



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029**

VIA EAB Electronic Filing System

June 16, 2021

Ms. Eureka Durr
Clerk of the Board
U.S. Environmental Protection Agency
Environmental Appeals Board
1201 Constitution Avenue, NW
U.S. EPA East Building, Room 3332
Washington, DC 20004

Re: In re Silky Associates, LLC
Appeal No. RCRA 21-02

Dear Ms. Durr:

Enclosed please find a Status Report as required by the Board's Order in this matter dated May 13, 2021. Thank you.

Respectfully submitted,

/s/

Joyce A. Howell
Senior Assistant Regional Counsel

Cc: Lakhmir Bagga, Silky Associates, L.L.C. (via electronic mail)
luckymart200@gmail.com

**THE ENVIRONMENTAL APPEALS BOARD
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C.**

In re: _____ :

Silky Associates, L.L.C. : Appeal No. RCRA 21-02

STATUS REPORT

Pursuant to the United States Environmental Appeals Board (EAB) Order in this matter dated May 13, 2021, the undersigned submits the following Status Report.

1. On May 5, 2021, the undersigned contacted Mr. Bagga, the principal of Appellant, Silky L.L.C., to explain the United States Environmental Protection Agency Region 3's (Region) motion for leave to file a reply brief. (Status Exhibit 1)
2. Appellant has not consented, neither has Appellant consented to the Region's request to Appellant for consent to Appellee's motion for leave to file a reply brief.
3. The parties met for settlement discussions on June 1, 4 and 11, 2021.

4. The Region requested and received Appellant's 2018 and 2019 federal tax returns. The Region further renewed its 2019 request for financial information from Appellant regarding real estate holdings which Appellant had not disclosed to the Region but had been identified by the Region's investigation. Appellant orally gave information to the Region regarding real estate that the Region had previously identified. For the purpose of the Region's ability-to-pay analysis: 1) The Region assumed the information related by Mr. Bagga to be true even though it was not verified by documentation, and, 2) further assumed Appellant had no other assets even though Appellant has never fully responded to the Region's request for financial information.
5. On June 4, 2021, based on the Region's ability to pay analysis, the Region offered Appellant a settlement penalty amount equal to a small fraction of the \$186,095 default penalty judgement.
6. Appellant initially rejected the Region's settlement offer and countered with a sum under \$100.00. The undersigned requested that Appellant take a week to review the Region's settlement offer.
7. The following week, on June 11, 2021, the parties met again to discuss settlement. Appellant presented a counteroffer in an amount equal to approximately 10% of the Region's ability-to-pay settlement offer.
8. The written settlement offer Mr. Bagga forwarded to the Region appears to have also been submitted to the Board. If Mr. Bagga's written settlement offer has been submitted to Board, the Region requests that the Board not review this document as it is settlement confidential. FRE Rule 408.

9. By email to Mr. Bagga on June 16, 2021, the Region declined Appellant's settlement offer and terminated settlement negotiations.
10. Further deferral of the Board's consideration of this matter will not materially assist any ongoing discussions to resolve this matter.

Respectfully submitted,

/s/

Joyce A. Howell

Signed per revised EAB Order on electronic filing in EAB Part 22 proceedings dated August 12, 2013.

Joyce A. Howell
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USEPA Region 3 (MC 3RC40)
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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
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In re: _____ :

Silky Associates, L.L.C. : Appeal No. RCRA 21-02

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Status Report was filed electronically with the EAB's electronic filing system and to Appellant via electronic mail on this sixteenth day of June, 2021.

Via electronic mail:
Lakhmir Bagga
Silky Associates, L.L.C.
200 E. Williamsburg Road
Sandston, VA 23150
luckymart200@gmail.com

/s/
Joyce A. Howell
Signed per revised EAB Order on electronic filing in EAB Part 22
proceedings dated August 12, 2013.

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