

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
Region 2**

PROTECTION AGENCY-REG. 11  
2012 DEC 12 A 10:13  
REGIONAL HEARING  
CLERK

IN THE MATTER OF:

**CSM COROZAL DEVELOPMENT INC.**

**CANIVETTE CORPORATION**

Respondents

**CONSENT AGREEMENT  
AND  
FINAL ORDER**

**DOCKET NUMBER CWA-02-2008-3455**

**CONSENT AGREEMENT AND ORDER**

Complainant, the United States Environmental Protection Agency ("EPA" or "Complainant"), having issued the Complaint herein on June 11, 2008, to CSM Corozal Development Inc. (CSM) and Canivette Corporation (Canivette) (herein together "Respondents"), and

Complainant and Respondent CSM having agreed that settlement of this matter is in the public interest, and that entry of this Consent Agreement and Final Order (CA/FO) without further litigation is the most appropriate means of resolving this matter;

NOW, THEREFORE, before the taking of any testimony, upon the pleadings, without adjudication of any issue of fact or law, and upon consent and agreement of the Parties, it is hereby agreed, and ordered as follows:

**I. PRELIMINARY STATEMENT**

1. EPA initiated this proceeding for the assessment of a civil penalty, pursuant to Section 309 of the Clean Water Act, 33 U.S.C. § 1319.

2. The Complaint alleges that Respondents violated Sections 301 and 402 of the Act, 33 U.S.C. §§ 1311 and 1342, at the Los Próceres Residential Development (the "Project"), as follows:
  - a. Respondents did not submit an individual National Pollutant Discharge Elimination System (NPDES) permit application as required by 40 C.F.R. § 122.21, nor did Respondents file a complete and accurate Notice of Intent (NOI) form prior to commencement of construction activities as required by Part 2 of EPA's July 1, 2003 NPDES General Permit for Discharges from Large and Small Construction Activities" (the "Construction Permit"); and
  - b. Respondents discharged pollutants into waters of the United States without authorization of an NPDES permit.
3. EPA notified the Commonwealth of Puerto Rico regarding this action and offered an opportunity for the Commonwealth of Puerto Rico to confer with EPA on the proposed penalty assessment, pursuant to 40 C.F.R. Part 22. This action was public noticed. No public comment was received.
4. Respondent CSM filed its answer to the Complaint on July 11, 2011. In its answer, Respondent CSM denied certain facts, admitted others, raised affirmative defenses and requested a hearing in this matter.
5. Respondent Canivette never filed an answer to the Complaint.
6. This CA/FO shall apply to and be binding upon Respondent CSM, its officers, directors, employees, successors and assigns, including, but not limited to, subsequent purchasers.
7. Respondent CSM stipulates that EPA has jurisdiction over the subject matter alleged in the Complaint and that the Complaint states a claim upon which relief can be granted against Respondent CSM. Respondent CSM waives any defenses it might have as to jurisdiction and venue, and, without admitting or denying the factual or legal allegations contained in the Complaint, consents to the terms of this CA/FO.
8. Respondent CSM hereby waives its rights to a judicial or administrative hearing or appeal on any issue of law or fact set forth in the Complaint.

## **II. TERMS OF SETTLEMENT**

9. Pursuant to Section 309(g) of the Clean Water Act, 33 U.S.C. § 1319(g), the nature of the violations and other relevant factors, EPA has determined that an appropriate civil penalty to settle this action is in the amount of FIFTEEN THOUSAND DOLLARS (\$15,000.00). Respondent CSM shall pay this civil penalty in accordance with paragraphs 11-14 of this Consent Agreement.
10. For purposes of settlement, Respondent CSM consents to the issuance of this Consent Agreement and consent to the payment of the civil penalty cited in the foregoing Paragraph.

### **II. A. Penalty**

11. Respondent CSM shall pay the penalty of FIFTEEN THOUSAND DOLLARS (\$15,000.00) by cashiers' or certified checks, payable to the "Treasurer of the United States of America" or by wire transfers.
12. No later than sixty (60) days after the date of signature on the Final Order (at the end of this document), Respondent CSM shall pay an initial penalty of FIVE HUNDRED DOLLARS (\$500.00).
13. No later than one hundred fifty days (150) days after the date of signature on the Final Order, Respondent CSM shall pay a penalty of SEVEN THOUSAND DOLLARS (\$7,000.00).
14. No later than five hundred ten days (510) days after the date of signature on the Final Order, Respondent CSM shall pay a penalty of SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500.00).
15. Respondent CSM shall clearly identify, the form of payment selected, the name and docket number of this case, set forth in the caption on the first page of this document
  - a. Respondent CSM shall mail the checks to:

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

**OVERNIGHT MAIL:**  
U.S. Bank  
1005 Convention Plaza  
Mail Station SL-MO-C2GL  
ATTN Box 979077  
St. Louis, MO 63101  
Contact: Natalie Pearson  
314-418-4087.

- b. Alternatively, Respondent CSM shall make wire transfers to:

**WIRE TRANSFERS:**  
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."

16. Respondents shall also send copies of each payment to each of the following:

Héctor Ortiz  
Environmental Engineer  
Multimedia, Permits and Compliance Branch  
Caribbean Environmental Protection Agency  
U.S. Environmental Protection Agency Region 2  
City View Plaza II, Suite 7000  
#48 RD. 165 km 1.2  
Guaynabo, PR 00968-8069  
Fax number: (787) 289-7104.

Héctor L. Vélez Cruz, Esq.  
Associate Regional Counsel  
Office of Regional Counsel  
U.S. Environmental Protection Agency, Region 2  
City View Plaza II, Suite 7000  
#48 RD. 165 km 1.2  
Guaynabo, PR 00968-8069  
Fax number: (787) 729-7748,

and

Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region 2  
290 Broadway, 16<sup>th</sup> Floor  
New York, New York 10007.

Payments must be received at the above address as specified in paragraphs 11 - 14, above.

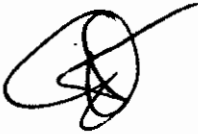
- a. failure to pay the penalty in full according to the above provisions will result in a referral of this matter to the United States Department of Justice or the United States Department of the Treasury for collection;
  - b. further, if the payment is not received on or before the due date, interest will be assessed at the annual rate established by the Secretary of Treasury pursuant to the Debt Collection Act, 31 U.S.C. § 3717, on the overdue amount from the due date through the date of payment. In addition, a late payment handling charge of \$15.00 will be assessed for each 30 day period (or any portion thereof) following the due date in which the balance remains unpaid. A 6% per annum penalty also will be applied on any principal amount not paid within 90 days of the due date;
  - c. in addition, pursuant to Section 309(g)(9) of the Clean Water Act, 33 U.S.C. § 1319(g)(9), if payment is not received by the due date, a quarterly nonpayment penalty will be imposed for each calendar quarter during which such nonpayment persists. The quarterly nonpayment penalty is 20% of the aggregate amount of penalties and quarterly nonpayment penalties which are unpaid as of the beginning of such quarter; and
  - d. Respondent also may be required to pay attorneys fees and costs for collection proceedings in connection with nonpayment.
17. The penalty to be paid is a civil penalty assessed by the EPA and shall not be deductible from the Respondent CSM's federal or state taxes.

**II. B. General Provisions**

18. The Respondent CSM waives any right they may have pursuant to 40 C.F.R. § 22.8 to be present during discussions with or to be served with and to reply to any memorandum or communication addressed to the Director or the Regional Administrator where the purpose of such discussion, memorandum, or communication is to discuss a proposed settlement of this matter or to recommend that such official accept this Consent Agreement and issue the accompanying Final Order.

19. **Nothing in this agreement 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 CSM's violation of this agreement or of the statutes and regulations upon which this agreement is based, or for Respondent CSM's violation of any applicable provision of law.**
20. **This Consent Agreement and Order shall not relieve Respondent CSM 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.**
21. **This Consent Agreement and Final Order constitutes a settlement by EPA of all claims for civil penalties pursuant to the Clean Water Act for the violations alleged in the Complaint. Nothing in this Consent Agreement and Final Order is intended to nor shall be construed to operate in any way to resolve any criminal liability of the Respondents. Compliance with this Consent Agreement and Final Order shall not be a defense to any actions subsequently commenced pursuant to Federal laws and regulations administered by EPA, and it is the responsibility of Respondents to comply with such laws and regulations.**
22. **Each undersigned representative of the parties to this Consent Agreement certifies that he or she is fully authorized by the party represented to enter into the terms and conditions of this Consent Agreement and to execute and legally bind that party to it.**
23. **Each party shall bear its own costs and attorney's fees in connection with the action resolved by this Consent Agreement and Order.**

**Respondent CSM Corozal Development Inc.:**



BY: \_\_\_\_\_  
NAME OF SIGNATORY  
TITLE OF SIGNATORY

DATE: 7/13/2012

**Complainant:**

BY:  \_\_\_\_\_

DATE: 12-10-2012

José C. Font, Acting Director  
Caribbean Environmental Protection Division  
U.S. Environmental Protection Agency - Region 2  
City View Plaza II, Suite 7000  
#48 RD. 165 km 1.2  
Guaynabo, PR 00968-8069



### **III. FINAL ORDER**

The Regional Judicial Officer of the U.S. Environmental Protection Agency Region 2, ratifies the foregoing Consent Agreement. The Consent Agreement entered into by the parties is hereby approved, incorporated herein, and issued as an Order. The effective date of this Order shall be the date of filing with the Regional Hearing Clerk, United States Environmental Protection Agency, Region 2, New York, NY.

Dec 11, 2012  
Date

Helen Ferrara

Helen Ferrara  
Regional Judicial Officer  
United States Environmental  
Protection Agency-Region 2  
290 Broadway, 16<sup>th</sup> Floor  
New York, NY 10007-1866

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION II

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CERTIFICATE OF SERVICE

I certify that I have this day caused to be sent the foregoing **Consent Agreement and Final Order**, dated December 12, 2012, and bearing the above-referenced docket number, in the following manner to the respective addressees below:

Original and copy by **hand delivered** to:

**Karen Maples**  
Regional Hearing Clerk  
Region 2  
U.S. Environmental Protection Agency  
290 Broadway, 16<sup>th</sup> Floor  
New York, NY 10007-1866  
Fax (212) 637-3202.

Copy by **Overnight Mail** to:

Attorney for Respondent:  
CSM Corozal Development Inc.:  
**Roberto Abesada Aguet, Esq.**  
Centro Internacional de Mercadeo  
Torre II, Suite 407  
#90 Carr. 165  
Guaynabo, PR 00968  
Fax (787) 273-8371  
Email: [ra@correacevedo.com](mailto:ra@correacevedo.com)

Copy by **hand delivered** to:

Helen Ferrara  
Regional Judicial Officer  
U. S. Environmental Protection Agency  
Region 2  
290 Broadway, 16<sup>th</sup> Floor  
New York, NY 10007-1866

December 12, 2012  
Date

Lynn Khoury  
Name