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CERTIFICATE OF SERVICE 2013 JUL 19 PM 3: 27

I certify that I caused, by over-night express mail, a copy of the Consent Agreement and Final Order for the above captioned matter to be transmitted to the addressee listed below. The original and one copy of this Consent Agreement and Final Order has been filed with the Regional Hearing Clerk for U.S. EPA Region III, on the date indicated below.

> Soheil Razavi ("CEO") 1231 New York Avenue, LLC 1231 New York Avenue, NE Washington, D.C. 20002

July19, 2013 DATE

Rodney Travis Carter

Rodney Travis Carter Senior Assistant Regional Counsel EPA Region III 1650 Arch Street Philadelphia, PA 19103

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY 2013 JUL 19 PM 3: 27 **1650 Arch Street** REGIONAL HEARING CLERK Philadelphia, Pennsylvania 19103-2029 EPA REGION III, PHILA, PA Date: 7/4/13 ENFORCEMENT CONFIDENTIAL Subject: **Consent Agreement and Final Order** In the Matter of: 1231 New York Avenue, LLC U.S. EPA Docket Nd. RCRA 03-2013-0061 John A. Annstend, Director (3LC00) From: Land and Chemicals Division Marcia E. Mulkey (3RC00) Regional Counsel Renée Sarajian To: **Regional Judicial Officer**

We recommend that you sign the Final Order associated with the attached Consent Agreement (collectively the "CA/FO") negotiated in settlement of an administrative enforcement matter against **1231 New York Avenue, LLC**, ("Respondent"). The case involves EPA's civil claims based upon violations of the Resource Conservation and Recovery Act ("RCRA") Subtitle I, 42 U.S.C. § 6991-6991m, and the District of Colombia's authorized underground storage tank regulations. The violations concern underground storage tanks ("UST"s) at the Respondent's facility, located at 1231 New York Avenue, NE, in Washington, District of Colombia (the "Facility"). The Consent Agreement requires Respondent to pay a civil penalty of Two Thousand, Five Hundred Dollars (\$2,500.00), to be paid in quarterly instalments over a 24-month period. The civil penalty is in accordance with law and was determined after consideration of the statutory factors set forth in Section 9006(c) of RCRA, 42 U.S.C. §6991*e*(c).

We concur with the terms of the enclosed CA/FO. Please sign the Final Order where indicated and return it and the attached documents to the Office of Regional Counsel for filing with the Regional Hearing Clerk and service upon Respondent.

cc: Soheil Razavi, CEO

BEFORE THE U	NITED STATES ENVI	RONMENTAL PROTECTION AGENCY
	REGION 1650 Arch	
	Philadelphia, PA	19103-2029 REGIONAL HEARING CLERK EPA REGION III, PHILA. PA
IN THE MATTER OF:		
1231 New York Avenue,	LLC	
1231 New York Avenue,	NE) U.S. EPA Docket Number
Washington, DC 20002) RCRA-03-2013-0061
RESPONDENT		
New York Avenue BP S	tation)) FINAL ORDER
1231 New York Avenue,	NE) Proceeding under Section 9006
Washington, DC 20002) of the Resource Conservation and
) Recovery Act, as amended,
FACILITY) 42 U.S.C. § 6991e

FINAL ORDER

Complainant, the Director, Land and Chemicals Division U.S. Environmental Protection Agency - Region III, and 1231 New York Avenue LLC, ("Respondent"), have executed a document entitled "Consent Agreement" which I hereby ratify as a Consent Agreement in accordance with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits ("Consolidated Rules of Practice"), 40 C.F.R. Part 22. The terms of the foregoing Consent Agreement are accepted by the undersigned and incorporated herein as if set forth at length.

NOW, THEREFORE, PURSUANT TO Section 22.18(b)(3) of the Consolidated Rules of Practice and Section 9006(c) of the Resource Conservation and Recovery Act, 42 U.S.C. § 6991e(c)("RCRA"), and having determined, based on the representations of the parties in the attached Consent Agreement, that the civil penalty agreed to therein was based upon a consideration of the factors set forth in Section 9006(c) and (d) of RCRA, 42 U.S.C. § 6991e(c) and (d), **IT IS HEREBY ORDERED** that Respondent pay a civil penalty of of Two Thousand, Five Hundred Dollars (\$2,500.00), plus interest totaling Twenty Seven Dollars and Forty Five Cents (\$27.45), for a grand total of Two Thousand, Five Hundred, Twenty Seven Dollars and Forty Five Cents (\$2,527.45), in accordance with the payment provisions set forth in the attached Consent Agreement and comply with the terms and conditions as specified in the attached Consent Agreement.

1231 New York Ave LLC Final Order

The effective date of this Final Order and the accompanying Consent Agreement is the date on which the Final Order, signed by the Regional Administrator of U.S. EPA Region III or the Regional Judicial Officer, is filed with the Regional Hearing Clerk of U.S. EPA - Region III.

Date: 7/18/13

rakan

Renée Sarajian Regional Judicial Officer U.S. EPA, Region III

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2013 JUL 19 PM 3: 27

BEFORE THE UNIT	REGION		EPA RE	GION III, PHIL	A. PA
	1650 Arch	Street			
	Philadelphia, PA	19103-2	029		
N THE MATTER OF:)			
231 New York Avenue, LLO	С)			
231 New York Avenue, NE) U.S. F	EPA Dock	et Number	
/ashington, DC 20002) RCR	4-03-2013	-0061	
RESPONDENT)			
ew York Avenue BP Statio	n)) CON	SENT AG	REEMENT	
231 New York Avenue, NE) Proce	eding und	er Section 90	06
Vashington, DC 20002			0	Conservation	
8,	ł.	-		s amended,	
FACILITY		· .	S.C. § 699	1	
TACILAT I) 42 0.	5.C. 8 077		
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CONSENT AGREEMENT

This Consent Agreement ("CA") is entered into by the Director, Land and Chemicals Division, U.S. Environmental Protection Agency, Region III ("EPA" or "Complainant"), and 1231 New York Avenue, LLC, ("Respondent"), pursuant to Section 9006 of the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. § 6991e, and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation /Termination or Suspension of Permits ("Consolidated Rules"), 40 C.F.R. Part 22, including, specifically 40 C.F.R. §§ 22.13(b) and .18(b)(2) and (3).

This CA and the Final Order (collectively "CA/FO") resolve violations of RCRA Subtitle I, 42 U.S.C. §§ 6991-6991m, and the District of Columbia's federally authorized underground storage tank program which operate *in lieu* of the federal underground storage tank regulations with respect to the underground storage tanks ("USTs") at Respondent's facility located at 1231 New York Avenue, NE in Washington D.C. (the "Facility").

Effective May 4, 1998, pursuant to Section 9004 of RCRA, 42 U.S.C. § 6991*c*, and 40 C.F.R. Part 281, Subpart A, the District of Columbia was granted final authorization to administer a state UST management program *in lieu* of the Federal UST management program established under Subtitle I of RCRA, 42 U.S.C. §§ 6991-6991m. The provisions of the District

of Columbia UST management program, through this final authorization, are enforceable by EPA pursuant to Section 9006 of RCRA, 42 U.S.C. § 6991*e*. The District of Columbia's authorized UST program regulations are set forth in the District of Columbia Municipal Regulations, Title 20, Chapters 55 *et seq.*, and will be cited hereinafter as 20 DCMR §§ 5500 *et seq.*

I. GENERAL PROVISIONS

- 1. For purposes of this proceeding only, Respondent admits to the jurisdictional allegations set forth in this CA/FO.
- 2. Respondent neither admits nor denies the specific factual allegations and conclusions of law set forth in this CA/FO, except as provided in Paragraph 1, above.
- 3. Respondent agrees not to contest EPA's jurisdiction with respect to the execution of this CA, the issuance of the attached Final Order ("FO"), or the enforcement of the CA/FO.
- 4. For the purposes of this proceeding only, Respondent hereby expressly waives its right to a hearing on any issue of law or fact set forth in this CA and any right to appeal the accompanying FO.
- 5. Respondent consents to the issuance of this CA/FO and agrees to comply with its terms and conditions.
- 6. Respondent shall bear its own costs and attorney's fees.
- 7. The person signing this CA on behalf of the Respondent certifies to EPA by his/or her signature herein that Respondent, as of the date of this CA, is in compliance with the provisions of RCRA, Subtitle I, 42 U.S.C. §§ 6991-6991m, and the District of Columbia Municipal UST Regulations at the Facility referenced herein.
- 8. The provisions of this CA/FO shall be binding upon Respondent, and its officers, directors, employees, successors and assigns.
- 9. This CA/FO shall not relieve Respondent of its obligation to comply with all applicable provisions of federal, state or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit, nor does this CA/FO constitute a waiver, suspension or modification of the requirements of RCRA Subtitle I, 42 U.S.C. §§ 6991-6991m, or any regulations promulgated thereunder.
- 10. Complainant shall have the right to institute further actions to recover appropriate relief if Complainant obtains evidence that the information provided and/or representations made by Respondent to EPA regarding matters at issue in this CA are false or, in any material

respect, inaccurate. Respondent is aware that the submission of false or misleading information to the United States government may subject Respondent to separate civil and/or criminal liability.

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- 11. Respondent agrees not to deduct, for civil taxation purposes, the civil penalty specified in this Consent Agreement and the attached Final Order.
- 12. EPA has given the District of Columbia prior notice of the issuance of this CA/FO in accordance with Section 9006(a)(2) of RCRA, 42 U.S.C. § 6991e(a)(2).

II. FACTUAL ALLEGATIONS AND CONCLUSIONS OF LAW

- 13. The allegations of the preceding paragraphs are incorporated herein by reference.
- 14. EPA has jurisdiction over this matter pursuant to Section 9006 of RCRA, 42 U.S.C. §6991e, and 40 C.F.R. § 22.1(a)(4).
- 15. Respondent, a District of Columbia limited liability company, is a "person" as defined by Section 9001(5) of RCRA, 42 U.S.C. § 6991(5), and 20 DCMR § 6899.1.
- 16. At all times relevant to this CA/FO, Respondent has been the "operator" and/or "owner," as those terms are defined in Section 9001(3) and (4) of RCRA, 42 U.S.C. § 6991(3) and (4), and 20 DCMR § 6899.1, of "underground storage tank(s)" and "underground storage tank system(s)" as those terms are defined in Section 9001(10) of RCRA, 42 U.S.C. §6991(10), and 20 DCMR § 6899.1, at the Facility.
- 17. At all times relevant to the applicable violations alleged herein, four (4) STiP3 "petroleum UST system(s)" as that term is defined by 20 DCMR § 6899.1, with impressed current cathodic protection and connected underground piping, installed at the Facility during April of 1989, routinely contained "regulated substance(s)," as that term is defined by Section 9001(7) of RCRA, 42 U.S.C. §6991(7), and 20 DCMR § 6899.1, were located at the Facility. The USTs are further described as follows:
 - a. UST1 (Owner's Tank ID # 01) is a 10,000 gallon tank containing regular gasoline.
 - b. UST2 (Owner's Tank ID # 02) is a 10,000 gallon tank containing regular gasoline.
 - c. UST3 (Owner's Tank ID # 03) is a 10,000 gallon tank containing multi grade gasoline.
 - d. UST4 (Owner's Tank ID # 04) is a 10,000 gallon tank containing premium gasoline.
- 18. EPA, Region III, Land and Chemicals Division, Office of Land Enforcement in March of 2011 began its formal investigation of the Facility to determine compliance with Subtitle I of RCRA. The resulting evidence was based, in part, upon information gathered from Respondent's answer to EPA's August 30, 2012 "Request to Show Cause" letter seeking

to compel information regarding Respondent's four USTs at the Facility.

COUNT I Failure to Test Cathodic Protection System

- 19. The allegations of the preceding paragraphs are incorporated herein by reference.
- 20. Pursuant to DCMR Title 20 Chapter 59, Section 5901.4, all owners and operators of steel UST systems with corrosion protection must be equipped with cathodic protection systems and must be inspected for proper operation by a qualified cathodic protection tester within six months of installation and at least every three years after that.
- 21. The USTs at the Facility were installed during April of 1989.
- 22. Respondent purchased and became the operator of the Facility on December 25, 2005.
- 23. Respondent, from the date it purchased the Facility on December 25, 2005 to December 6, 2011, and for all periods relative to the violations alleged herein, failed to have its cathodic protection systems for the four USTs at the Facility tested by a qualified cathodic protection tester.
- 24. Respondent's acts and/or omissions as alleged in Paragraph 23, above, are a violation by Respondent of DCMR Title 20 Chapter 59, Section 5901.4.

III. CIVIL PENALTY

- 25. Section 9006(d) of RCRA, 42 U.S.C. §6991*e*(d), and 40 C.F.R. Part 19, provides that EPA may assess a civil penalty of up to \$16,000.00 per day for each tank each day such tank is in violation of the regulatory requirements.
- 26. In settlement of Complainant's claims for civil penalties for the violations alleged in this CA, Respondent agrees to pay a civil penalty in the amount of Two Thousand, Five Hundred Dollars (\$2,500.00). The civil penalty amount is due and payable, as set forth in the schedule below, upon Respondent's receipt of a true and correct copy of this CA/FO.
- 27. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, EPA is entitled to assess interest, administrative costs and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim, as more fully described below.
- 28. In accordance with 40 C.F.R. § 13.11(a), interest on any civil penalty assessed in a CA/FO begins to accrue on the date that a copy of the CA/FO is mailed or hand-delivered

to the Respondent. However, EPA will not seek to recover interest on any amount of such civil penalty that is paid within thirty (30) calendar days after the date on which such interest begins to accrue. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a).

- 29. The costs of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period a debt is overdue. 40 C F.R. § 13.11(b). Pursuant to Appendix 2 of EPA's *Resources Management Directives Cash Management*, Chapter 9, EPA will assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) days the penalty remains unpaid.
- A late payment penalty of six percent per year will be assessed monthly on any portion of a civil penalty which remains delinquent more than ninety (90) calendar days. 40 C.F.R. § 13.11(c). Should assessment of the penalty charge on a debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d).
- 31. The aforesaid settlement amount was based upon Complainant's consideration of a number of factors, including, but not limited to, the statutory factors, the seriousness of Respondent's violations, any good faith efforts by Respondent to comply with all applicable requirements as provided in RCRA Section 9006(c), 42 U.S.C. § 6991e(c), and EPA's Penalty Guidance for Violations of UST Regulations ("UST Guidance") dated November 4, 1990.
- 32 Respondent shall pay a civil penalty of Two Thousand, Five Hundred Dollars (\$2,500.00) in eight (8) installments. Each installment payment shall contain principal and interest. Respondent shall pay interest at the rate of one percent (1.00%) per annum on the outstanding principal balance. All such payments shall be paid in accordance with the following schedule:

1 st Payment-	The first payment in the amount of \$316.03 shall be paid within				
i i uymon	ninety days (90) of the date on which this CA/FO was mailed or				
	hand-delivered to Respondent.				
2 nd Payment	- The second payment in the amount of \$316.03 shall be paid within				
	one hundred and eighty days (180) of the date on which this				
	CA/FO was mailed or hand-delivered to Respondent.				
3 rd Payment	- The third payment in the amount of \$316.03 shall be paid within				
-	two hundred and seventy days (270) of the date on which this				
	CA/FO was mailed or hand-delivered to Respondent.				

- The fourth payment in the amount of \$316.03 shall be paid within 4th Paymentthree hundred and sixty days (360) of the date on which this CA/FO was mailed or hand-delivered to Respondent. 5th Payment-The fifth payment in the amount of \$316.03 shall be paid within four hundred and fifty days (450) of the date on which this CA/FO was mailed or hand-delivered to Respondent. 6th Payment-The sixth payment in the amount of \$316,03 shall be paid within five hundred and forty days (540) of the date on which this CA/FO was mailed or hand-delivered to Respondent. The seventh payment in the amount of \$316.03 shall be paid within 7th Paymentsix hundred and thirty days (630) of the date on which this CA/FO was mailed or hand-delivered to Respondent. 8th Payment-The eighth and final payment in the amount of \$315.24 shall be paid within seven hundred and thirty days (730) of the date on which this CA/FO was mailed or hand-delivered to Respondent.
- 33. Pursuant to the above schedule, Respondent will remit eight payments for the total civil penalty in the amount of Two Thousand, Five Hundred Dollars (\$2,500.00), plus interest payments totaling Twenty Seven Dollars and Forty Five Cents (\$27.45), for a grand total of Two Thousand, Five Hundred, Twenty Seven Dollars and Forty Five Cents (\$2,527.45).

34 If Respondent fails to make one of the installment payments in accordance with the schedule set forth in paragraph 32, above, the entire unpaid balance of the penalty and all accrued interest shall become due immediately upon such failure, and Respondent shall <u>immediately</u> pay the entire remaining principal balance of the civil penalty along with any interest that has accrued up to the time of such payment. In addition, Respondent shall be liable for and shall pay administrative handling charges and late payment penalty charges as described in paragraphs 28 through 31, above, in the event of any such failure or default.

35. Notwithstanding Respondent's agreement to pay the assessed civil penalty in accordance with paragraph 32, above, Respondent may pay the entire civil penalty of Two Thousand, Dollars within thirty (30) calendar days after the date on which a copy of this CA/FO is

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mailed to Respondent and, thereby, avoid the assessment of interest pursuant to 40 C.F.R. 13.11(a)(1).

36 Respondent shall remit the full penalty or each installment payment for the civil penalty and/or interest in accordance with paragraph 27 through 35, above, by sending a certified check or cashier's check, or by cashier's check, certified check, or electronic wire transfer, payable to "**United States Treasury**," in accordance with this Section IV, and the following instructions:

7

a. All payments made by check and sent by U.S. Postal Service regular mail shall be addressed to:

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

The customer service contact for this address is Heather Russell, who may be reached at 513-487-2044.

b. All payments made by check and sent by UPS, FedEx, or overnight mail delivery service (except as noted in section d, below) shall be addressed to:

U.S. Bank Government Lockbox 979077 U.S. EPA, Fines & Penalties 1005 Convention Plaza Mail Station SL-MO-C2-GL St. Louis, MO 63101

The U.S. Bank customer service contact for overnight delivery is 314-418-1028.

c. All payments made by check in any currency drawn on banks with no branches in the United States shall be addressed for delivery to the following address:

Cincinnati Finance US EPA, MS-NWD 26 W. M.L. King Drive Cincinnati, OH 45268-0001

d. All payments made by electronic funds transfer ("EFT") shall be directed

U.S. EPA Docket # RCRA-03-2013-0061

to:

Federal Reserve Bank of New York ABA No. 021030004 Account No. 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"

The Federal Reserve customer service contact may be reached at 212-720-5000.

e. All electronic payments made through the Automated Clearinghouse ("ACH"), also known as Remittance Express ("REX"), shall be directed to:

US Treasury REX / Cashlink ACH Receiver ABA = 051036706 Account No.: 310006, Environmental Protection Agency CTX Format Transaction Code 22 - Checking

Physical location of U.S. Treasury facility:

5700 Rivertech Court Riverdale, MD 20737

Customer service contact: John Schmid, at 202-874-7026, or REX at 1-866-234-5681

f. On-line payment option

WWW.PAY.GOV

Enter "sfo 1.1" in the search field. Open and complete the form.

g. Additional payment guidance is available at:

http://www.epa.gov/ocfo/finservices/make_a_payment.htm

h. All payments by Respondent shall include Respondent's full name and address and the EPA Docket Number of this Consent Agreement (RCRA-

U.S. EPA Docket # RCRA-03-2013-0061

03-1013-0061).

I. At the time of payment, Respondent shall send a notice of such payment, including a copy of the check, EFT authorization or ACH authorization, as appropriate to:

Lydia Guy Regional Hearing Clerk U.S. Environmental Protection Agency Region III (Mail Code 3RC00) 1650 Arch Street Philadelphia, PA 19103-2029

and

Rodney Carter Senior Assistant Regional Counsel U.S. Environmental Protection Agency Region III (Mail Code 3RC50) 1650 Arch Street Philadelphia, PA 19103-2029

37 Nothing in this CA/FO shall be construed as prohibiting, altering or in any way limiting the ability of EPA to seek any other remedies or sanctions available by virtue of Respondent's violation of this agreement or of the statutes and regulations upon which this agreement is based, or for Respondent's violation of any other provision of law.

IV. RESERVATION OF RIGHTS

38. This CA/FO resolves only EPA's claims for civil penalties for the specific violations alleged in the CA/FO. EPA reserves the right to commence action against any person, including Respondent, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the Consolidated Rules of Practice. Further, EPA reserves any rights and remedies available to it under RCRA, the regulations promulgated thereunder, and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this CA/FO, following its filing with the Regional Hearing Clerk.

U.S. EPA Docket # RCRA-03-2013-0061

V. FULL AND FINAL SATISFACTION

39. This CA/FO constitutes a full, complete and final settlement by EPA of all claims for civil penalties pursuant to 9006(a) of RCRA, 42 U.S.C. § 6991e(a), for the specific violations alleged herein. Compliance with this CA/FO shall not be a defense to any action commenced at any time for any other violations of the federal laws and regulations administered by EPA.

VI. OTHER APPLICABLE LAWS

40. Nothing in this CA/FO shall relieve Respondent of any duties or obligations otherwise imposed on it by applicable federal, state or local law and/or regulations.

VII. AUTHORITY TO BIND PARTIES

41. The undersigned certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Agreement and to legally bind Respondent hereto.

VIII. PARTIES BOUND

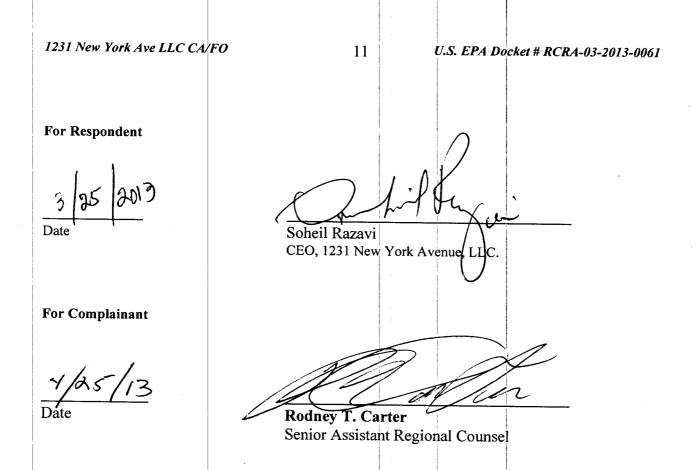
42. This CA/FO shall apply to and be binding upon EPA, Respondent, and Respondent's officers, employees, agents, successors and assigns.

IX. EFFECTIVE DATE

43. This CA/FO shall become effective upon filing with the Regional Hearing Clerk.

X. ENTIRE AGREEMENT

44. This CA/FO constitute the entire agreement and understanding of the parties concerning settlement of all claims pertaining to the specific violations alleged herein and there are no representations, warranties, covenants, terms, or conditions agreed upon between the parties other than those expressed in this CA/FO.



After reviewing the Findings of Fact and Conclusions of Law and other pertinent matters, the Director of Land and Chemicals Division, U.S. Environmental Protection Agency, Region III, hereby recommends that the Regional Administrator or his designee, the Regional Judicial Officer, issue the attached Final Order.

1.13

Date

John A. Armstead, Director Land and Chemicals Division (3LC00)