCBs and PCB Items that are subject to the disposal requirements of subpart D of this part.
- 8. The term "Disposer of PCB Waste" is defined in 40 C.F.R. § 761.3, as used in subparts J and K of the PCB regulations, to means any person who owns or operates a facility approved by the EPA for the disposal of PCB waste which is regulated for disposal under the requirements of subpart D of this part.
- 9. The term "Facility" is defined in 40 C.F.R. § 761.3, as all contiguous land, and structures, other appurtenances, and improvements on the land, used for the treatment, storage, or disposal of PCB waste. A facility may consist of one or more treatment, storage, or disposal units.
- 10. The term "Person" is defined in 40 C.F.R. § 761.3, as any natural or judicial person including any individual, corporation, partnership, or association; any State or political subdivision thereof; any interstate body; and any department, agency, or instrumentality of the Federal Government.

IV. FINDINGS OF FACTS

- 11. At all times relevant to this CAFO, Respondents were and/or are "disposers of PCB waste" and "persons" as those terms are defined in 40 C.F.R. § 761.3.
- 12. On September 26, 2017, the EPA issued a TSCA PCB Cleanup and Disposal Approval (Approval) pursuant to 40 CFR §§ 761.61(a) and (c) to NOMO Investment Partners II, LLC and 107 Brigade Street, LLC authorizing them to proceed with the PCB Cleanup at the Facility, formerly operated as Charleston Steel and Metal, as part of the redevelopment of the Facility property. At the time the Approval was issued, the Facility consisted of one industrial tract known as Tract 2 located on the southern portion of the Facility, designated as Charleston County TMS 464-00-00-017. Tract 2 was developed into the Foundry, a residential apartment development.
- 13. On August 17, 2018, the EPA issued a modification to the Approval, which added Tract 1C, Charleston County TMS 464-00-00-049. Tract 1C became internal roads named Huguenin Avenue and Sottile Street for the Foundry residential redevelopment project.
- 14. On March 28, 2019, SCS Engineers, on behalf of 107 Brigade Street, LLC and NOMO Investment Partners II, LLC, submitted to the EPA a Surveillance and Maintenance Plan for the Former Charleston Steel and Metal Site Tracts 2 and 1C which included a cost estimate for the long-term operation and maintenance of the cap proposed to be placed over areas of PCBs left in

- soils between 1 ppm and 100 ppm.
- 15. On November 9, 2020, the EPA approved the Surveillance and Maintenance Plan cost estimate in the amount of \$150,000.
- 16. Pursuant to Condition 6 of the Approval, as modified, the parties to whom the Approval was issued, 107 Brigade Street, LLC and NOMO Investment Partners II, LLC and any successor owners, were required to submit documentation to the EPA demonstrating financial assurance using a mechanism described in 40 C.F.R. §§ 264.140 through 264.151 in at least the amount of the cost estimate as described in Condition 5.b. of the Approval, as modified.
- 17. Pursuant to Condition 6.a. of the Approval, as modified, 107 Brigade Street, LLC and NOMO Investment Partners II, LLC, and any successor owners, were required to have submitted financial assurance documentation no later than sixty (60) calendar days after the approval of the cost estimate, which was on or before January 9, 2021.
- 18. On March 15, 2021, April 7, 2021 and April 15, 2021, the EPA notified representatives of 107 Brigade Street, LLC and NOMO Investment Partners II, LLC that financial assurance documentation as required per Condition 6 of the Approval, as modified, had not been submitted to the EPA.
- 19. Pursuant to the Condition 7 of the Approval, as modified, and in accordance with the regulations at 40 C.F.R. § 761.61(a), within sixty (60) calendar days of the completion of the redevelopment of the Facility, which was on December 14, 2020, 107 Brigade Street, LLC and NOMO Investment Partners II, LLC, and any successor owners, were required to record, in accordance with state law, a deed restriction indicating, among other things, that the Facility property has PCBs in concentrations between 1 ppm and 100 ppm left in place under a soil cap.
- 20. At some point after the Approval and modification were issued to 107 Brigade Street and NOMO Investment Partners II, LLC in 2017 and 2018, a company named MSP NOMO Owner LLC became the owner of the Foundry property (Tract 2) and completed the work required by the Approval, as modified, for both the Foundry property and the Tract 1C area (roads). Based on information provided by current and prior counsel for the owners of the Facility, ownership of the Foundry property changed from NOMO Investment Partners II, LLC to NOMO Investment Partners, LLC, and subsequently to MSP NOMO Owner, LLC. MSP NOMO Owner, LLC deeded its interest in the Foundry property (Tract 2) to Charleston Foundry Owner, LLC (98.087%) and Sweetgrass Foundry Investors, LLC (1.913%). Sweetgrass Foundry Investors immediately deeded its interest in the Foundry property to Charleston Foundry Owner. The EPA was not notified of these ownership changes as required by the Approval, as modified.
- 21. As of the date of this CAFO, the current owner of the Facility development known as the Foundry (Tract 2) is Respondent, Charleston Foundry Owner, LLC, and the current owner of Tract 1C (internal roads at the Facility) is Respondent, 107 Brigade Street, LLC.
- 22. Neither 107 Brigade Street, LLC, NOMO Investment Partners II, LLC, or any subsequent owners recorded deed restrictions on Tracts 1C and 2 as required by Condition 7 of the Approval, as modified, and in accordance with the requirements set forth in 40 C.F.R.

- § 761.61(a) within sixty (60) calendar days of December 14, 2020, the date of completion of the Facility redevelopment.
- 23. Pursuant to the Condition 8 of the Approval, as modified, 107 Brigade Street, LLC and NOMO Investment Partners II, LLC, and any subsequent owners are required to notify the EPA at least thirty (30) days before transferring ownership or operational control of the Facility. 107 Brigade Street, LLC, and NOMO Investment Partners II, LLC, and subsequent owners did not timely notify the EPA at least thirty (30) days prior to any transfers of ownership or operational control of the Facility properties that occurred between 2017 and 2020, as indicated above.
- 24. The owners of the Facility, as set forth in the Approval, as modified, are responsible for ensuring compliance with the Conditions set forth in the Approval, as modified.
- 25. On August 31, 2021, 107 Brigade Street, LLC and Charleston Foundry Owner, LLC submitted to the EPA an executed performance bond. Performance bond #800034079, dated July 12, 2021, was issued to Charleston Foundry Owner, LLC and 107 Brigade Street, LLC.
- 26. On September 16, 2021, Respondents submitted to the EPA a Standby Trust Agreement to accompany the performance bond described above.
- 27. On September 3, 2021, Respondents 107 Brigade Street, LLC and Charleston Foundry Owner, LLC filed the deed restrictions for the Facility properties with Charleston County, South Carolina.

V. ALLEGED VIOLATIONS

- 28. The EPA alleges that Respondents failed to provide documentation to the EPA demonstrating they had obtained financial assurance using a mechanism described in 40 C.F.R. §§ 264.140 through 264.151, in at least the amount of the cost estimate approved by the EPA, in accordance with Conditions 5 and 6 of the Approval, as modified, by no later than sixty (60) calendar days after the EPA approved the cost estimate, in violation of Section 15 of TSCA, 15 U.S.C. § 2614.
- 29. The EPA alleges that Respondents failed to record deed restrictions on Tracts 1C and 2 within sixty (60) days after completion of the redevelopment, as required by Condition 7 of the Approval, as modified, and 40 C.F.R. § 761.61(a)(8), in violation of Section 15 of TSCA, 15 U.S.C. § 2614.
- 30. The EPA alleges that Respondents failed to notify the EPA at least thirty (30) days before ownership or operational control of the Foundry property (Tract 2) of the Facility was transferred to new owners, in violation of Condition 8 of the Approval, as amended, and Section 15 of TSCA, 15 U.S.C. § 2614.

VI. STIPULATIONS

- 31. The issuance of this CAFO simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).
- 32. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondents:

- a. admit that the EPA has jurisdiction over the subject matter alleged in this CAFO;
- b. neither admit nor deny the factual allegations set forth in Section IV (Findings of Facts) of this CAFO;
- c. consent to the assessment of a civil penalty as stated below;
- d. consent to the conditions specified in this CAFO;
- e. waive any rights to contest the allegations set forth in Section V (Alleged Violations) of this CAFO; and
- f. waive its rights to appeal the Final Order accompanying this CAFO.
- 33. For the purpose of this proceeding, Respondents:
 - a. agree that this CAFO states a claim upon which relief may be granted against Respondents;
 - b. acknowledge that this CAFO constitutes an enforcement action for purposes of considering Respondents' compliance history in any subsequent enforcement actions;
 - c. waive any rights it may possess at or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action;
 - d. by executing this CAFO, certify to the best of its knowledge that Respondents are currently in compliance with all relevant requirements of the Act and its implementing regulations, and that all violations alleged herein, which are neither admitted nor denied, have been corrected; and
 - e. agree to comply with the terms of the CAFO.
- 34. In accordance with 40 C.F.R. § 22.5, the individuals named in the certificate of service are authorized to receive service related to this proceeding and the parties agree to receive service by electronic means.

VII. TERMS OF PAYMENT

- 35. Based on the foregoing alleged facts and violations, and Respondents' cooperation with the EPA in this matter, the EPA assesses and Respondents consent to the payment of a civil penalty, which was calculated in accordance with the Act, in the amount of **NINETY-FIVE**THOUSAND DOLLARS (\$95,000) to be paid within thirty (30) calendar days of the Effective Date of this CAFO.
- 36. Payment shall be made by cashier's check, certified check, by electronic funds transfer (EFT), or by Automated Clearing House (ACH) (also known as REX or remittance express). If paying by check, the check shall be payable to: Treasurer, United States of America, and the Facility name

and docket number for this matter shall be referenced on the face of the check. If Respondents send payment by the U.S. Postal Service, the payment shall be addressed to:

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

If Respondents send payment by non-U.S. Postal express mail delivery, the payment shall be sent to:

U.S. Bank Government Lockbox 979077 U.S. EPA Fines & Penalties 1005 Convention Plaza Mail Code: SL-MO-C2-GL St. Louis, Missouri 63101 Contact number: (314) 425-1819

If paying by EFT, Respondents shall transfer the payment to:

Federal Reserve Bank of New York

ABA: 021030004

Account Number: 68010727 SWIFT address: FRNYUS33

33 Liberty Street

New York, New York 10045

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

If paying by ACH, Respondents shall remit payment to:

US Treasury REX / Cashlink ACH Receiver

ABA: 051036706

Account Number: 310006, Environmental Protection Agency

CTX Format Transaction Code 22 – checking Physical

location of US Treasury facility:

5700 Rivertech Court

Riverdale, Maryland 20737

Contact: John Schmid, (202) 874-7026

REX (Remittance Express): 1-866-234-5681

37. Respondents shall send proof of payment within 24 hours of payment of the civil penalty, to:

Regional Hearing Clerk U.S. EPA Region 4

61Forsyth Street, S.W. Atlanta, Georgia 30303-8960 R4 Regional Hearing Clerk@epa.gov

and

Kris Lippert
Chemical Safety and Land Enforcement Branch
Enforcement and Compliance Assurance Division
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303-8960
lippert.kristin@epa.gov

- 38. "Proof of payment" means, as applicable, a copy of the check, confirmation of credit card or debit card payment, confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the Facility name and "Docket No. TSCA-04-2021-3204(b)."
- 39. Pursuant to Section 16(a) of TSCA, 15 U.S.C. § 2615(a), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondents fail to remit the civil penalty as agreed to herein, the EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the costs of processing and handling the delinquent claim. Accordingly, the EPA may require the Respondent to pay the following amounts on any amount overdue:
 - a. Interest. Interest will begin to accrue on the civil penalty from the Effective Date of this CAFO. If the civil penalty is paid within 30 days of the Effective Date of this CAFO, Interest is waived. However, if the civil penalty is not paid in full within 30 days of the Effective Date of this CAFO, Interest will continue to accrue on any unpaid portion until the unpaid portion of the civil penalty and accrued Interest are paid. Interest will be assessed at the rate of the United States Treasury tax and loan rate, as established by the Secretary of the Treasury, in accordance with 31 U.S.C. § 3717(a)(1), 31 C.F.R. § 901.9(b)(2), and 40 C.F.R. § 13.11(a).
 - b. Non-Payment Penalty. On any portion of a civil penalty more than ninety (90) calendar days past due, Respondents must pay a non-payment penalty of not more than six percent (6%) per annum, which will accrue from the date the penalty payment became due and is not paid, as provided in 31 U.S.C. § 3717(e)(2) and 31 C.F.R. § 901.9(d). This non-payment penalty is in addition to charges which accrue or may accrue under subparagraphs (a) and (c) and will be assessed monthly. 40 C.F.R. § 13.11(c).
 - c. Monthly Handling Charge. Respondents must pay a late payment handling charge to cover the administrative costs of processing and handling the delinquent claim, based on either actual or average cost incurred. 31 C.F.R. § 901.9(c), and 40 C.F.R.

- § 13.11(b). Administrative costs will be assessed monthly throughout the period the debt is overdue except as provided by 40 C.F.R. § 13.12.
- 40. In addition to what is stated in the prior Paragraph, if Respondents fail to timely pay any portion of the penalty assessed under this CAFO, the EPA may:
 - a. refer the debt to a credit reporting agency or a collection agency 40 C.F.R. §§ 13.13, and 13.14;
 - b. collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40 C.F.R. Part 13, Subparts C and H;
 - c. suspend or revoke Respondents' licenses or other privileges, or suspend or disqualify Respondents from doing business with the EPA or engaging in programs the EPA sponsors or funds, in accordance with the requirements in 40 C.F.R. § 13.17; and/or
 - d. request that the Attorney General bring a civil action in the appropriate district court to recover the amount assessed, in addition to the amounts described above. In any such judicial action, the validity, amount, and appropriateness of the penalty and of this CAFO shall not be subject to review. Section 16(a) of TSCA, 15 U.S.C. § 2615(a).
- 41. Penalties paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

VIII. EFFECT OF CAFO

- 42. Full payment of the civil penalty resolves Respondents' liability for the violation and facts alleged in Sections IV and V of this CAFO. Full payment of the civil penalty, as provided in Section VII (Terms of Payment), shall not in any case affect the right of the EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. 40 C.F.R. § 22.18(c).
- 43. Any violation of this CAFO may result in a civil judicial action for civil penalties as provided in Section 16(a) of the Act, 42 U.S.C. § 2615(a), as well as criminal sanctions as provided in Section 16(b) of the Act, 42 U.S.C. § 2615(b). The EPA may use any information submitted by the Respondents to the EPA in connection with this enforcement proceeding and development of the settlement and CAFO in an administrative, civil judicial, or criminal action.
- 44. Nothing in this CAFO shall relieve Respondents of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes; further, this CAFO shall not restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit, except as expressly provided herein.

- 45. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondents or any person in response to conditions that may present an imminent and substantial endangerment as provided under the Act.
- 46. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of both Parties, and approval of the Regional Judicial Officer.
- 47. The provisions of this CAFO shall apply to and be binding upon Respondents and its officers, directors, employees, agents, trustees, authorized representatives, successors, and assigns.
- 48. Any change in the legal status of the Respondents, or change in ownership, partnership, corporate or legal status relating to the Facility, will not in any way alter Respondents' obligations and responsibilities under this CAFO.
- 49. By signing this Consent Agreement, Respondents acknowledge that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential information under Section 14 of TSCA, 42 U.S.C. § 2613, and 40 C.F.R. Part 2 and the Freedom of Information Act, 5 U.S.C. § 552 et. seq., or personally identifiable information.
- 50. By signing this Consent Agreement, the Complainant and the undersigned representative of Respondents each certify that he or she is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party he or she represents to this CAFO.
- 51. By signing this Consent Agreement, all Parties agree that each party's obligations under this CAFO constitute sufficient consideration for the other party's obligations.
- 52. By signing this Consent Agreement, Respondents certify that the information it has supplied concerning this matter was at the time of submission, and continues to be, true, accurate, and complete for each such submission, response, and statement. Respondents acknowledge that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.
- 53. The EPA also reserves the right to revoke this CAFO and settlement penalty if and to the extent that the EPA finds, after signing this CAFO, that any information provided by Respondents was materially false or inaccurate at the time such information was provided to the EPA. If such false or inaccurate material was provided, the EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. The EPA shall give Respondents notice of its intent to revoke, which shall not be effective until received by Respondents in writing.
- 54. It is the intent of the parties that the provisions of this CAFO are severable. If any provision or authority of this CAFO or the application of this CAFO to any party or circumstances is held by any judicial or administrative authority to be invalid or unenforceable, the application of such provisions to other parties or circumstances and the remainder of the CAFO shall remain in force and shall not be affected thereby.

55. Unless specifically stated otherwise in this CAFO, each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

IX. EFFECTIVE DATE

56. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer, on the date of filing with the Hearing Clerk.

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Complainant and Respondent will Each Sign on Separate Pages]

The foregoing Consent Agreement In the Matter of 107 Brigade Street, LLC and Charleston Foundry Owner, LLC, Docket No. TSCA-04-2021-3204(b), is Hereby Stipulated, Agreed, and Approved for Entry.

FOR RESPONDENTS:

CHARLESTON FOUNDRY OWNER, LLC,

a Delaware limited liability company

By: MCG Foundry Manager, LLC, its Manager

By: Madison Capital Group Holdings, LLC, its Manager

Teague, Jr. President, COO, General Counsel

107 BRIGADE STREET, LLC,

a South Carolina limited liability company

By: WP Brigade, LLC, its Manager

By: Madison Gapital Group, LLC, its Manager

By: Joe F. Teague, Jr., President, COO, General Counsel

The foregoing Consent Agreement In the Matter of 107 Brigade Street, LLC and Charleston Foundry
Owner, LLC, Docket No. TSCA-04-2021-3204(b), is Hereby Stipulated, Agreed, and Approved for
Entry.

FOR COMPLAINANT:

Carol L. Kemker
Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 4

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4

	In the Matter of:	
	107 Brigade Street, LLC, and	Docket No. TSCA-04-2021-3204(b)
	Charleston Foundry Owner, LLC	FINAL ORDER
	Respondent.	
	settlement between Complainant and Respondent Consent Agreement is, therefore, hereby approved	fy this Consent Agreement which memorializes a s. 40 C.F.R. §§ 22.4(b) and 22.18(b)(3). The foregoing d, ratified and incorporated by reference into this Final of Practice Governing the Administrative Assessment in or Suspension of Permits, 40 C.F.R. Part 22.
The Respondents are hereby ORDERED to comply with all of the terms of the foregoing Consent Agreement effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This Final Order disposes of this matter pursuant to 40 C.F.R. §§ 22.18 and 22.31.		

Regional Judicial Officer

Tanya Floyd

BEING AGREED, IT IS SO ORDERED.

CERTIFICATE OF SERVICE

I certify that the foregoing Consent Agreement and Final Order, in the Matter of 107 Brigade Street, LLC and Charleston Foundry Owner, LLC, Docket No. TSCA-04-2021-3204(b), were filed and copies of the same were emailed to the parties as indicated below.

Via email to all parties at the following email addresses:

To Respondents: Joe F. Teague, Esquire

Madison Capital Group

6805 Morrison Blvd, Ste 250 Charlotte, North Carolina 28211 joe@madisoncapgroup.com

(704) 996-4594

To EPA:

Kris Lippert, Senior Enforcement Specialist

lippert.kristin@epa.gov

(404) 562-8605

Robert Caplan, Senior Attorney

caplan.robert@epa.gov

(404) 562-9520

U.S. EPA Region 4 61 Forsyth Street, S.W.

Atlanta, Georgia 30303-8960

Shannon L. Richardson Regional Hearing Clerk U.S. EPA Region 4 61 Forsyth Street, S.W. Atlanta, Georgia 30303-8960