## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX



In the matter of:	)	U.S. EPA Docket No.
	)	
	)	RCRA-09-2020-0068
Automation Plating Corporation	)	
927 Thompson Avenue	)	CONSENT AGREEMENT AND
Glendale, California 91201	)	FINAL ORDER PURSUANT TO
	ý	40 C.F.R. SECTIONS 22.13
Respondent.	)	AND 22.18

## CONSENT AGREEMENT

## A. <u>PRELIMINARY STATEMENT</u>

- This is a civil administrative enforcement action instituted pursuant to Section 3008(a)(1) of the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. § 6928(a)(1), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, as codified at 40 Code of Federal Regulations (C.F.R.) Part 22 ("Consolidated Rules").
- 2. Complainant is the United States Environmental Protection Agency, Region IX ("EPA").
- 3. Respondent is Automation Plating Corporation, located at 927 Thompson Avenue, Glendale, California 91201 ("Respondent").
- 4. This Consent Agreement and Final Order ("CA/FO"), pursuant to 40 C.F.R. §§ 22.13 and 22.18, simultaneously commences and concludes this proceeding, wherein EPA alleges that Respondent violated Section 3008 of RCRA, 42 U.S.C. § 6928, and state regulations adopted pursuant to the approved California hazardous waste management program.
- 5. The Parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their respective interest and in the public interest.

# B. <u>STATUTORY AND REGULATORY FRAMEWORK</u>

- 6. Subtitle C of RCRA requires the EPA Administrator to promulgate regulations establishing a hazardous waste management program. Section 3006 of RCRA, 42 U.S.C. § 6926, provides, *inter alia*, that authorized state hazardous waste management programs are carried out under Subtitle C of RCRA. Therefore, a violation of any requirement of law under an authorized state hazardous waste program is a violation of a requirement of Subtitle C of RCRA.
- 7. The State of California ("State") received authorization to administer the hazardous waste management program in lieu of the federal program pursuant to Section 3006 of RCRA, 42 U.S.C. § 6926, and 40 C.F.R. Part 271, on August 1, 1992. The authorized hazardous waste program is established pursuant to the Hazardous Waste Control Law, Chapter 6.5 of Division 20 of the California Health and Safety Code, and the regulations promulgated thereunder at Title 22, Division 4.5 of the California Code of Regulations (C.C.R), 22 C.C.R. §§ 66001 *et seq*. The State has been authorized for all the hazardous waste management regulations referenced in this CA/FO.
- 8. A violation of California's authorized hazardous waste program, found at Health & Safety Code § 25100 *et seq.*, constitutes a violation of Subtitle C of RCRA and, therefore, a person who violates California's authorized hazardous waste program is subject to the powers vested in the EPA Administrator by Section 3008 of RCRA, 42 U.S.C. § 6928.

## C. <u>EPA'S GENERAL ALLEGATIONS</u>

- 9. Respondent owns and operates the facilities located at 902 and 927 Thompson Avenue, Glendale, California (the "Facilities"). Respondent's Facilities are plating/metal finishing operations and are considered job shops (*i.e.*, plating a variety of products from a variety of customers). The primary plating processes (rack and barrel) performed by Respondent are zinc plating on steel, chrome (black) passivation, and zinc-nickel plating. Respondent's EPA ID Nos. are CAR000002089 and CAD008342784.
- 10. On August 6, 2019, a representative of EPA and a representative of the Glendale Fire Department (GFD) conducted an unannounced compliance evaluation inspection ("CEI") of the Facilities. Based on the findings EPA made during the inspection, and additional information, EPA determined that Respondent violated California Health & Safety Code § 25100 *et seq.* and the regulations adopted pursuant thereto, as approved and authorized by the United States.
- 11. Section 3008 of RCRA, 42 U.S.C. § 6928, authorizes the EPA Administrator to issue orders assessing a civil penalty and/or requiring compliance immediately or within a specified time for violation of any requirement of Subtitle C of RCRA, Section 3001 of RCRA et seq., 42 U.S.C. § 6921 et seq.

- 12. The Administrator has delegated enforcement authority under Section 3008 of RCRA, 42 U.S.C. § 6928, to the EPA Regional Administrators, with delegation 8-9-A, last revised February 4, 2016. The Regional Administrator, EPA Region IX, in turn, redelegated that authority to the Director of the Enforcement Division, Region IX, with delegation R9-120 TN 111, dated January 22, 2016.
- 13. Respondent is a "person" as defined in 22 C.C.R. § 66260.10 [*see also* 40 C.F.R. § 260.10].<sup>1</sup>
- 14. Respondent is the "owner" of a facility as defined in 22 C.C.R. § 66260.10 [*see also* 40 C.F.R. § 260.10].
- 15. Respondent is the "operator" of a facility as defined in 22 C.C.R. § 66260.10 [*see also* 40 C.F.R. § 260.10].
- 16. Respondent is a "large quantity generator" of hazardous waste as defined in 22 C.C.R. § 66260.10 [*see also* 40 C.F.R. § 260.10].
- 17. Respondent is or has been engaged in "treatment," "storage," or "disposal" of "hazardous waste" as defined in 22 C.C.R. §§ 66260.10 and 66261.3 [see also 40 C.F.R. §§ 260.10 and 261.3].
- 18. At the Facilities, Respondent generates and accumulates, or has generated and accumulated, "hazardous waste" as defined in California Health & Safety Code § 25117, and 22 C.C.R. §§ 66260.10 and 66261.3 [see also RCRA § 1004(5), and 40 C.F.R. §§ 260.10 and 261.3]. These hazardous wastes include but are not limited to the following hazardous waste codes: D007, F006 and non-RCRA hazardous waste (e.g., used oil, corrosive solid wastes).

## D. <u>EPA'S ALLEGED VIOLATIONS</u>

## COUNT I

# Failure to Determine If Wastes Generated by the Facilities Are Hazardous Wastes

- 19. Paragraphs 1 through 18 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 20. 22 C.C.R. § 66262.11 [*see also* 40 C.F.R. § 262.11] provides that a person who generates a solid waste must determine if that waste is a hazardous waste.

<sup>&</sup>lt;sup>1</sup> All citations to the "C.C.R." refer to Division 4.5 of Title 22 of the current California Code of Regulations. EPA is enforcing California hazardous waste management program requirements as approved and authorized by the United States. As a convenience, corresponding Federal citations are provided in brackets.

- 21. Based on information gathered during the CEI, EPA determined that the Respondent did not characterize the liquid and solid wastes observed in the Facility's secondary containment systems to determine if wastes were hazardous.
- 22. Therefore, EPA alleges that Respondent failed to determine if wastes generated by the facility are hazardous wastes, in violation of 22 C.C.R. § 66262.11 [*see also* 40 C.F.R. § 262.11].

### COUNT II

## Failure to Prepare a Manifest for Shipment of Hazardous Waste

- 23. Paragraphs 1 through 22 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 24. Pursuant to 22 C.C.R. § 66262.20 [*see also* 40 C.F.R. § 262.20], a generator who transports or offers for transport a hazardous waste for off-site transfer, treatment, storage, or disposal shall prepare a Uniform Hazardous Waste Manifest on EPA Form 8700-22, and if necessary, a Continuation Sheet on EPA Form 8700-22A.
- 25. Based on the information EPA gathered during the CEI, Respondent transported hazardous waste over a public road from its 902 Thompson Avenue facility to its 927 Thompson Avenue facility, approximately 350 feet, without a hazardous waste manifest.
- 26. Therefore, EPA alleges that Respondent failed to comply with the requirement to ship hazardous waste to a permitted TSD facility using a hazardous waste manifest, in violation of 22 C.C.R. § 66262.20(a)-(b) [40 C.F.R. § 262.20(a)-(b)].

## COUNT III

## Storage of Hazardous Waste Beyond 90 Days Without a Permit and Failure to Comply with Labeling Requirement

- 27. Paragraphs 1 through 26 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 28. 22 C.C.R. § 66262.34(a) allows a generator to accumulate hazardous waste on-site for up to 90 days without a permit or interim status provided the generator complies with specified waste management practices [*see also* 40 C.F.R. § 262.17]. Generators who do not comply with the waste management requirements must either be eligible for interim status or obtain a permit in order to store hazardous waste at the facility pursuant to 22 C.C.R. § 66270.1 [*see also* 40 C.F.R. § 270.1].
- 29. Under 22 C.C.R. § 66262.34(f) [*see also* 40 C.F.R. § 262.17(a)(5)], in order to be eligible to accumulate hazardous waste on site for up to 90 days without a permit or interim status, generators must comply with the following labeling requirements. The date upon which each period of accumulation begins shall be clearly marked and visible for

inspection on each container. The date the applicable accumulation period began shall be clearly marked and visible for inspection on each container. Each container used for onsite accumulation of hazardous waste shall be labeled or clearly marked with the words, "Hazardous Waste." Additionally, all containers shall be labeled with the following information: (a) the composition and physical state of the wastes; (b) statement(s) which call attention to the particular hazardous properties of the waste (e.g., flammable, reactive, etc.), and; (c) name and address of the person producing the waste.

- 30. At the time of the CEI, Respondent did not have a permit or grant of interim status to store hazardous waste under 22 C.C.R. § 66270.1 [*see also* 40 C.F.R. § 270.1].
- 31. Based on information gathered during the CEI, EPA determined that the Respondent had stored two (2) hazardous waste containers approximately seventeen (17) days in excess of the 90-day storage limit.
- 32. At the time of the CEI, a container was missing all of the information except the words "Hazardous Waste." And a second container's label had faded to the point where much of the information was either illegible or never marked.
- 33. Therefore, EPA alleges that Respondent stored hazardous waste longer than 90 days without a permit, and failed to properly label containers, in violation of 22 C.C.R. §§ 66262.34(a), 66270.1(c) [see also 40 C.F.R. §§ 262.17(a), 270.1].

### **<u>COUNT IV</u>** Failure to Close Hazardous Waste Storage Container

- 34. Paragraphs 1 through 33 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 35. 22 C.C.R. § 66265.173(a) [*see also* 40 CFR § 262.17(a)(1)(iv)(a)] requires that a container(s) holding hazardous waste shall always be closed during transfer and storage, except when it is necessary to add or remove waste.
- 36. During the CEI, EPA observed that one (1) container accumulating F006 hazardous waste sludge was open, and no Facility personnel were observed adding or removing waste from the container at that time.
- 37. Therefore, EPA alleges that Respondent failed to close a hazardous waste storage container, in violation of 22 C.C.R. § 66265.173(a) [see also 40 CFR § 262.17(a)(1)(iv)(a)].

## E. <u>CIVIL PENALTY</u>

- 38. The Complainant proposes that Respondent be assessed, and Respondent agrees to pay FORTY-NINE THOUSAND, SEVEN-HUNDRED AND SIX DOLLARS (\$49,706), PLUS INTEREST described herein, as the civil penalty for the violations alleged herein.
- 39. The proposed penalty was calculated in accordance with the "June 2003 RCRA Civil Penalty Policy," and was adjusted for inflation by the Federal Civil Penalties Inflation Adjustment Act, as amended, and the Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19.
- 40. Respondent must pay the penalty and interest in accordance with the following payment schedule:

Deadline to Submit Payment	Amount of Payment
	(Fractional Penalty
	Amount + Interest)
No later than 60 DAYS after the effective date of this	\$10,048.79
CAFO	(\$9,941.20 + \$107.59)
No later than 127 DAYS after the effective date of this	\$10,048.79
CAFO	(\$9,941.20 + \$107.59)
No later than 195 DAYS after the effective date of this	\$10,048.79
CAFO	(\$9,941.20 + \$107.59)
No later than 262 DAYS after the effective date of this	\$10,048.79
CAFO	(\$9,941.20 + \$107.59)
No later than 330 DAYS after the effective date of this	\$10,048.79
CAFO	(\$9,941.20 + \$107.59)

41. The payment terms are based on Respondent's COVID-19 certified statement, dated July 2, 2020, and any false statement made in that certified statement may result in voiding the penalty portion of the settlement.

#### F. ADMISSIONS AND WAIVERS OF RIGHTS

- 42. For the purposes of this proceeding, Respondent admits and agrees that EPA has jurisdiction and authority over the subject matter of the action commenced in this CA/FO and over Respondent. Respondent consents to and agrees not to contest EPA's jurisdiction and authority to enter into and issue this CA/FO and to enforce its terms. Further, Respondent will not contest EPA's jurisdiction and authority to compel compliance with this CA/FO in any enforcement proceedings, either administrative or judicial, or to impose sanctions for violations of this CA/FO.
- 43. For the purposes of this proceeding, Respondent admits the facts stipulated in the consent agreement and does not admit any liability arising out of the occurrences alleged in this

CA/FO. Respondent hereby waives any rights Respondent may have to contest the allegations and to appeal the proposed Final Order accompanying this Consent Agreement and made part of this CA/FO.

## G. <u>PARTIES BOUND</u>

- 44. This CA/FO shall apply to and be binding upon Respondent and its agents, successors and assigns, until the civil penalty plus interest required herein has been paid in accordance with the payment terms (see Section E: Civil Penalty), the compliance tasks required herein have been completed (see Section I: Compliance Task), and any delays in performance and/or stipulated penalties have been resolved. When those matters are concluded, this CA/FO shall terminate and constitute full settlement of the violations alleged herein.
- 45. No change in ownership or corporate, partnership or legal status relating to the Facility will in any way alter Respondent's obligations and responsibilities under this CA/FO.
- 46. The undersigned representative of Respondent hereby certifies that he or she is fully authorized by Respondent to enter into this CA/FO, to execute and to legally bind Respondent to it.

## H. <u>PAYMENT OF CIVIL PENALTY</u>

- 47. Respondent consents to the assessment of and agrees to pay a civil penalty of FORTY-NINE THOUSAND, SEVEN-HUNDRED AND SIX DOLLARS (\$49,706), PLUS INTEREST described herein (see Section E: Civil Penalty), in full settlement of the federal civil penalty claims set forth in this CA/FO.
- 48. Respondent shall submit payments according to the payment schedule herein (see Section E: Civil Penalty), in accordance with one of the options set forth below. The Effective Date of this CA/FO is the date the Final Order, signed by the Regional Judicial Officer, is filed with the Regional Hearing Clerk. All payments shall indicate the name of the Facility, the Respondent's name and address, and the EPA docket number of this action.

Regular Mail:

Payment shall be made by certified or cashier's check payable to "Treasurer, United States of America," and sent as follows:

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

Payment shall be made by certified or cashier's check payable to "Treasurer, United States of America," and sent as follows: U.S. Environmental Protection Agency Government Lockbox 979077 1005 Convention Plaza Mail Station SL-MO-C2GL St. Louis, MO 63101 Contact: Craig Steffen (513) 487-2091

Wire Transfers:

Wire transfers must 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 = 68010727 SWIFT address = FRNYUS33 33 Liberty Street New York, NY 10045 Beneficiary: US Environmental Protection Agency \*Note: Foreign banks **must** use a United States Bank to send a wire transfer to the US EPA.

ACH (also known as REX or remittance express): US Treasury REX/Cashlink ACH Receiver ABA: 051036706 Account Number: 310006, Environmental Protection Agency CTX Format Transaction Code 22 – checking Physical location of US Treasury Facility: 5700 Rivertech Court Riverdale, MD 20737 Remittance Express (REX): 1-866-234-5681

On Line Payment:

Payers can use their credit or debit cards (Visa, MasterCard, American Express & Discover) as well as checking account information to make payments.

This payment option can be accessed from the information below: <u>www.pay.gov</u> Enter "sfo1.1" in the search field Open form and complete required fields

If clarification regarding a particular method of payment remittance is needed, contact the EPA Cincinnati Finance Center at 513-487-2091.

49. At the time payment is made, a copy of the check or payment receipt shall be sent to:

Regional Hearing Clerk Office of Regional Counsel (ORC-1) U.S. Environmental Protection Agency - Region 9 75 Hawthorne Street San Francisco, CA 94105

With an electronic copy to:

Daniel Fernandez (ENF-2-2) Enforcement and Compliance Assurance Division U.S. Environmental Protection Agency - Region 9 Fernandez.Daniel@epa.gov

- 50. In accordance with the Debt Collection Act of 1982 and U.S. Treasury directive (TFRM 6-8000), each payment must be received by the due date set forth in this CA/FO to avoid additional charges. If payment is not received by the due date, interest will accrue from the Effective Date of this CA/FO at the current rate published by the United States Treasury as described at 40 C.F.R. § 13.11. In addition, a 6% per annum penalty assessed monthly will further apply on any principal amount not paid within ninety (90) calendar days of its due date. Respondent further will be liable for stipulated penalties as set forth below for any payment not received by its due date.
- 51. The penalties specified in this CA/FO shall represent civil penalties assessed by EPA and shall not be deducted by Respondent or any other person or entity for federal, state, or local taxation purposes.

## I. <u>COMPLIANCE TASK</u>

- 52. Within sixty (60) days of the Effective Date of the CA/FO, Respondent shall develop and implement a Standard Operating Procedure for inspecting and maintaining secondary containment systems associated with plating operations, including but not limited to: preventing debris from accumulating; inspecting for cracks and deterioration of secondary containment systems; and ensuring epoxy coatings are inspected and repaired.
- 53. Copies of the aforementioned Standard Operating Procedure shall be submitted as portable document files (pdfs) to Daniel Fernandez and John Schofield at <u>Fernandez.Daniel@epa.gov</u> and <u>schofield.john@epa.gov</u>.

## J. <u>DELAY IN PERFORMANCE/STIPULATED PENALTIES</u>

54. In the event Respondent fails to meet any requirement set forth in this CA/FO,
Respondent shall pay stipulated penalties as follows: FIVE HUNDRED DOLLARS
(\$500) per day for first to fifteenth day of delay, ONE THOUSAND DOLLARS (\$1,000)

per day for sixteenth to thirtieth day of delay, and THREE THOUSAND DOLLARS (\$3,000) per day for each day of delay thereafter. Compliance by Respondent shall include completion of any activity under this CA/FO in a manner acceptable to EPA and within the specified time schedules in and approved under this CA/FO.

- 55. All penalties owed to EPA under this Section shall be due within thirty (30) days of receipt of a notification of noncompliance. Such notification shall describe the noncompliance and shall indicate the amount of penalties due. Interest at the current rate published by the United States Treasury, as described at 40 C.F.R. § 13.11, shall begin to accrue on the unpaid balance at the end of the thirty-day period.
- 56. All penalties shall be remitted in the same manner described in Section H.
- 57. The payment of stipulated penalties shall not alter in any way Respondent's obligation to complete the performance required hereunder.
- 58. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive any portion of stipulated penalties that have accrued pursuant to this CA/FO.
- 59. The stipulated penalties set forth in this Section do not preclude EPA from pursuing any other remedies or sanctions that may be available to EPA because of Respondent's failure to comply with any of the requirements of this CA/FO.
- 60. The payment of stipulated penalties specified in the Section shall not be deducted by Respondent or any other person or entity for federal, state or local taxation purposes.

### K. <u>CERTIFICATION OF COMPLIANCE</u>

- 61. In executing this CA/FO, Respondent certifies under penalty of law to EPA that it has fully complied with Section 3008 of RCRA, 42 U.S.C. § 6928, and its implementing regulations that formed the basis for the violations alleged in Section D, above, and that it has implemented a leak detection and repair program in accordance with applicable 22 C.C.R. §§ 66264.1050 through 66264.1065 requirements[*see also* 40 C.F.R. §§ 264.1050-264.1065].
- 62. This certification of compliance is based upon true, accurate, and complete information, which the signatory can verify personally or regarding which the signatory has inquired of the person or persons directly responsible for gathering the information.

#### L. <u>RESERVATION OF RIGHTS</u>

63. Except as addressed in this CA/FO, EPA hereby reserves all of its statutory and regulatory powers, authorities, rights and remedies, both legal and equitable, including the right to require that Respondent perform tasks in addition to those required by this

CA/FO. EPA further reserves all of its statutory and regulatory powers, authorities, rights and remedies, both legal and equitable, which may pertain to Respondent's failure to comply with any of the requirements of this CA/FO, including without limitation, the assessment of penalties under Section 3008 of RCRA, 42 U.S.C. § 6928. This CA/FO shall not be construed as a covenant not to sue, release, waiver or limitation of any rights, remedies, powers or authorities, civil or criminal, which EPA has under RCRA, or any other statutory, regulatory or common law enforcement authority of the United States.

- 64. Compliance by Respondent with the terms of this CA/FO shall not relieve Respondent of its obligations to comply with RCRA or any other applicable local, State or federal laws and regulations.
- 65. The entry of this CA/FO and Respondent's consent to comply shall not limit or otherwise preclude EPA from taking additional enforcement actions should EPA determine that such actions are warranted except as they relate to Respondent's liability for federal civil penalties for the alleged violations and facts as set forth in Section D of this CA/FO.
- 66. This CA/FO is not intended to be nor shall it be construed as a permit. This CA/FO does not relieve Respondent of any obligation to obtain and comply with any local, State or federal permits.

### M. <u>OTHER CLAIMS</u>

67. Nothing in this CA/FO shall constitute or be construed as a release from any other claim, cause of action or demand in law or equity by or against any person, firm, partnership, entity or corporation for any liability it may have arising out of or relating in any way to the generation, storage, treatment, handling, transportation, release, or disposal of any hazardous constituents, hazardous substances, hazardous wastes, pollutants, or contaminants found at, taken to, or taken from the Facility.

#### N. <u>MISCELLANEOUS</u>

- 68. This CA/FO may be amended or modified only by written agreement executed by both EPA and Respondent.
- 69. The headings in this CA/FO are for convenience of reference only and shall not affect interpretation of this CA/FO.
- 70. Each party to this action shall bear its own costs and attorneys' fees.
- 71. EPA and Respondent consent to entry of this CA/FO without further notice.

# O. <u>EFFECTIVE DATE</u>

72. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CA/FO shall be effective on the date that the Final Order contained in this CA/FO, having been approved and issued by the Regional Judicial Officer, is filed with the Regional Hearing Clerk.

IT IS SO AGREED.

 FOR RESPONDENT AUTOMATION PLATING, INC.

8-5-2020

Date

Pat Kinzy, President/Owner

FOR COMPLAINANT U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION 9:



Date

Amy C. Miller-Bowen, Director Enforcement and Compliance Assurance Division

## FINAL ORDER

IT IS HEREBY ORDERED that this Consent Agreement and Final Order pursuant to 40 C.F.R. Sections 22.13 and 22.18 (U.S. EPA Docket No. RCRA-09-2020-0068) be entered and that Respondent pay a civil penalty of FORTY-NINE THOUSAND, SEVEN-HUNDRED AND SIX (\$49,706), PLUS INTEREST and according to the payment schedule, and comply with all terms and conditions of this CA/FO.

This Final Order shall be effective upon filing by the Regional Hearing Clerk.

Digitally signed by STEVEN STEVEN JAWGIEL JAWGIEL Date: 2020.09.14 13:20:04 -07'00'

Date

Steven L. Jawgiel Regional Judicial Officer United States Environmental Protection Agency, Region 9

## **CERTIFICATE OF SERVICE**

This is to certify that the original of the fully executed Consent Agreement and Final Order in the matter of Automation Plating Corporation (RCRA-09-2020-0068) was filed with the Regional Hearing Clerk and that a true and correct copy of the same was sent to the following parties:

FOR RESPONDENT:

Pat Kinzy President / Owner Automation Plating Corporation patkinzy@gmail.com

FOR COMPLAINANT:

Jon Owens Assistant Regional Counsel U.S. EPA, Region IX Owens.Jon@epa.gov



18:34:02 -07'00' Steve Armsey

**Regional Hearing Clerk** Office of Regional Counsel, Region IX Date