



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
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2017 JUL 18 AM 11:58

FILED
EPA REGION VIII
HEARING CLERK

DOCKET NO.: TSCA-08-2017-0008

IN THE MATTER OF:)	
)	
REGAL CONSTRUCTION INC.)	FINAL ORDER
)	
)	
)	
RESPONDENT)	

Pursuant to 40 C.F.R. § 22.13(b) and §§ 22.18(b)(2) and (3) of EPA’s Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order.

The Respondent is hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon filing this Consent Agreement and Final Order.

SO ORDERED THIS 18th DAY OF July, 2017.

Katherin E. Hall
Katherin E. Hall
Regional Judicial Officer

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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Docket No. TSCA-08-2017-0008

FILED
EPA REGION VIII
HEARING CLERK

IN THE MATTER OF:)
)
REGAL CONSTRUCTION INC.)
1017 South Johnson Street)
Lakewood, Colorado 80226)
)
Respondent.)
_____)

**COMBINED COMPLAINT AND
CONSENT AGREEMENT**

Complainant, the United States Environmental Protection Agency, Region 8, and Respondent, Regal Construction Inc., by their undersigned representatives, hereby consent and agree as follows:

I. AUTHORITY

1. This Combined Complaint and Consent Agreement (CCCA) is entered into by the EPA, by its duly delegated officials, and by Respondent for the purpose of simultaneously commencing and concluding this matter, as authorized by 40 C.F.R. § 22.13(b), and pursuant to 40 C.F.R. § 22.18(b)(2) and (3).
2. The EPA has jurisdiction over this matter pursuant to sections 16 and 409 of the Toxic Substances Control Act (TSCA), 15 U.S.C. §§ 2615, 2689, and the regulations promulgated under TSCA subchapter IV, as set forth at 40 C.F.R. part 745.

II. STATUTORY AND REGULATORY BACKGROUND

3. As directed by section 402(c) of TSCA, the EPA promulgated the Renovation, Repair, and Painting (RRP) Rule, codified at 40 C.F.R. part 745, subpart E, with the purpose of protecting the public from lead-based paint hazards associated with renovation, repair, and painting activities.
4. The RRP Rule requires that individuals performing renovations for compensation in target housing are properly trained, renovators and firms that perform renovations are certified, and the work practice standards at 40 C.F.R. § 745.85 are followed during renovations.
5. "Target housing" means any housing constructed prior to 1978, except for 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 zero-bedroom dwelling. 15 U.S.C. § 2681(17).
6. "Renovation" means the modification of any existing structure, or portion thereof, that results in the disturbance of painted surfaces, unless that activity is performed as part of an abatement as defined at 40 C.F.R. § 745.223. 40 C.F.R. § 745.83.

7. Failure to comply with any provision of the RRP Rule, 40 C.F.R. part 745, subpart E, constitutes a violation of section 409 of TSCA, 15 U.S.C. § 2689. Section 16 of TSCA, 15 U.S.C. § 2615, as modified by 40 C.F.R. part 19, authorizes the EPA to assess a civil penalty of up to \$37,500 for each violation of section 409.

III. RESPONDENT

8. Respondent is a corporation and registered to do business in the State of Colorado.
9. Respondent is a “person” for purposes of sections 16 and 409 of TSCA, 15 U.S.C. §§ 2615, 2689, and as defined at 40 C.F.R. § 745.83.
10. Respondent is a “firm” as defined by 40 C.F.R. § 745.83.

IV. STATEMENTS OF FACT AND CONCLUSIONS OF LAW

11. On September 30, 2015, an authorized representative of the EPA conducted a compliance inspection at Respondent’s jobsite at 3777 Stuart Street in Denver, Colorado (Jobsite), to determine compliance with the RRP Rule.
12. The Jobsite is a residential property constructed prior to 1978 and is “target housing” as the term is defined in 15 U.S.C. § 2681(17).
13. Respondent performed a “renovation” as the term is defined in 40 C.F.R. § 745.83, by conducting a renovation at the Jobsite that involved adding a rear addition to the property for compensation.

Count 1

14. The “initial certification” requirement at 40 C.F.R. § 745.89(a) provides that firms performing renovations on target housing are required to apply to the EPA for certification.
15. No firm may perform, offer, or claim to perform renovations without certification from the EPA under § 745.89 in target housing. 40 C.F.R. § 745.81(a)(2)(ii).
16. Respondent failed to obtain initial certification from the EPA prior to performing a renovation at the Jobsite.
17. Respondent’s failure to obtain initial certification prior to performing a renovation at the Jobsite constitutes a violation of 40 C.F.R. §§ 745.81(a)(2)(ii) and 745.89(a) and section 409 of TSCA, 15 U.S.C. § 2689.

Count 2

18. Firms performing renovations on target housing are required to maintain records necessary to demonstrate compliance with the RRP Rule, pursuant to 40 C.F.R. § 745.86.
19. Respondent failed to maintain records for the Jobsite necessary to demonstrate compliance with the RRP Rule, in violation of 40 C.F.R. § 745.86.

20. Respondent's failure to maintain records for the Jobsite constitutes a violation of 40 C.F.R. § 745.86 and sections 15 and 409 of TSCA, 15 U.S.C. §§ 2614 and 2689.

Count 3

21. Firms performing renovations on any residential dwelling unit of target housing are required to provide the owner of the unit with the EPA-approved lead hazard information pamphlet no more than sixty (60) days before beginning renovation activities, pursuant to 40 C.F.R. § 745.84(a)(1).
22. Respondent failed to provide the owner of the house with the EPA-approved lead hazard information pamphlet, as required by 40 C.F.R. § 745.84(a)(1).
23. Respondent's failure to provide the owner of the Jobsite with the pamphlet constitutes a violation of 40 C.F.R. § 745.84(a)(1) and section 409 of TSCA, 15 U.S.C. § 2689.

Count 4

24. Firms performing renovations on target housing are required to post signs clearly defining the work area and warning occupants and other persons not involved in the renovation activities to remain outside of the work area, pursuant to 40 C.F.R. § 745.85(a)(1).
25. At the time of the inspection, Respondent had not posted signs at the Jobsite clearly defining the work area and warning occupants and other persons not involved in the renovation activities to remain outside the work area, prior to and during the renovation as required by 40 C.F.R. § 745.85(a)(1).
26. Respondent's failure to post signs at the Jobsite clearly defining the work area constitutes a violation of 40 C.F.R. § 745.85(a)(1) and section 409 of TSCA, 15 U.S.C. § 2689.

Count 5

27. Firms performing renovations on target housing are required to ensure that a certified renovator is assigned to each renovation and carries out the renovator responsibilities in accordance with 40 C.F.R. § 745.90, pursuant to 40 C.F.R. § 745.89(d)(2).
28. Respondent failed to assign a certified renovator to the renovation at the Jobsite, as required by 40 C.F.R. § 745.89(d)(2).
29. Respondent's failure to assign a certified renovator to the renovation at the Jobsite constitutes a violation of 40 C.F.R. § 745.89(d)(2) and section 409 of TSCA, 15 U.S.C. § 2689.

Count 6

30. Firms performing renovations on target housing are required to ensure that doors within the work area that will be used while the job is being performed are covered with plastic sheeting or other impermeable material in a manner that allows workers to pass through while confining dust and debris, pursuant to 40 C.F.R. § 745.85(a)(2)(ii)(B).

31. At the time of the inspection, Respondent had not ensured doors within the work area at the Jobsite were covered with plastic sheeting or other impermeable material, as required by 40 C.F.R. § 745.85(a)(2)(ii)(B).
32. Respondent's failure to ensure doors within the work area at the Jobsite were covered with plastic sheeting or other impermeable material constitutes a violation of 40 C.F.R. § 745.85(a)(2)(ii)(B) and section 409 of TSCA, 15 U.S.C. § 2689.

Count 7

33. Firms performing renovations on target housing are required, before beginning an exterior renovation, to cover the ground with plastic sheeting or other disposable impermeable material extending 10 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to collect falling paint debris, whichever is greater, unless the property line prevents 10 feet of such ground covering, pursuant to 40 C.F.R. § 745.85(a)(2)(ii)(C).
34. At the time of the inspection, Respondent had not ensured the ground at the Jobsite was covered with plastic sheeting or other impermeable material extending 10 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to collect falling paint debris, as required by 40 C.F.R. § 745.85(a)(2)(ii)(C).
35. Respondent's failure to cover the ground at the Jobsite with plastic sheeting or other disposable impermeable material as described in 40 C.F.R. § 745.85(a)(2)(ii)(C) constitutes a violation of section 409 of TSCA, 15 U.S.C. § 2689.

V. SETTLEMENT

36. The EPA and Respondent agree that settlement of this matter is in the public interest, and the EPA and Respondent agree that execution of this CCCA and issuance of a final order without further litigation and without adjudication of any issue of fact or law, is the most appropriate means of resolving this matter.
37. In determining the amount of any penalty to be assessed, the EPA considered the nature, circumstances, extent and gravity of the violations alleged and, with respect to Respondent, the ability to pay, the effect of the proposed penalty on the ability to continue to do business, any history of prior violations, the degree of culpability, and such other matters as justice may require, in accordance with section 16 of TSCA, 15 U.S.C. § 2615.
38. By signing this CCCA, Respondent: (a) admits that Respondent was subject to the RRP Rule requirements 40 C.F.R. part 745, subpart E at the time the work described herein was being conducted; (b) admits the jurisdictional allegations made herein; (c) neither admits nor denies the factual allegations contained herein; and (d) consents to the assessment of the penalty specified in this CCCA.
39. Pursuant to section 16 of TSCA, 15 U.S.C. § 2615, the EPA has determined that a civil penalty of twelve thousand four hundred thirty-eight dollars (\$12,438) is appropriate to settle this matter.

40. Respondent consents and agrees to pay a civil penalty in the amount of twelve thousand four hundred thirty-eight dollars (\$12,438) in the manner described below.
41. Payment by Respondent of the full penalty amount is due within thirty (30) calendar days of the effective date of the Final Order issued by the EPA Regional Judicial Officer adopting this CCA. If the due date for payment falls on a weekend or legal federal holiday, the due date is the next business day. Payment must be received by 11:00 A.M. Eastern Time to be considered received that day.
42. Payment shall be made by one of the following methods. The payment shall be made by remitting a check or making a wire transfer or online payment. The check or other payment shall designate the name and docket number of this case, be in the amount stated above, and be payable to "Treasurer, United States of America." The payment shall be sent as follows:

If sent by regular U.S. mail:

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

If sent by any commercial carrier or signed receipt confirmation:

U.S. Environmental Protection Agency
Government Lockbox 979077
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, Missouri 63101

If sent by wire transfer: Wire transfers must indicate the name and docket number of this case and 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 Number: 68010727
SWIFT Address: FRNYUS33
33 Liberty Street
New York, New York 10045
Beneficiary: U.S. Environmental Protection Agency

Automated Clearing House (ACH) for receiving U.S. currency:

U.S. Treasury REX / Cashlink ACH Receiver
ABA: 051036706
Account Number: 310006, Environmental Protection Agency
CTX Format Transaction Code 22 – checking

Physical location of U.S. Treasury facility:
5700 Rivertech Court
Riverdale, Maryland 20737

U.S. Treasury Contact Information:
REX (Remittance Express): 866-234-5681

Online debit and credit card payment:

www.Pay.gov
Enter "sfo 1.1" in the form search box. Open form and complete required fields.

43. At the time of payment, a copy of the check or notification of other type of payment, including proof of the date payment was made, shall be sent at the same time to:

Christine Tokarz
U.S. EPA Region 8 (8ENF-AT-TP)
Technical Enforcement Program
1595 Wynkoop St.
Denver, Colorado 80202-1129

and

Melissa Haniewicz
Regional Hearing Clerk (8RC)
U.S. EPA Region 8
1595 Wynkoop St.
Denver, Colorado 80202-1129

44. In the event payment is not received by the specified due date, interest accrues from thirty (30) days prior to the applicable due date, at a rate established by the Secretary of Treasury pursuant to 31 U.S.C. § 3717, and will continue to accrue until payment in full is received.
45. A handling charge of fifteen dollars (\$15) shall be assessed the thirty-first (31st) day from the due date of any payment, and for each subsequent thirty (30) day period that the debt, or any portion thereof, remains unpaid. In addition, a six percent (6%) per annum penalty shall be assessed on any unpaid principal amount if payment is not received within ninety (90) days of the due date. Payments are first applied to outstanding handling charges, six (6%) percent penalty interest, and late interest. The remainder is then applied to the outstanding principal amount.
46. Nothing in this CCCA shall be construed as a waiver by the EPA or any other federal entity of its authority to seek costs or any appropriate penalty associated with any collection action instituted as a result of Respondent's failure to perform pursuant to the terms of this CCCA.

VI. GENERAL PROVISIONS

47. The parties agree to submit this CCCA to the EPA Regional Judicial Officer with a request that it be incorporated into a final order.
48. This CCCA, upon incorporation into a final order, applies to and is binding upon the EPA and upon Respondent, and Respondent's officers, directors, employees, agents, successors and assigns. Any change in ownership or corporate status of Respondent, including but not limited to any transfer of assets or real or personal property shall not alter Respondent's responsibilities under this CCCA.

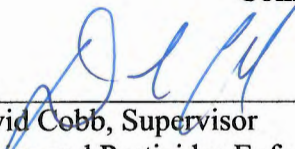
49. This CCCA, upon incorporation into a final order and full satisfaction by both parties, shall only resolve Respondent's liability for federal civil penalties for the violations and facts alleged in this CCCA.
50. Respondent waives any and all available rights to judicial or administrative review or other remedies that Respondent may have, with respect to any issue of fact or law or any terms and conditions set forth in this CCCA, including any right of judicial review under the Administrative Procedure Act, 5 U.S.C. §§ 701–706.
51. This CCCA does not pertain to any matters other than those expressly specified herein. The EPA reserves, and this CCCA is without prejudice to, all rights against Respondent with respect to all other matters including, but not limited to, the following:
 - a. Claims based on a failure by Respondent to meet a requirement of this CCCA, including any claims for costs which are caused by Respondent's failure to comply with this Agreement;
 - b. Claims based on criminal liability; and,
 - c. Claims based on any other violations of TSCA or other federal or state laws.
52. Nothing in this CCCA shall relieve Respondent of the duty to comply with TSCA and its implementing regulations.
53. Failure by Respondent to comply with any of the terms of this CCCA shall constitute a breach of the CCCA and may result in referral of the matter to the United States Department of Justice for enforcement of this CCCA and for such other relief as may be appropriate.
54. Respondent agrees that the penalty specified in this CCCA and any interest paid shall not be deductible for purposes of local, state, or federal taxes.
55. Each party to this action shall bear its own costs and attorney fees, if any.
56. The undersigned representative of Respondent certifies that he/she is fully authorized to enter into the terms and conditions of the CCCA and to bind Respondent to the terms and conditions of this CCCA.
57. In accordance with 40 C.F.R. § 22.31(b), the effective date of this CCCA is the date on which the Final Order is filed.

The foregoing Combined Complaint and Consent Agreement In the Matter of Regal Construction, Inc., is hereby stipulated to, agreed upon, and approved for entry.

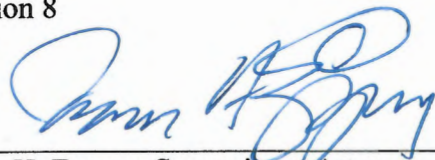
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 8,

Complainant.

Date: 7/13/17

By: 
David Cobb, Supervisor
Toxics and Pesticides Enforcement Unit
Technical Enforcement Program
Office of Enforcement, Compliance and
Environmental Justice (8ENF-AT-TP)
U.S. Environmental Protection Agency,
Region 8


Date: 7/13/17

By: 
James H. Eppers, Supervisory Attorney
Legal Enforcement Program
Office of Enforcement, Compliance and
Environmental Justice (8ENF-L)
U.S. Environmental Protection Agency,
Region 8

REGAL CONSTRUCTION INC.,

Respondent.

Date: 7/5/17

By: 

Printed Name: PETE REGALADO

Title: PRESIDENT

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **COMBINED COMPLAINT AND CONSENT AGREEMENT and FINAL ORDER** in the matter of **REGAL CONSTRUCTION INC.; DOCKET NO.: TSCA-08-2017-0008** was filed with the Regional Hearing Clerk on July 18, 2017.

Further, the undersigned certifies that a true and correct copy of the documents were emailed to, Marc Weiner, Enforcement Attorney. True and correct copies of the aforementioned documents were placed in the United States mail certified/return receipt on July 18, 2017, to:

Respondent

Pete Regalado, President
Regal Construction Inc.
1017 South Johnson Street
Lakewood, Colorado 80226

And emailed to:

Jessica Chalifoux
U. S. Environmental Protection Agency
Cincinnati Finance Center
26 W. Martin Luther King Drive (MS-0002)
Cincinnati, Ohio 45268

July 18, 2017



Melissa Haniewicz
Regional Hearing Clerk