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**U. S. ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 RENNER BOULEVARD
LENEXA, KANSAS 66219**

BEFORE THE ADMINISTRATOR

In the Matter of)
Farm Services Cooperative)
Respondent)

) Docket No. FIFRA-07-2013-0012
)
)

CONSENT AGREEMENT AND FINAL ORDER

The U.S. Environmental Protection Agency (EPA), Region 7, and Farm Services Cooperative (Respondent) have agreed to a settlement of this action before filing of a Complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

Section I

Jurisdiction

1. This proceeding is an administrative action for the assessment of civil penalties instituted pursuant to Section 14 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 U.S.C. § 136l.

2. This Consent Agreement and Final Order (CAFO) serves as notice that the EPA has reason to believe that Respondent has violated Section 12 of FIFRA, 7 U.S.C. § 136j.

Section II

Parties

3. The Complainant, by delegation from the Administrator of the EPA and the Regional Administrator, EPA, Region 7, is the Director of the Water, Wetlands and Pesticides Division, EPA, Region 7.

4. The Respondent is Farm Services Cooperative, a pesticide dealer, located at 2308 Pine Street in Harlan, Iowa, with a branch facility located in Shelby, Iowa (the “facility”). The Respondent is and was at all times referred to in this Complaint, a “person” as defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and an Iowa corporation qualified to do business in the state of Iowa.

Section III

Statutory and Regulatory Background

5. Section 2(t) of FIFRA, 7 U.S.C. § 136(t), defines the term “pest” to mean (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organism on or in living man or other living animal) which the Administrator declares to be a pest under Section 25(c)(1).

6. Section 2(u) of FIFRA, 7 U.S.C. § 136(u), defines the term “pesticide” to mean any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

7. Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), defines the term “to distribute or sell” to mean to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive, and (having so received) deliver or offer to deliver.

8. Section 12(a)(2)(F) of FIFRA, 7 U.S.C. § 136j(a)(2)(F), states that it shall be unlawful for any person to distribute or sell, or make available for use, or to use any registered pesticide classified for a restricted use other than in accordance with Section 3(d) of FIFRA.

9. Section 3(d) of FIFRA, 7 U.S.C. § 136a(d), states that a restricted use pesticide shall be applied only by or under the direct supervision of a certified applicator.

Section IV

General Factual Allegations

10. On November 19, 2012, a representative of the Iowa Department of Agriculture and Land Stewardship (IDALS) conducted inspections at Respondent’s branch facility in Shelby, Iowa.

11. During the inspection referenced in the preceding paragraph, the IDALS inspector documented the sale or distribution by Respondent to a Merlin Bargaquast, of Shelby, Iowa, of quantities of the restricted use pesticides Atrazine 4L, EPA Reg. No. 11773-1, on or about May 23, 2012, and Grazon P&D, EPA Reg. No. 62719-182, on or about June 1, 2012.

12. During the November 19, 2012, inspection, the IDALS inspector documented the sale or distribution by Respondent of a quantity of the restricted use pesticide Grazon P&D, EPA Reg. No. 62719-182, on or about May 22, 2012, to Wes Orme, of Minden, Iowa.

Violations

13. The Complainant hereby states and alleges that Respondent has violated FIFRA and federal regulations promulgated thereunder, as follows:

Counts 1-3

14. The facts stated in Paragraphs 10 through 12 are realleged and incorporated as if fully stated herein.

15. At the time of the sale or distribution of the restricted use pesticide ATRAZINE 4L, EPA Reg. No. 11773-1 referenced in Paragraph 11 above, the purchaser, Merlin Bargaquast, was not certified to apply a restricted use pesticide, nor was he acting under the supervision of an individual so certified at the time of the RUP purchase.

16. At the time of the sale or distribution of the restricted use pesticide Grazon P&D, EPA Reg. No. 62719-182 referenced in Paragraph 11 above, the purchaser, Merlin Bargaquast, was not certified to apply a restricted use pesticide, nor was he acting under the supervision of an individual so certified at the time of the RUP purchase.

17. At the time of the sale or distribution of the restricted use pesticide Grazon P&D, EPA Reg. No. 62719-182 referenced in Paragraph 12 above, the purchaser, Wes Orme, was not certified to apply a restricted use pesticide, nor was he acting under the supervision of an individual so certified at the time of the RUP purchase.

18. Respondent violated Section 12(a)(2)(F) of FIFRA, 7 U.S.C. § 136j(a)(2)(F), by distributing, selling or making available for use a registered pesticide classified for a restricted use for purposes other than in accordance with Section 3(d) of FIFRA, 7 U.S.C. § 136a(d).

19. Pursuant to Section 14 of FIFRA, 7 U.S.C. § 136l, and based on the facts stated above, it is proposed that a civil penalty of \$21,450.00 be assessed against the Respondent.

Section V

Consent Agreement and Terms of Settlement

20. For purposes of this proceeding, Respondent admits the jurisdictional allegations set forth above.

21. Respondent neither admits nor denies the factual allegations set forth above.

22. Respondent waives its right to contest any issue of fact or law set forth above and its right to appeal the Final Order accompanying this Consent Agreement.

23. Respondent and the EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorney's fees.

24. Respondent consents to the issuance of the Final Order hereinafter recited and consents to the payment of a civil penalty as specified in the Final Order.

25. Nothing contained in the Final Order portion of this CAFO shall alter or otherwise affect Respondent's obligation to comply with all applicable federal, state, and local environmental statutes and regulations and applicable permits.

26. The undersigned representative of Respondent certifies that he or she is fully authorized to enter into the terms and conditions of this CAFO and to execute and legally bind Respondent to it.

27. Respondent certifies that by signing this CAFO that it is in compliance with FIFRA, 7 U.S.C. § 136 *et. seq.*, and all regulations promulgated thereunder.

28. The effect of settlement described in the following paragraph is conditioned upon the accuracy of the Respondent's representations to the EPA, as memorialized in the preceding paragraph.

29. Payment of this civil penalty in full shall resolve all civil and administrative claims for all violations of FIFRA alleged in this document. Complainant reserves the right to take any enforcement action with respect to any other violations of FIFRA or any other applicable law.

30. Late Payment Provisions. Pursuant to 31 U.S.C. § 3717, the EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Respondent understands that its failure to timely pay any portion of the civil penalty described in Paragraph 1 of the Final Order below may result in the commencement of a civil action in Federal District Court to recover the full remaining balance, along with penalties and accumulated interest. In such case, interest shall accrue thereon at the applicable statutory rate on the unpaid balance until such civil or stipulated penalty and any accrued interest are paid in full. A late payment handling charge of \$15 will be imposed after thirty (30) days and an additional \$15 will be charged for each subsequent thirty (30) day period. Additionally, as provided by 31 U.S.C. § 3717(e)(2), a six percent (6%) per annum penalty (late charge) may be assessed on any amount not paid within ninety (90) days of the due date.

Section VI

Final Order

Pursuant to Section 14 of FIFRA, as amended, 7 U.S.C. §136l, and according to the terms of the Consent Agreement set forth above, **IT IS HEREBY ORDERED THAT:**

1. Respondent shall pay a civil penalty of Twenty-One Thousand Four Hundred and Fifty Dollars (\$21,450.00) within thirty (30) days of the effective date of this Final Order. Such payment shall identify Respondent by name and docket number and made as follows:

If by certified or cashier's check, payment should be made payable to the "United States Treasury" and sent to the following address:

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

If by wire transfer, payment should be directed to the Federal Reserve Bank of New York as follows:

Federal Reserve Bank of New York
ABA = 021030004
Account = 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 by electronic payment, payment may be submitted on-line at www.pay.gov by entering "SFO 1.1" in the "Search Public Forms" field. Open the on-line form and complete the required fields to complete payment. Respondent shall print a copy of the payment receipt and mail a copy of the receipt to the contacts listed below

2. A copy of the check or other information confirming payment shall simultaneously be sent to the following:

Regional Hearing Clerk
U.S. Environmental Protection Agency
Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219;

and

Mark K. Leshner
Toxics and Pesticides Enforcement Branch, WWPD
U.S. Environmental Protection Agency
Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219

3. No portion of the civil penalty or interest paid by Respondent pursuant to the requirements of this CAFO shall be claimed by Respondent as a deduction for federal, state, or local income tax purposes.

4. This CAFO shall be effective upon the filing of the Final Order by the Regional Hearing Clerk for the EPA, Region 7. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

**RESPONDENT
FARM SERVICES COOPERATIVE**

Date: MAY 13 2013

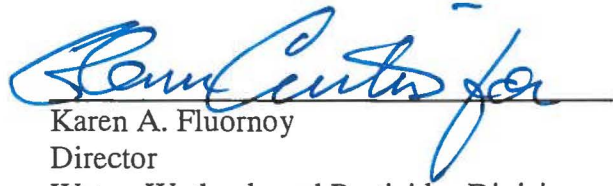

Representative of Farm Services Cooperative

GARY R. STAN
Printed Name

General Manager
Title

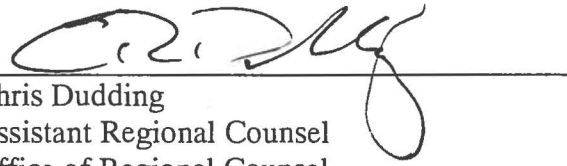
COMPLAINANT
U. S. ENVIRONMENTAL PROTECTION AGENCY

Date: 5-16-13



Karen A. Fluornoy
Director
Water, Wetlands and Pesticides Division

Date: 9/22/13



Chris Dudding
Assistant Regional Counsel
Office of Regional Counsel

IT IS SO ORDERED. This Order shall become effective immediately.

Date: 5/28/13

Karina Borromeo
Karina Borromeo
Regional Judicial Officer

IN THE MATTER OF Farm Services Cooperative, Respondent
Docket No. FIFRA-07-2013-0012

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

Copy emailed to Attorney for Complainant:

dudding.chris@epa.gov

Copy emailed to Case Review Officer:

lesher.mark@epa.gov

Copy by First Class Mail to Respondent:

Gary Jahn
General Manager
Farm Services Cooperative
2308 Pine Street
Harlan, Iowa 51537

Dated: 5/30/13



Kathy Robinson
Hearing Clerk, Region 7