

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7

11201 RENNER BOULEVARD
LENEXA, KANSAS 66215

UNITED STATES
ENVIRONMENTAL PROTECTION
AGENCY REGION 7

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BEFORE THE ADMINISTRATOR

IN THE MATTER OF:

Martin Foundry Company, Inc.
Respondent,

Proceeding under Section 325(c) of the
Emergency Planning and
Community Right-to-Know Act,
42 U.S.C. § 11045(c)

Docket No. EPCRA-07-2016-0002

Consent Agreement and Final Order

The United States Environmental Protection Agency, Region 7 (EPA or Complainant) and Martin Foundry Company, Inc. (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 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 pursuant to Section 325(c) of the Emergency Planning and Community Right-to-Know Act (EPCRA), 42 U.S.C. § 11045(c).
2. This Consent Agreement and Final Order (CAFO) serves as notice that EPA alleges that Respondent has violated the reporting requirements of Section 313 of EPCRA, 42 U.S.C. § 11023, and the regulations promulgated thereunder.

Section II

Parties

3. The Complainant, by delegation from the Administrator of EPA and from the Regional Administrator, EPA Region 7, is the Director of the Air and Waste Management Division, EPA Region 7.

4. The Respondent is Martin Foundry Company, Inc., a company registered and authorized to do business in the State of Missouri. The Respondent's facility is located at 1510 Crystal Avenue, Kansas City, Missouri.

Section III

Statutory and Regulatory Requirements

5. Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. §§ 372.22 and 372.30 require the owner or operator of a facility that:

- a. has ten or more full-time employees;
- b. is an establishment with a primary SIC major group or industry code listed in 40 C.F.R. § 372.23(a) or a primary NAICS subsector or industry code listed in 40 C.F.R. §§ 372.23(b) or (c); and
- c. “manufactured, processed, or otherwise used” a toxic chemical listed under Subsection 313(c) of EPCRA, 42 U.S.C. § 11023(c), and 40 C.F.R. § 372.65, in excess of the threshold quantity established under Section 313(f) of EPCRA, 42 U.S.C. § 11023(f), and 40 C.F.R. §§ 372.25, 372.27 or 372.28 during the calendar year

to complete and submit a toxic chemical release inventory Form R to the Administrator of EPA and to the State in which the subject facility is located by July 1, for the preceding calendar year, for each toxic chemical known by the owner or operator to be “manufactured, processed, or otherwise used” in quantities exceeding the established threshold quantity during that preceding calendar year.

6. According to Section 313(f) of EPCRA, 42 U.S.C. § 11023(f), and 40 C.F.R. § 372.25, the threshold amount for reporting under Section 313(b) of EPCRA, 42 U.S.C. § 11023(b), and 40 C.F.R. § 372.30 is 25,000 pounds for any toxic chemical “manufactured or processed” and 10,000 pounds for any toxic chemical “otherwise used” for the applicable calendar year. Alternative reporting thresholds for certain other chemicals are set forth in 40 C.F.R. §§ 372.27 and 372.28.

7. Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), states that the Administrator may issue an administrative order against any person assessing a civil administrative penalty of

up to \$25,000 per day of violation, if, on the basis of any available information, the Administrator finds that such person has violated or is violating any requirement or prohibition of Section 313, 42 U.S.C. § 11023. Section 325(c) of EPCRA, 42 U.S.C. §11045(c), as amended by the Debt Collection Improvement Act of 1996, authorizes the United States to assess civil administrative penalties of up to \$27,500 per day for each violation that occurs between January 30, 1997, and March 15, 2004; \$32,500 per day for each violation occurring between March 16, 2004, and January 12, 2009; and \$37,500 per day for each violation occurring after January 12, 2009.

Definitions

8. The term “facility” means “all buildings, equipment, structures, and other stationary items which are located on a single site or on contiguous or adjacent sites and which are owned or operated by the same person (or by any person which controls, is controlled by, or under common control with such person). A facility may contain more than one establishment.” 40 C.F.R. § 372.3.

9. The term “full-time employees” means “2,000 hours per year of full-time equivalent employment. A facility would calculate the number of full-time employees by totaling the hours worked during the calendar year by all employees, including contract employees, and dividing that total by 2,000 hours.” 40 C.F.R. § 372.3.

10. The term “toxic chemical” means a “chemical or chemical category listed in 40 C.F.R. § 372.65.” 40 C.F.R. § 372.3.

11. The term “manufacture” means “to produce, prepare, import or compound a toxic chemical. Manufacture also applies to a toxic chemical that is produced coincidentally during the manufacture, processing, use or disposal of another chemical or mixture of chemicals, including a toxic chemical that is separated from that other chemical or mixture of chemicals as a byproduct, and a toxic chemical that remains in that other chemical mixture of chemicals as an impurity.” 40 C.F.R. § 372.3.

12. The term “process” means “the preparation of a toxic chemical, after its manufacture, for distribution in commerce: (1) in the same form or physical state as, or in a different form or physical state from, that in which it was received by the person so preparing such substance; or (2) as part of an article containing the toxic chemical. Process also applies to the processing of a toxic chemical contained in a mixture or trade name product.” 40 C.F.R. § 372.3.

13. The term “otherwise use” means “any use of a toxic chemical, including a toxic chemical contained in a mixture or other trade name product or waste, that is not covered by the terms ‘manufacture’ or ‘process.’ Otherwise use of a toxic chemical does not include disposal, stabilization (without subsequent distribution in commerce), or treatment for destruction unless: (1) the toxic chemical that was disposed, stabilized, or treated for destruction was received from off-site for the purposes of further waste management; or (2) the toxic chemical that was disposed, stabilized, or treated for destruction was manufactured as a result of waste

management activities on materials received from off-site for the purposes of further waste management activities. Relabeling or redistributing of the toxic chemical where no repackaging of the toxic chemical occurs does not constitute otherwise use or processing of the toxic chemical.” 40 C.F.R. § 372.3.

Section IV

General Factual Allegations

14. Respondent is, and at all times referred to herein was, a “person” as defined by Section 329(7) of EPCRA, 42 U.S.C. § 11049(7).

15. Respondent’s facility, located at 1510 Crystal Avenue, in Kansas City, Missouri is a “facility” as that term is defined by Section 329(4) of EPCRA, 42 U.S.C. § 11049(4), and by 40 C.F.R. § 372.3.

16. At all times referenced herein, Respondent’s facility employed ten or more “full-time employees” pursuant to Section 313(b)(1)(A) of EPCRA, 42 U.S.C. § 11023(b)(1)(A), and as defined by 40 C.F.R. § 372.3.

17. Respondent’s facility is classified as NAICS Code 331524 – Aluminum Foundries (except die-casting).

18. Copper and lead are listed “chemicals and chemical categories” pursuant to 40 C.F.R. § 372.65 and therefore “toxic chemicals” within the meaning of 40 C.F.R. § 372.3.

19. During reporting year 2013, the toxic chemicals identified in Paragraph 18 were “manufactured, processed, or otherwise used” as those terms are defined by 40 C.F.R. § 372.3 at Respondent’s facility.

20. On April 29, 2015, a duly authorized representative from EPA, Region 7, conducted an inspection of Respondent’s facility.

Alleged Violations

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

Count 1

22. Paragraphs 14 through 20 are incorporated by reference as if fully set forth herein.

23. Pursuant to 40 C.F.R. § 372.25, the threshold reporting quantity for manufacturing or processing copper is 25,000 pounds, and the threshold reporting quantity for otherwise using copper is 10,000 pounds.

24. The toxic chemical copper was manufactured, processed, and/or otherwise used at Respondent's facility in excess of the applicable threshold quantities during reporting year 2013.

25. Respondent failed to file a Form R report for copper with the Administrator of EPA and the State of Missouri for reporting year 2013 by the July 1, 2014, deadline. Respondent filed the Form R reports on or about August 27, 2015.

26. The failure to timely submit a Form R report for copper is a violation of Section 313(a) of EPCRA, 42 U.S.C. § 11023(a), and 40 C.F.R. § 372.30.

27. Pursuant to Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), it is proposed that a civil penalty be assessed against Respondent for the violations of EPCRA identified above, the amount of which is set forth in Paragraph 1 of the Final Order below.

Count 2

28. The facts stated in Paragraphs 14 through 20 are incorporated by reference as if fully set forth herein.

29. Pursuant to 40 C.F.R. § 372.28, the threshold reporting quantity for manufacturing, processing, and otherwise using lead is 100 pounds.

30. The toxic chemical lead was manufactured, processed, and/or otherwise used at Respondent's facility in excess of the applicable threshold quantities during reporting year 2013.

31. Respondent failed to file a Form R report for lead with the Administrator of EPA and the State of Missouri by the July 1, 2014, deadline. Respondent filed the Form R reports on or about August 27, 2015.

32. The failure to timely submit a Form R report for lead is a violation of Section 313(a) of EPCRA, 42 U.S.C. § 11023(a), and 40 C.F.R. § 372.30.

33. Pursuant to Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), it is proposed that a civil penalty be assessed against Respondent for the violations of EPCRA identified above, the amount of which is set forth in Paragraph 1 of the Final Order below.

CONSENT AGREEMENT

34. Respondent and EPA agree to the terms of this CAFO and Respondent agrees to comply with the terms of the Final Order portion of this CAFO.

35. For purposes of this proceeding, Respondent admits the jurisdictional allegations set forth above, and agrees not to contest EPA's jurisdiction in this proceeding or any subsequent proceeding to enforce the terms of the Final Order portion of this CAFO.

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

37. 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.

38. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees incurred as a result of this action.

39. Respondent certifies by signing this CAFO that, to the best of its knowledge, Respondent's facility is in compliance with all requirements of Section 313 of EPCRA, 42 U.S.C. § 11023, and all regulations promulgated thereunder.

40. Respondent agrees that, in settlement of the claims alleged in this CAFO, Respondent shall pay a mitigated penalty of Ten Thousand Four Hundred Thirty Dollars plus interest payment of Seventeen Dollars and Fifty Cents for a total mitigated penalty of Ten Thousand Four Hundred Forty-Seven Dollars and Fifty Cents (\$10,447.50), as set forth in the payment plan in Paragraph 1 of the Final Order. Payment of this civil penalty in full shall resolve all civil and administrative claims for all violations of EPCRA alleged in this document. Complainant reserves the right to take any enforcement action with respect to any other violations of EPCRA or any other applicable law and/or regulation administered by the EPA.

41. The effect of settlement described in Paragraph 40 is conditioned upon the accuracy of Respondent's representations to EPA, as memorialized in Paragraph 39 of this CAFO.

42. Respondent consents to the issuance of the Final Order hereinafter recited and consents to the payment of the civil penalty as set forth in the Final Order.

43. Late Payment Provisions. Failure to pay the assessed penalty may result in the referral of this matter to the United States Department of Justice for collection. Pursuant to 31 U.S.C. § 3717, 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. Interest will therefore begin to accrue on a civil or stipulated penalty if it is not paid by the date required. Interest will be assessed at a rate of the United States Treasury tax and loan rate in accordance with 31 C.F.R. § 901.9(b). A charge will be assessed to cover the costs of the debt collection, including processing and handling costs and attorneys' fees. In addition, a non-payment penalty charge of six (6) percent per year, compounded annually, will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. Any such non-payment penalty charge on the debt will accrue from the date the penalty payment becomes due and is not paid. 31 C.F.R. §§ 901.9(c) and (d).

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

45. Nothing in this CAFO shall be construed as a release from any other action under law and/or regulation administered by EPA. 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.

FINAL ORDER

Pursuant to the provisions of the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11045, and based upon the information set forth in this Consent Agreement, **IT IS HEREBY ORDERED THAT:**

1. Respondent shall pay a civil penalty of Ten Thousand Four Hundred Thirty Dollars plus an interest payment of Seventeen Dollars and Fifty Cents for a total penalty of Ten Thousand Four Hundred Forty-Seven Dollars and Fifty Cents (\$10,447.50). The total payment shall be paid in three monthly payments of Three Thousand Four Hundred Eighty-Two Dollars and Fifty Cents (\$3,482.50). The first payment must be received at the address within thirty (30) days after the effective date of the Final Order. Each subsequent payment shall be paid thirty (30) days after the previous payment. Payment shall be made by cashiers or certified check, wire transfer or on-line. Payment must identify the Respondent's name and docket number for this matter.

Cashiers or certified checks shall be made payable to the "United States Treasury," and remitted to:

U.S. Environmental Protection Agency, Region 7
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, Missouri 63197-9000.

Wire transfers should be directed to the Federal Reserve Bank of New York:

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"

On-line payments shall be made at:

www.pay.gov
Enter "SFO 1.1" in the search field
Open form and complete fields

2. A copy of the check should be sent to:

Regional Hearing Clerk
United States Environmental Protection Agency – Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219

and to:

Kelley Catlin
Assistant Regional Counsel
United States 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 the CAFO shall be claimed by Respondent as a deduction for Federal, State, or local income tax purposes.

4. This Final Order shall apply to and be binding upon Respondent and Respondent's agents, successors, and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this CAFO.

5. Respondent and Complainant shall each bear their own costs and attorneys' fees incurred as a result of this matter.

6. The effective date of this Final Order shall be the date on which it is filed by the Regional Hearing Clerk.

COMPLAINANT:

U. S. Environmental Protection Agency

Date: 3/14/16 By: Becky Weber
Becky Weber
Director
Air and Waste Management Division

Date: 3/10/16 By: Kelley Catlin
Kelley Catlin
Assistant Regional Counsel
Office of Regional Counsel

RESPONDENT:

Martin Foundry Company, Inc.

Date: 3-4-16

By:



Signature



Printed Name



Title

IT IS SO ORDERED.

This Final Order shall become effective upon filing.

Date: 3-21-2016 By: Karina Borromeo
Karina Borromeo
Regional Judicial Officer
United States Environmental Protection Agency
Region 7

IN THE MATTER Of Martin Foundry Company, Inc., Respondent
Docket No. EPCRA-07-2016-0002

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:

catlin.kelley@epa.gov

Copy by First Class Mail to Respondent:

Julie C. Stone, President
Martin Foundry Company, Inc.
1510 Crystal Avenue
Kansas City, Missouri 64126

Dated: 3/21/16



Kathy Robinson
Kathy Robinson
Hearing Clerk, Region 7