

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 HAWTHORNE STREET
SAN FRANCISCO, CA 94105**

IN THE MATTER OF)

John Piini and Piini Realty, Inc.)

Respondents)

Docket No. TSCA-09-2015- 0014

**CONSENT AGREEMENT AND
FINAL ORDER**

I. CONSENT AGREEMENT

The United States Environmental Protection Agency, Region IX (EPA or “Complainant”), and Mr. John Piini and Piini Realty, Inc. (“Respondents”) agree to settle this matter and consent to the entry of this Consent Agreement and Final Order (CAFO), which simultaneously commences and concludes this matter in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b).

A. AUTHORITY AND PARTIES

1. This is a civil administrative penalty action instituted against Respondents pursuant to Section 16(a) of the Toxic Substances Control Act (TSCA), 15 U.S.C. § 2615(a), for violation of Section 1018 of Title X of the Residential Lead-Based Paint Hazard Reduction Act of 1992 ("Section 1018"), 42 U.S.C. § 4852d, and federal regulations promulgated to implement Section 1018 at 40 C.F.R. Part 745, Subpart F (the “Disclosure Rule”). A violation of Section 1018 as implemented through the Disclosure Rule constitutes a violation of Section 409 of TSCA, 15 U.S.C. § 2689.

2. Complainant is the Chief, Waste and Chemicals Section; Air, Waste and Toxics Branch; Enforcement Division; EPA, Region IX, who has been duly delegated the authority to bring this action and to sign a consent agreement settling this action.

3. Respondents own and/or manage residential properties located in Salinas, California.

B. APPLICABLE STATUTORY AND REGULATORY SECTIONS

4. The Disclosure Rule, in implementing Section 1018, imposes certain disclosure requirements concerning lead-based paint and/or lead-based paint hazards upon the sale or lease of target housing.

5. “Target housing” means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling. 40 C.F.R. § 745.103.

6. “Lessor” means any entity that offers target housing for lease, rent or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations. 40 C.F.R. § 745.103.

7. “Lessee” means any entity that enters into an agreement to lease, rent, or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations. 40 C.F.R. § 745.103.

8. “Agent” means any party who enters into a contract with a seller or lessor, including any party who enters into a contract with a representative of the seller or lessor, for the purpose of selling or leasing target housing. 40 C.F.R. § 745.103.

9. Before a lessee is obligated under any contract to lease target housing, the lessor and/or agent must comply with the various requirements set forth in 40 C.F.R. §§ 745.107(a),

745.113(b) and 745.115(a).

10. Failure to comply with 40 C.F.R. §§ 745.107, 745.113 or 745.115 is a violation of Section 409 of TSCA, 15 U.S.C. § 2689, and the penalty for each such violation shall not be more than \$16,000 for violations occurring after January 12, 2009 pursuant to the Civil Monetary Penalty Inflation Adjustment Rule at 40 C.F.R. Part 19, which implements the Federal Civil Penalties Inflation Adjustment Act of 1990, Pub. L. 101-410. 40 C.F.R. §§ 745.118(e) and (f).

C. ALLEGATIONS

11. EPA has jurisdiction over this matter pursuant to Section 1018.

12. At all times relevant to this matter, Respondent Piini Realty, Inc. was a California corporation and Respondent Mr. John Piini was an individual for purposes of the Disclosure Rule, whose places of business were located at 263 Lincoln Avenue, Salinas, California.

13. At all times relevant to this matter, Respondents were “lessors” of residential properties located in Salinas, California at 1329 Garner Avenue, 318A Geil Street, 1049 E. Laurel Drive, and 304 Palma Drive (hereinafter, collectively the “Properties”).

14. At all times relevant to this matter, the Properties were all residential housing constructed prior to 1978, and therefore were “target housing” as that term is defined at 40 C.F.R. § 745.103.

15. Respondents entered into 13 leases of the Properties for occupancies greater than 100 days on or around the dates listed below:

	Street Address	City	State	Date of Lease Signing
1	1329 Garner Avenue, Apt. #C	Salinas	CA	5/20/2011
2	1329 Garner Avenue, Apt. #F	Salinas	CA	3/1/2011
3	1329 Garner Avenue, Apt. #G	Salinas	CA	12/10/2011
4	1329 Garner Avenue, House	Salinas	CA	8/1/2011
5	1329 Garner Avenue, Apt. #1	Salinas	CA	5/9/2011
6	1329 Garner Avenue, Apt. #2	Salinas	CA	4/12/2010

7	1329 Garner Avenue, Apt. #4	Salinas	CA	3/1/2011
8	1329 Garner Avenue, Apt. #5	Salinas	CA	4/10/2011
9	1329 Garner Avenue, Apt. #5	Salinas	CA	8/1/2011
10	1329 Garner Avenue, Apt. #7	Salinas	CA	1/15/2011
11	304 Palma Drive	Salinas	CA	10/12/2011
12	1049 E. Laurel Drive	Salinas	CA	5/1/2010
13	318A Geil Street	Salinas	CA	8/26/2011

16. Each person who signed a lease to pay rent in exchange for occupancy of one of the Properties, above, is a “lessee” as that term is defined in 40 C.F.R. § 745.103.

17. None of the properties or individuals units identified in Paragraph 15 are zero-bedroom dwellings or housing for the elderly or disabled.

Counts 1-11

18. For the 5/20/2011 lease for 1329 Garner Avenue, Apt. #C, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #F, Salinas, California; the 12/10/2011 lease for 1329 Garner Avenue, Apt. #G, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, House, Salinas, California; the 5/9/2011 lease for 1329 Garner Avenue, Apt. #1, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #4, Salinas, California; the 4/10/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 1/15/2011 lease for 1329 Garner Avenue, Apt. #7, Salinas, California; the 10/12/2011 lease for 304 Palma Drive, Salinas, California; and the 8/26/2011 lease for 318A Geil Street, Salinas, California, Respondents failed to include, as an attachment to the leases or within the leases, a Lead Warning Statement.

19. Respondents’ failures to include, as an attachment to the leases or within the leases identified above, a Lead Warning Statement constitute eleven (11) violations of 40 C.F.R. § 745.113(b)(1).

Counts 12-22

20. For the 5/20/2011 lease for 1329 Garner Avenue, Apt. #C, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #F, Salinas, California; the 12/10/2011 lease for 1329 Garner Avenue, Apt. #G, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, House, Salinas, California; the 5/9/2011 lease for 1329 Garner Avenue, Apt. #1, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #4, Salinas, California; the 4/10/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 1/15/2011 lease for 1329 Garner Avenue, Apt. #7, Salinas, California; the 10/12/2011 lease for 304 Palma Drive, Salinas, California; and the 8/26/2011 lease for 318A Geil Street, Salinas, California, Respondents failed to include, as an attachment to the leases or within the leases, a statement by Respondents disclosing the presence of known lead-based paint and/or lead-based paint hazards in the units being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards.

21. Respondents' failures to include, as an attachment to the leases or within the leases identified above, a statement by Respondents disclosing the presence of known lead-based paint and/or lead-based paint hazards in the unit being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards constitute eleven (11) violations of 40 C.F.R. § 745.113(b)(2).

Counts 23-33

22. For the 5/20/2011 lease for 1329 Garner Avenue, Apt. #C, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #F, Salinas, California; the 12/10/2011 lease for 1329 Garner Avenue, Apt. #G, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, House, Salinas, California; the 5/9/2011 lease for 1329 Garner Avenue, Apt. #1, Salinas,

California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #4, Salinas, California; the 4/10/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 1/15/2011 lease for 1329 Garner Avenue, Apt. #7, Salinas, California; the 10/12/2011 lease for 304 Palma Drive, Salinas, California; and the 8/26/2011 lease for 318A Geil Street, Salinas, California, Respondents failed to include, as an attachment to the leases or within the leases, a list of any records or reports available to Respondents pertaining to lead-based paint and/or lead-based paint hazards in the units that had been provided to the lessees or an indication that no such records or reports are available.

23. Respondents' failures to include, as an attachment to the leases or within the leases identified above, a list of any records or reports available to Respondents pertaining to lead-based paint and/or lead-based paint hazards in the units that had been provided to the lessees or an indication that no such records or reports are available constitute eleven (11) violations of 40 C.F.R. § 745.113(b)(3).

Counts 34-44

24. For the 5/20/2011 lease for 1329 Garner Avenue, Apt. #C, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #F, Salinas, California; the 12/10/2011 lease for 1329 Garner Avenue, Apt. #G, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, House, Salinas, California; the 5/9/2011 lease for 1329 Garner Avenue, Apt. #1, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #4, Salinas, California; the 4/10/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 1/15/2011 lease for 1329 Garner Avenue, Apt. #7, Salinas, California; the 10/12/2011 lease for 304 Palma Drive, Salinas, California; and the 8/26/2011 lease for 318A Geil Street, Salinas, California, Respondents failed to include, as

an attachment to the leases or within the leases, a statement by the lessees affirming receipt of the information set forth in 40 C.F.R. §§ 745.113(b)(2) and (3) and the lead hazard information pamphlet required under 15 U.S.C. § 2696.

25. Respondents' failures to include, as an attachment to the leases or within the leases identified above, a statement by the lessees affirming receipt of the information set forth in 40 C.F.R. §§ 745.113(b)(2) and (3) and the lead hazard information pamphlet required under 15 U.S.C. § 2696 constitute eleven (11) violations of 40 C.F.R. § 745.113(b)(4).

Counts 45-57

26. For the 5/20/2011 lease for 1329 Garner Avenue, Apt. #C, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #F, Salinas, California; the 12/10/2011 lease for 1329 Garner Avenue, Apt. #G, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, House, Salinas, California; the 5/9/2011 lease for 1329 Garner Avenue, Apt. #1, Salinas, California; the 3/1/2011 lease for 1329 Garner Avenue, Apt. #4, Salinas, California; the 4/10/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 8/1/2011 lease for 1329 Garner Avenue, Apt. #5, Salinas, California; the 1/15/2011 lease for 1329 Garner Avenue, Apt. #7, Salinas, California; the 10/12/2011 lease for 304 Palma Drive, Salinas, California; the 8/26/2011 lease for 318A Geil Street, Salinas, California; the 4/12/2010 lease for 1329 Garner Avenue, Apt. #2, Salinas, California; and the 5/1/2010 lease for 1049 E. Laurel Drive, Salinas, California, Respondents failed to include, as an attachment to the leases or within the leases, the signatures of Respondents and the lessees certifying to the accuracy of their statements, to the best of their knowledge, along with the dates of signature.

27. Respondents' failures to include, as an attachment to the leases or within the leases identified above, the signatures of Respondents and the lessees certifying to the accuracy

of their statements, to the best of their knowledge, along with the dates of signature constitute thirteen (13) violations of 40 C.F.R. § 745.113(b)(6).

D. RESPONDENTS' ADMISSIONS

28. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, Respondents:

- i. Admit that EPA has jurisdiction over the subject matter of this CAFO and over Respondents;
- ii. Neither admit nor deny the specific factual allegations contained in Section I.C of this CAFO;
- iii. Consent to any and all conditions specified in this CAFO and to the assessment of the civil administrative penalty under Section I.F of this CAFO;
- iv. Waive any right to contest the allegations contained in Section I.C of this CAFO; and
- v. Waive the right to appeal the proposed final order contained in this CAFO.

E. SUPPLEMENTAL ENVIRONMENTAL PROJECT

29. Within eighteen (18) months of the effective date of this CAFO, Respondents shall, as a supplemental environmental project ("SEP"), remove and replace windows, doors and/or kitchen cabinets ("Subject Components") coated with or otherwise containing lead-based paint consistent with Paragraph 32 at residential rental properties constructed prior to 1978 that they own and/or manage.

30. Whenever the specific terms listed below are used for the purposes of the SEP, the following definitions apply:

- i. "Clearance Inspection" shall mean an activity conducted by a certified inspector or risk assessor pursuant to Chapter 15 of the United States Housing and Urban Development ("HUD") Guidelines and 17 California Code of Regulations § 35013 to determine that replacement of a Subject Component containing lead-based paint is complete and that no

lead hazards exist due to the Subject Component or its replacement. The appropriate clearance standards shall be the more restrictive of those set by the jurisdiction where the property is located or that established by Section 403 of TSCA and its implementing regulations set forth at 40 C.F.R. § 745.227(e)(8)-(9).

ii. “HUD Guidelines” shall mean the edition of the HUD Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing (HUD-1539-LBP) in effect on the day the work required in Section I.E. of this CAFO is conducted.

iii. “Lead-based paint” shall mean paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams per square centimeter or 0.5 percent by weight. If housing subject to this CAFO is located in a jurisdiction with a more stringent definition of lead-based paint or safety standard, “lead-based paint,” as used herein, shall mean paint or other surface coatings that meet the more stringent standard.

31. All work under this SEP relating to the abatement of lead-based paint materials must be conducted in compliance with 40 C.F.R. § 745.227 and the HUD Guidelines, and as required thereby, executed by individuals and entities that are certified to perform such work in accordance with applicable Federal and California law. Any work such as installing new components after the removal of components containing lead-based paint may be performed by properly licensed contractors. Respondents shall also comply, and shall ensure contractor compliance, with any State, County, and/or City requirements for conducting and/or reporting lead-based paint inspections and lead hazard reduction work in effect in a jurisdiction where a property is located, including but not limited to, 17 California Code of Regulations §§ 36000 - 36100.

32. Under this SEP, within the timeframe set forth in Paragraph 29, Respondents shall perform the following work:

i. Performance of lead-based paint inspections of all Subject Components contained within the following properties: 318 Geil Street, Salinas, California (6 units) and 1049 E. Laurel

Street, Salinas, California (“Abatement Properties”). These properties meet the criteria for an abatement project because the Geil units were built approximately in 1930 and the Laurel units were constructed sometime prior to 1950 and no remodeling work has yet been performed on such units. Such testing shall be performed by a certified lead inspector consistent with 40 C.F.R. § 745.227(b), Chapter 5 and Chapter 7 of the HUD Guidelines, and 17 California Code of Regulations §§ 36000-36100 for the property. To the extent that additional properties need to be identified for Respondents to satisfactorily complete the SEP, consistent with Paragraph 36, Respondents shall identify such additional properties to EPA in writing, and such properties must have been constructed prior to 1950 and have not undergone remodeling work.

ii. Complete removal and replacement of a minimum of twenty four (24) Subject Components identified at the Abatement Properties as containing lead-based paint pursuant to Paragraph 32.i, including their associated painted sub-components such as frames, doors, rails, sashes, molding, trim, stiles, stools, casings, aprons, muntins, troughs, sills, headers, stops, plates, thresholds and jambs, as applicable, consistent with Chapter 12 of the HUD Guidelines and 17 California Code of Regulations §§ 36000-36100. After the initial twenty four (24) Subject Components have been removed and replaced, Respondents shall continue to remove and replace Subject Components containing lead-based paint until the SEP has been satisfactorily completed consistent with Paragraph 35. Any replacement windows must be ENERGY STAR qualified for the South-Central climate zone. In performing this work, Respondents shall comply with the following:

- (1) Worksite preparation and occupant protection measures in accordance with Chapter 8 of the HUD Guidelines;
- (2) Performance of daily and final cleanups in accordance with Chapter 14 of the HUD Guidelines;
- (3) Performance of clearance inspections after completion of replacement work and final cleanup for each property in accordance with Chapter 15 of the HUD

Guidelines. The certified lead inspector performing clearance inspections shall be either a certified lead Inspector/Assessor or a certified Project Monitor, as defined by California Code of Regulations Title 17, Article 1, and may not be the same individual nor have any business connection with the certified contractor that performed the abatement work. If the results of any clearance inspection indicate that clearance is not achieved, Respondents shall re-perform the final cleanup, consistent with Chapter 14 of the HUD Guidelines, and repeat the clearance inspection, all within seven (7) days of the failed clearance inspection, and repeat this procedure until clearance has been attained; and

(4) Preparation of a certification for each property where work was performed confirming the nature of the work performed, how it was conducted in accordance with the HUD Guidelines and the requirements of this CAFO, and that California Department of Public Health (CDPH) Form 8552, the Lead Hazard Evaluation Report, was submitted to CDPH for each property within thirty days (30) days of completion of the clearance inspection on that property.

33. Semiannual Reports: One hundred and eighty (180) days after the effective date of this CAFO and every six (6) months thereafter until all of the tasks listed in Paragraph 32 have been performed, Respondents shall submit to EPA a report that includes information required under 40 C.F.R. § 745.227(e)(10) for the work performed on each property since the time of the immediate prior report, including the following:

- i. Identification of properties chosen for work beyond the two identified in Paragraph 32.i, and description of why they were prioritized per the standards set forth in Paragraph 32.i.
- ii. Description and results of all lead-based paint inspections of windows, doors, and kitchen cabinets performed pursuant to Paragraph 32.ii;
- iii. Brief description and status of the work undertaken during the reporting period;

- iv. Copies of all descriptions of the work performed provided by the contractor performing the work, including identifying the specific windows, doors, and/or kitchen cabinets replaced and the work practice(s) used;
- v. Evaluation procedures used to determine if the lead-based paint work was actually completed as specified and that the area was safe to reoccupy;
- vi. A list of the entities and individuals that performed the work and documentary evidence that these entities and individuals were properly certified to perform the work;
- vii. Clearance inspection reports and laboratory analyses;
- viii. Description of the worksite preparation and occupant protection measures employed for the work;
- ix. Amount (in cubic yards) of lead-based paint waste generated at each property and identification of disposal facility for such waste; and
- x. Copies of all reports submitted to CDPH.

34. Final Report: Within sixty (60) days of the completion of the SEP, Respondents shall submit to EPA supporting documentation calculating and verifying the total expenditures for the SEP along with a final report meeting the requirements of Paragraph 33. The cost documentation shall include documentation of creditable expenditures made pursuant to the SEP, such as copies of receipts, invoices, purchase orders and/or contracts.

35. The SEP shall be deemed to be “satisfactorily completed” when Respondents have (i) performed the work described in Paragraph 32 and submitted to EPA the Final Report required by Paragraph 34; and (ii) expended a minimum of THIRTY-EIGHT THOUSAND TWO HUNDRED AND FIFTY-FIVE DOLLARS (\$38,255) for the work described in paragraph 32. Respondents shall maintain legible copies of all documentation relevant to the SEP or reports submitted to EPA pursuant to this CAFO and shall provide such documentation or reports to EPA not more than seven (7) days after a request for such information.

36. In executing the SEP, Respondents certify that, as of the date of executing this CAFO:

i. Respondents are not required to perform or develop the SEP by any federal, state, international or local law or regulation and is not required to perform or develop the SEPs by agreement, grant, or as injunctive relief awarded in any other action in any forum;

ii. Respondents have not received, and are not presently negotiating to receive, credit in any other enforcement action for the SEP;

iii. Respondents are not a party to any open federal financial assistance transaction that is funding or could fund the same activity as the SEP;

iv. The SEP is not a project that Respondents were planning or intending to perform or implement other than in settlement of the claims resolved in this CAFO;

v. Respondents will not receive reimbursement for any portion of the SEP from another person or entity; and

vi. That for federal income tax purposes, Respondents will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEPs.

37. Any submission to EPA required under Section I.E of this CAFO shall be sent to:

Max Weintraub (ENF-2-2)
Waste and Chemical Section
Enforcement Division
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105
Phone: (415) 947-4163
Email: weintraub.max@epa.gov

With a copy to:

Ivan Lieben (ORC-2)
Office of Regional Counsel

U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105
Phone: (415) 972-3914
Email: lieben.ivan@epa.gov

38. Any submission to Respondents required under Section I.F of this CAFO shall be sent to:

Mr. John Piini
Piini Realty, Inc.
263 Lincoln Avenue
Salinas, CA 93901

With a copy to:

Anne Secker, Esq.
Noland, Hamerly, Etienne & Hoss
333 Salinas Street
P.O. Box 2510
Salinas, CA 93902-2510
Phone: 831-424-1414
Email: asecker@nheh.com

39. The expenditures made by Respondents in implementing the SEP are, for purposes of federal law, neither tax-deductible expenditures nor eligible to be added to the basis of assets or property for depreciation purposes. Respondents shall not use any expenditure associated with the SEP to obtain favorable federal tax treatment (e.g., tax credits for ENERGY STAR qualified windows associated with the SEP, etc.).

40. Any public statement, oral or written, in print, film, or other media, made by a representative of Respondents or Respondents making reference to the SEP must include the following language, "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for alleged violations of the Toxic Substances Control Act and Federal lead-based paint disclosure requirements."

41. All notices, records, and submittals required by this CAFO that purport to document compliance with the terms of this CAFO shall contain a certification statement signed

by Respondents. The certification statement should be as follows:

I certify under penalty of law that the information contained in or accompanying this document is true, accurate, and complete. As to the identified portion[s] of this document for which I cannot personally verify [its/their] truth and accuracy, I certify that, based on my inquiry of the person or persons directly responsible for gathering the information, the information is true, accurate, and complete.

42. EPA and its representatives, contractors, consultants, and attorneys shall have the right of entry into and upon all properties where SEP work is being performed at all reasonable times, subject to the terms of the leases or rental agreements pertaining to access between Respondents and the occupants of the properties where SEP work is being performed, if such unit is occupied at the time of the work, upon proper presentation of credentials. Respondents will make good faith efforts to obtain tenant cooperation for such access consistent with local and State law. EPA may request access for the purposes of:

- i. Monitoring the progress of activities required by this CAFO;
- ii. Verifying any data or information required to be submitted pursuant to this CAFO;
- iii. Obtaining samples and, upon request, splits of any samples taken by Respondents or their consultants (upon request, Respondents will be provided with splits of all samples taken by EPA); or
- iv. Otherwise assessing Respondents' compliance with this CAFO.

43. Respondents shall retain, and shall instruct their contractors and agents to preserve, all non-identical copies of all records and documents (including records or documents in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, and that relate in any manner to Respondents' performance of its obligations to perform the SEP, for a period of at least 5 years from when the record or document was created. At any time during this record-retention period, EPA may request copies of any documents or records required to be maintained under this Paragraph.

Respondents shall provide the requested documentation not more than fifteen (15) days after a request for such information by EPA.

44. Upon written request by Respondents and at Complainant's discretion, Complainant may grant up to an additional twelve (12) months to complete the SEP if Respondents can demonstrate that, despite their best efforts, they were unable to complete the SEP in the first eighteen (18) months. Such extension is not effective until EPA has provided written notice to Respondents of the granting of the extension request.

F. CIVIL ADMINISTRATIVE PENALTY

45. Based upon the nature of the alleged violations, Respondents' agreement to perform lead hazard abatement work, and other relevant factors, Respondents agree to pay a civil penalty in the amount of FOUR THOUSAND TWO HUNDRED AND FIFTY DOLLARS (\$4,250.00) to settle this enforcement action. Payment of this civil penalty together with performance of the tasks set forth in Section I.E of this CAFO constitute full, final, and complete settlement of the civil claims alleged in Section I.C of this CAFO.

46. Respondents shall pay the assessed penalty no later than thirty (30) days from the effective date of this CAFO. Payment shall be paid by **certified or cashier's check**, payable to "Treasurer, United States of America," or paid by one of the other methods listed below and sent as follows:

Regular Mail:

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

Wire Transfers:

Wire transfers must be sent directly to the Federal Reserve Bank in New York City with the following information:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency"

Overnight Mail:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
ATTN Box 979077
St. Louis, MO 63101

ACH (also known as REX or remittance express):

Automated Clearinghouse (ACH) for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
ABA = 051036706
Transaction Code 22 – checking
Environmental Protection Agency
Account 31006
CTX Format

On Line Payment:

This payment option can be accessed from the information below:

www.pay.gov
Enter "sfol.1" in the search field
Open form and complete required fields

If clarification regarding a particular method of payment remittance is needed, contact the EPA Cincinnati Finance Center at 513-487-2091.

Concurrently, a copy of the check or notification that the payment has been made by one of the other methods listed above, including proof of the date payment was made, shall be sent with a

transmittal letter indicating Respondents' names, the case title, and the docket number to:

- a) Regional Hearing Clerk (ORC-1)
Office of Regional Counsel
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, California 94105
- b) Manager (ENF-2-2)
Waste and Chemical Section
Enforcement Division
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

G. STIPULATED PENALTIES

47. If Respondents violate any requirement of this CAFO relating to the SEP, Respondents shall pay stipulated penalties to EPA as follows:

i. If Respondents fail to satisfactorily complete the SEP by the deadline set forth in Paragraph 29 Respondents must pay a stipulated penalty of \$250 a day for each day that it fails to satisfactorily complete the SEP. This maximum stipulated penalty that can accrue pursuant to this Subparagraph is \$47,500 minus any expenditures made by Respondents consistent with Section I.E. of this CAFO.

ii. If Respondents fail to timely submit any reports in accordance with the timelines set forth in this Agreement, Respondents must pay a stipulated penalty of \$150 for each day after the report was due until it submits the report in its entirety.

iii. Any time period covered by an extension of time granted by EPA pursuant to Paragraph 44 to complete any tasks or items required by this Agreement shall not be considered by EPA in its determination of whether to assess stipulated penalties or how much stipulated penalties to assess.

48. If Respondents fail to pay the assessed civil administrative penalty specified in Paragraph 45 by the deadline specified in Paragraph 46, Respondents shall pay to EPA a

stipulated penalty of \$250 per day for each day the assessed penalty is late, in addition to the assessed penalty. Stipulated penalties shall be paid upon written request by EPA. In addition, failure to pay the civil administrative penalty by the deadline specified in Paragraph 46 may lead to any or all of the following actions:

i. The debt being referred to a credit reporting agency, a collection agency, or to the Department of Justice for filing of a collection action in the appropriate United States District Court. 40 C.F.R. §§ 13.13, 13.14, and 13.33. In any such collection action, the validity, amount, and appropriateness of the assessed penalty and of this CAFO shall not be subject to review.

ii. The debt being collected 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.

iii. EPA may (i) suspend or revoke Respondents' licenses or other privileges; or (ii) suspend or disqualify Respondents from doing business with EPA or engaging in programs EPA sponsors or funds. 40 C.F.R. § 13.17.

iv. In accordance with the Debt Collection Act of 1982 and 40 C.F.R. Part 13 interest, penalty charges, and administrative costs will be assessed against the outstanding amount that Respondents owe to EPA for Respondents' failure to pay the civil administrative penalty by the deadline specified in Paragraph 46. Interest will be assessed at an annual rate that is equal to the rate of current value of funds to the United States Treasury (i.e., the Treasury tax and loan account rate) as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins. 40 C.F.R. § 13.11(a)(1). Penalty charges will be assessed monthly at a rate of 6% per annum. 40 C.F.R. § 13.11(c). Administrative costs for handling and collecting Respondents' overdue debt will be

based on either actual or average cost incurred, and will include both direct and indirect costs. 40 C.F.R. § 13.11(b). In addition, if this matter is referred to another department or agency (e.g., the Department of Justice, the Internal Revenue Service), that department or agency may assess its own administrative costs, in addition to EPA's administrative costs, for handling and collecting Respondents' overdue debt.

49. Respondents must pay any stipulated penalties within thirty (30) days of receiving EPA's written demand for such penalties. All penalties shall begin to accrue on the first date of noncompliance, and shall continue to accrue through the date of completion. Respondents will use one of the methods of payment specified in Paragraph 46, above, and will pay interest, handling charges, and nonpayment penalties on any overdue amounts.

H. RETENTION OF RIGHTS

50. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondents' liability for federal civil penalties for the violations and facts specifically alleged in Section I.C of this CAFO. Nothing in this CAFO is intended to or shall be construed to resolve (i) any civil liability for violations of any provision of any federal, state, or local law, statute, regulation, rule, ordinance, or permit not specifically alleged in Section I.C of this CAFO; or (ii) any criminal liability. EPA specifically reserves any and all authorities, rights, and remedies available to it (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address any violation of this CAFO or any violation not specifically alleged in Section I.C of this CAFO.

51. This CAFO does not exempt, relieve, modify, or affect in any way Respondents' duty to comply with all applicable federal, state, and local laws, regulations, rules, ordinances, and permits.

I. GENERAL PROVISIONS

52. This CAFO in no way limits or affects any right of entry and inspection held by the United States, HUD, EPA, any State in which the property is located, or any city in which the property is located pursuant to applicable federal, state or local laws, regulations, or permits.

53. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into the terms and conditions of this CAFO and to execute and legally bind that party to it.

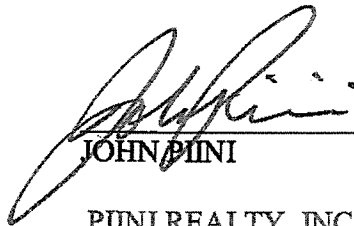
54. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CAFO shall be effective on the date that the final order contained in this CAFO, having been approved and issued by either the Regional Judicial Officer or Regional Administrator, is filed with the Regional Hearing Clerk.

55. This CAFO shall apply to and be binding upon Respondents, their heirs, successors and assigns.

56. Each party shall bear its own costs and attorneys fees in the action resolved by this CAFO.

FOR RESPONDENTS JOHN PIINI AND PIINI REALTY, INC.:

July 31, 2015
DATE



JOHN PIINI
PIINI REALTY, INC.

FOR COMPLAINANT EPA REGION IX:

AUG 18, 2015

DATE



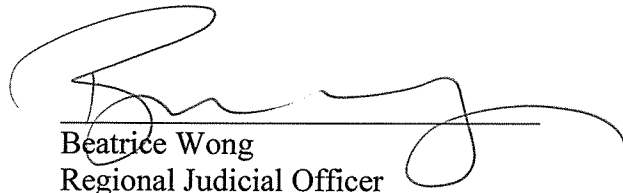
Douglas K. McDaniel
Chief, Waste and Chemical Section
Enforcement Division
United States Environmental Protection Agency
Region IX

II. FINAL ORDER

EPA Region IX and John Piini and Piini Realty, Inc., having entered into the foregoing Consent Agreement,

IT IS HEREBY ORDERED that this CAFO (Docket No. TSCA-09-2015-0014) be entered, and Respondents shall perform the tasks set forth at Section I.C, pay a civil administrative penalty in the amount of FOUR THOUSAND TWO HUNDRED AND FIFTY DOLLARS (\$4,250.00), and otherwise comply with the terms set forth in this CAFO.

21 August 2015
DATE



Beatrice Wong
Regional Judicial Officer
United States Environmental Protection Agency
Region IX

CERTIFICATE OF SERVICE

I certify that the original ~~and one copy~~ of the foregoing Consent Agreement and Final Order was hand delivered to:

Regional Hearing Clerk
United States Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, California 94105

and that a true and correct copy of the Consent Agreement and Final Order was placed in the United States Mail, certified mail, return receipt requested, addressed to the following:

John Piini
Piini Realty, Inc.
263 Lincoln Avenue
Salinas, CA 93901

CERTIFIED MAIL
7000 0520 0021 6105 6719

By: Aug. 21, 2015
DATE

Steven Armsey
Steven Armsey
Acting Regional Hearing Clerk
U.S. Environmental Protection Agency
Region IX