BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III



In the Matter of:)
University BP, LLC.)
524 Reisterstown Road)
Pikesville, MD 21208)
)
RESPONDENT,)
Slade BP)
524 Reisterstown Road)
Pikesville, MD 21208)
)
FACILITY)

U.S. EPA Docket Number RCRA-03-2017-0094

Proceeding Under Section 9006 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6991e

CONSENT AGREEMENT

This Consent Agreement ("CA") is entered into by the Director, Land and Chemicals Division, U.S. Environmental Protection Agency, Region III ("Complainant") and University BP, LLC. ("Respondent"), pursuant to Section 9006 of the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. §§ 6991e, and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/ Termination or Suspension of Permits ("Consolidated Rules of Practice"), 40 C.F.R. Part 22, including, specifically 40 C.F.R. §§ 22.13(b) and .18(b)(2) and (3).

This CA and the Final Order (collectively "CAFO"), resolve violations of RCRA Subtitle I, 42 U.S.C. §§ 6991-6991m, and the State of Maryland's federally authorized underground storage tank program by Respondent in connection with its underground storage tanks at Respondent's facility located at 524 Reisterstown Road, Pikesville, Maryland (the "Facility").

Effective July 30, 1992, pursuant to Section 9004 of RCRA, 42 U.S.C. § 6991*c*, and 40 C.F.R. Part 281, Subpart A, the State of Maryland was granted final authorization to administer a state underground storage tank management program *in lieu* of the Federal underground storage tank management program of the Maryland underground storage tank management program, through this final authorization, have become requirements of Subtitle I of RCRA and are, accordingly, enforceable by EPA pursuant to Section 9006 of RCRA, 42 U.S.C. § 6991*e*. Maryland's authorized underground storage tank program regulations are administered by the Maryland Department of the Environment ("MDE"), and are set forth in the Code of Maryland Regulations, Title 26, Subtitle 10, and will be cited as "COMAR" followed by the applicable section of the regulations.

GENERAL PROVISIONS

- 1. For purposes of this proceeding only, Respondent admits the jurisdictional allegations set forth in this CAFO.
- 2. Respondent neither admits nor denies the specific Factual Allegations and Conclusions of Law set forth in this CAFO, except as provided in Paragraph 1, above. In accordance with 40 C.F.R. §§ 22.13(b) and .18(b)(2) and (3) of the Consolidated Rules of Practice, Complainant hereby simultaneously commences and resolves, as part of the settlement set forth herein, EPA's civil claims alleged in this Consent Agreement.
- 3. Respondent agrees not to contest EPA's jurisdiction with respect to the execution of this Consent Agreement ("CA"), the issuance of the attached Final Order ("FO"), or the enforcement of this CAFO.
- 4. For the purposes of this proceeding only, Respondent hereby expressly waives its right to a hearing on any issue of law or fact set forth in this CA and any right to appeal the accompanying FO.
- 5. Respondent consents to the issuance of this CAFO and agrees to comply with its terms and conditions set forth herein. The settlement agreed to by the parties in this CAFO reflects the desire of the parties to resolve this matter without litigation. This CAFO resolves whatever liability for civil penalties Respondent may have for the violations alleged in the Factual Allegations and Conclusions of Law set forth herein.
- 6. Respondent shall bear its own costs and attorney's fees.
- 7. The provisions of this CAFO shall be binding upon EPA and Respondent, and Respondent's officers, directors, employees, successors and assigns.
- 8. This CAFO shall not relieve Respondent 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, nor does this CAFO constitute a waiver, suspension or modification of the requirements of RCRA Subtitle I, 42 U.S.C. §§ 6991-6991m, or any regulations promulgated thereunder.
- 9. Complainant shall have the right to institute further actions to recover appropriate relief if Complainant obtains evidence that the information provided and/or representations made by Respondent to EPA regarding matters at issue in the CAFO are false or, in any material respect, inaccurate. Respondent is aware that the submission of false or misleading information to the United States government may subject Respondent to separate civil and/or criminal liability.

10. EPA has given the State of Maryland prior notice of the issuance of this CAFO in accordance with Section 9006(a)(2) of RCRA, 42 U.S.C. § 6991e(a)(2).

FACTUAL ALLEGATIONS AND CONCLUSIONS OF LAW

- The United States Environmental Protection Agency Region III ("EPA" or the "Region") and EPA's Office of Administrative Law Judges have jurisdiction over this matter pursuant to Section 9006 of RCRA, 42 U.S.C. § 6991e, 40 C.F.R. Part 280 and 40 C.F.R. § 22.1(a)(4) and .4(c).
- 12. At all times relevant to this CAFO, Respondent has been the "owner" and/or "operator," as those terms are defined in Section 9001(3) and (4) of RCRA, 42 U.S.C. § 6991(3) and (4), and COMAR § 26.10.02.04B(37) and (39), of the "underground storage tanks" ("USTs") and "UST systems" as those terms are defined in Section 9001(10) of RCRA, 42 U.S.C. § 6991(10), and COMAR § 26.10.02.04B(64) and (66), located at the Facility described herein.
- 13. Respondent is a "person" as defined in Section 9001(5) of RCRA, 42 U.S.C. § 6991(5), and COMAR § 26.10.02.04B.(40).
- 14. On July 28, 2015, EPA performed a Compliance Evaluation Inspection ("CEI") at Facility. At the time of the July 28, 2015 CEI, and at all times relevant to the violations alleged herein, three (3) USTs were located at the Facility as described in the following subparagraphs:
 - A. A ten thousand (10,000) gallon cathodically protected steel tank that was installed in or about 1984, and that, at all times relevant hereto, routinely contained and was used to store premium gasoline, a "regulated substance" as that term is defined in Section 9001(7) of RCRA, 42 U.S.C. § 6991(7), and COMAR § 26.10.02.04B(48) (hereinafter "UST No. 1");
 - B. A ten thousand (10,000) gallon cathodically protected steel tank that was installed in or about 1984, and that, at all times relevant hereto, routinely contained and was used to store regular grade gasoline, a "regulated substance" as that term is defined in Section 9001(7) of RCRA, 42 U.S.C. § 6991(7), and COMAR § 26.10.02.04B(48) (hereinafter "UST No. 2"); and
 - C. A ten thousand (10,000) gallon cathodically protected steel tank that was installed in or about 1984, and that, at all times relevant hereto, routinely contained and was used to store regular grade gasoline, a "regulated substance" as that term is defined in Section 9001(7) of RCRA, 42 U.S.C. § 6991(7), and COMAR § 26.10.02.04B(48) (hereinafter "UST No. 3").

- 15. At all times relevant to the violations alleged herein, USTs Nos. 1 through 3 have been "petroleum UST systems" and "existing tank systems" as these terms are defined in COMAR § 26.10.02.04B(43) and (19), respectively.
- 16. USTs Nos. 1 through 3 are and were, at all times relevant to applicable violations alleged in this CAFO, used to store "regulated substance(s)" at Respondent's Facility, as defined in Section 9001(7) of RCRA, 42 U.S.C. § 6991(7), and COMAR § 26.10.02.04B(48), and have not been "empty" as that term is defined at COMAR § 26.10.10.01A.

COUNT 1

(Failure to test cathodic protection system on UST Nos. 1 through 3)

- 17. Paragraphs 1 through 16 of this CAFO are incorporated by reference as if fully set forth herein.
- 18. COMAR § 26.10.04.02D(1) provides that all UST systems equipped with cathodic protection system must be inspected for proper operation within 6 months of installation and at least every year thereafter by a qualified cathodic protection tester.
- 19. UST Nos. 1 through 3 are and were, at the time of the violations alleged herein, "steel UST systems with corrosion protection" and were used to store regulated substances within the meaning of COMAR § 26.10.04.02D.
- 20. Respondent was 8 months overdue in testing the cathodic protection system as required by COMAR § 26.10.04.02D(1) for the UST Nos. 1 through 3 at the Facility from April 12, 2013 until December 12, 2013.
- 21. Respondent's act and/or omission as alleged in Paragraph 20, above, constitutes a violation by Respondent of COMAR § 26.10.04.02D(1).

COUNT 2

(Failure to perform release detection on UST Nos. 1 through 3)

- 22. The allegations of Paragraphs 1 through 21 of this CAFO are incorporated herein by reference.
- 23. Pursuant to COMAR § 26.10.05.01A and C, owners and operators of new and existing UST systems must provide a method or combination of methods of release detection monitoring that meets the requirements described therein.
- 24. COMAR § 26.10.05.02B provides, in pertinent part, that USTs shall be monitored at least every 30 days for releases using one of the methods listed in COMAR § 26.10.05.04E-I, except that:

- UST systems that meet the performance standards in COMAR §§ 26.10.03.01 (Performance Standards for New UST Systems) and .02 (Upgrading of Existing UST Systems), and the monthly inventory control requirements in COMAR § 26.10.05.04B or C (Inventory Control or Manual Tank Gauging) shall use tank tightness testing, conducted in accordance with COMAR § 26.10.05.04D (Tank Tightness Test), at least every 5 years until December 22, 1998, or until 10 years after the UST is installed or upgraded under COMAR § 26.10.03.02B (Tank Upgrading Requirements); and
- (2) UST systems that do not meet the performance standards in COMAR §§ 26.10.03.01 (Performance Standards for New UST Systems) and .02 (Upgrading of Existing UST Systems), may use monthly inventory controls, conducted in accordance with COMAR § 26.10.05.04B or C (Inventory Control or Manual Tank Gauging) and annual tank tightness testing, conducted in accordance with COMAR § 26.10.05.04D (Tank Tightness Test) until December 22, 1998, when the tank must be upgraded under COMAR § 26.10.03.02 (Tank Upgrading Requirements) or permanently closed under COMAR § 26.10.10.02; and
- (3) Tanks with a capacity of 550 gallons or less and not metered may use weekly tank gauging, conducted in accordance with COMAR § 26.10.05.04C.
- 25. At all times relevant to the violation alleged herein, the method of release detection selected by Respondent for the UST Nos. 1 through 3 was automatic tank gauging in accordance with COMAR § 26.10.05.04E.
- 26. From October 11, 2013 until December 11, 2013, Respondent failed to perform automatic tank gauging for the UST Nos. 1 through 3 in accordance with COMAR § 26.10.05.04E.
- 27. From March 28, 2014 until May 31, 2014, Respondent failed to perform automatic tank gauging for the UST Nos. 2 and 3 in accordance with COMAR § 26.10.05.04E.
- 28. During the periods of time indicated in Paragraphs 26 and 27, above, Respondent did not use any of the other release detection methods specified in COMAR § 26.10.05.02B(1)-(3) and/or COMAR § 26.10.05.04E-I on USTs Nos. 1 and 2 located at the Facility.
- 29. Respondent's acts and/or omissions as alleged in Paragraphs 27 and 28, above, constitute violations by Respondent of COMAR § 26.10.05.01A and .02B.

CIVIL PENALTY

- 30. In settlement of EPA's claims for civil penalties assessable for the violations alleged in this Consent Agreement, Respondent consents to the assessment of a civil penalty in the amount of Eight Thousand Six Hundred Twenty-Six Dollars (\$8,626.00) which Respondent shall be liable to pay in accordance with the terms set forth below. Such civil penalty amount shall become due and payable immediately upon Respondent's receipt of a true and correct copy of this CAFO. If Respondent pays the entire penalty of \$8,626.00 within thirty (30) calendar days of the date on which this CAFO is mailed or hand-delivered to Respondent, no interest will be assessed against the Respondent pursuant to 40 C.F.R. § 13.11(a)(1).
- 31. The aforesaid settlement amount was based upon Complainant's consideration of a number of factors, including, but not limited to, the statutory factors of the seriousness of Respondent's violations and any good faith efforts by Respondent to comply with all applicable requirements as provided in RCRA Section 9006(c) and (e), 42 U.S.C. § 6991e(c) and (e), with specific reference to EPA's Penalty Guidance for Violations of UST Regulations ("UST Guidance") dated November 4, 1990. Complainant has also considered the appropriate Adjustment of Civil Monetary Penalties for Inflation, pursuant to 40 C.F.R. Part 19, and the July 27, 2016 memorandum by EPA Assistant Administrator Cynthia Giles, entitled Amendments to the U.S. Environmental Protection Agency's Civil Penalty Policies to Account for Inflation (Effective August 1, 2016), including the Transmittal of the 2017 Annual Civil Monetary Penalty Inflation Adjustment Rule dated January 1, 2017 from Susan Shinkman, Director, Office of Civil Enforcement.
- 32. Respondent has asserted that it will not be able to pay the civil penalty amount in full within thirty (30) calendar days of the date on which this CAFO is mailed or hand-delivered. As a result, the Respondent has agreed to pay the civil penalty in the amount of **Eight Thousand Six Hundred Twenty-Six Dollars (\$8,626.00)** in four (4) equal monthly installments with interest at the rate of 1% per annum on the outstanding principal balance according to the following schedule:

 1^{st} payment is due within 30 days of the date on which the CAFO is mailed or handdelivered to the Respondent = \$2,163.59;

 2^{nd} payment is due within 60 days of the date on which the CAFO is mailed or handdelivered to the Respondent = \$2,161.82;

 3^{rd} payment is due within 90 days of the date on which the CAFO is mailed or handdelivered to the Respondent = \$2,160.07;

 4^{th} payment is due within 120 days of the date on which the CAFO is mailed or handdelivered to the Respondent = \$2,158.27;

Principal	Interest	Payment Amount Due
\$ 2,156.50	\$7.09	\$ 2,163.59
\$2,156.50	\$5.32	\$ 2,161.82
\$2,156.50	\$3.57	\$ 2,160.07
\$2,156.50	\$1.77	\$ 2,158.27
\$8,626.00	\$17.75	\$8,643.75
-	\$2,156.50 \$2,156.50 \$2,156.50	\$2,156.50 \$5.32 \$2,156.50 \$3.57 \$2,156.50 \$1.77

33. Under this proposed repayment schedule, the Respondent will pay the civil penalty of \$8,626.00 plus interest of \$17.75 as further outlined in the chart below:

- 34. Respondent shall pay the civil penalty set forth in Paragraph 30, above, by sending either a cashier's check, certified check, or electronic wire transfer, in the following manner:
 - A. All payments by Respondent shall reference Respondent's name and address, and the Docket Number of this action, *i.e.*, RCRA-03-2017-0094;
 - B. All checks shall be made payable to "United States Treasury";
 - C. All payments made by check and sent by regular mail shall be addressed to:

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

Contact: Craig Steffen 513-487-2091

D. All payments made by check and sent by overnight delivery service shall be addressed for delivery to:

U.S. Bank Government Lockbox 979077 U.S. EPA, Fines & Penalties 1005 Convention Plaza Mail Station SL-MO-C2-GL St. Louis, MO 63101

Contact: 314-418-1028

E. All payments made by check in any currency drawn on banks with no USA branches shall be addressed for delivery to:

Cincinnati Finance US EPA, MS-NWD 26 W. M.L. King Drive Cincinnati, OH 45268-0001

F. All payments made by electronic wire transfer shall be directed to:

Federal Reserve Bank of New York ABA = 021030004 Account No. = 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

G. All electronic payments made through the Automated Clearinghouse (ACH), also known as Remittance Express (REX), shall be directed to:

US Treasury REX / Cashlink ACH Receiver ABA = 051036706 Account No.: 310006, Environmental Protection Agency CTX Format Transaction Code 22 - Checking

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

Contact: John Schmid (202) 874-7026 or REX, 1-866-234-5681

H. On-Line Payment Option:

WWW.PAY.GOV/PAYGOV

Enter sfo 1.1 in the search field. Open and complete the form.

I.

Additional payment guidance is available at:

http://www.epa.gov/ocfo/finservices/make_a_payment.htm

A copy of Respondent's check or a copy of Respondent's electronic transfer shall be sent simultaneously to:

Regional Hearing Clerk (3RC00) EPA Region III 1650 Arch Street Philadelphia, Pennsylvania 19103 - 2029, and

Louis F. Ramalho Senior Assistant Regional Counsel U.S. Environmental Protection Agency - Region III 1650 Arch Street Philadelphia, PA 19103-2029.

- 35. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, EPA is entitled to assess interest, administrative costs and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim, as more fully described below. Accordingly, Respondent's failure to make timely payment or to comply with the conditions in this CAFO shall result in the assessment of late payment charges including interest, penalties, and/or administrative costs of handling delinquent debts.
- 36. Interest on the civil penalty assessed in this CAFO will begin to accrue on the date that a true and correct copy of this CAFO is mailed or hand-delivered to Respondent. However, EPA will not seek to recover interest on any amount of the civil penalty that is paid within thirty (30) calendar days after the date on which such interest begins to accrue. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a).
- 37. The costs of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period a debt is overdue. 40 C.F.R. § 13.11(b). Pursuant to Appendix 2 of EPA's *Resources Management Directives Cash Management*, Chapter 9, EPA will assess a \$15.00 administrative handling charge for

administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) days the penalty remains unpaid.

- 38. A late payment penalty of six percent (6%) per year will be assessed monthly on any portion of the civil penalty that remains delinquent more than ninety (90) calendar days. 40 C.F.R. § 13.11(c). The late payment penalty on any portion of the civil penalty that remains delinquent more than ninety days shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d).
- 39. The Respondent agrees not to deduct for federal tax purposes the civil monetary penalty specified in this Consent Agreement and the accompanying Final Order.

FULL AND FINAL SATISFACTION

40. This CAFO constitutes a settlement by EPA of its claims for civil penalties pursuant to 9006(a) of RCRA, 42 U.S.C. § 6991e(a), for the violations alleged in this Consent Agreement. Compliance with this CAFO shall not be a defense to any action commenced at any time for any other violation of the federal laws and regulations administered by EPA.

RESERVATION OF RIGHTS

41. EPA reserves the right to commence action against any person, including Respondent, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the Consolidated Rules of Practice. Further, EPA reserves any rights and remedies available to it under RCRA, the regulations promulgated thereunder, and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this CAFO, following its filing with the Regional Hearing Clerk.

OTHER APPLICABLE LAWS

42. Nothing in this CAFO shall relieve Respondent of the obligation to comply with all applicable federal, state, and local laws and regulations.

AUTHORITY TO BIND THE PARTIES

43. The undersigned representative of Respondent certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Agreement and bind Respondent hereto.

CERTIFICATION OF COMPLIANCE

44. Respondent certifies to EPA, upon personal investigation and to the best of its knowledge and belief that it currently is complying with applicable provisions of Subtitle I of RCRA and 40 C.F.R. Part 280.

ENTIRE AGREEMENT

45. This Consent Agreement and the attached Final Order and Settlement Conditions Document constitute the entire agreement and understanding of the parties concerning settlement of the above-captioned action and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Consent Agreement and the attached Final Order.

EFFECTIVE DATE

46. This CAFO shall become effective upon filing with the Regional Hearing Clerk.

For Respondent:

Date

For Complainant:

University BP, LLC.

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Gul Sher, President

U.S. Environmental Protection Agency, Region III

Louis F. Ramalho Senior Assistant Regional Counsel

After reviewing the foregoing Consent Agreement and other pertinent information, the Land and Chemicals Division, EPA Region III, recommends that the Regional Administrator or the Regional Judicial Officer issue the Final Order attached hereto.

<u>3 - 20 -17</u> Date

By:

otherise a.

Catherine A. Libertz, Acting Director Land and Chemicals Division **EPA Region III**

BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY **REGION III**

In the Matter of:	Docket No.: RCRA-03-2017-0094 Proceeding Under Section 9006 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6991e		
University BP, LLC. 524 Reisterstown Road Pikesville, MD 21208			
RESPONDENT,			
Slade BP 524 Reisterstown Road Pikesville, MD 21208	2017 MAR 21 EGIOWAL DE EPA REGIONAL		
FACILITY.	PM 3:		
FIN	AL ORDER		

FINAL ORDER

Complainant, the Director, Land and Chemicals Division, U.S. Environmental Protection Agency-Region III, and University BP, LLC., ("Respondent"), has executed a document entitled "Consent Agreement" which I hereby ratify as a Consent Agreement in accordance with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits ("Consolidated Rules of Practice"), 40 C.F.R. Part 22 (with specific reference to Sections 22.13(b), and 22.18(b)(2) and (3)). The terms of the foregoing Consent Agreement are acceptable to the undersigned and incorporated into this Final Order as if fully set forth at length herein.

Based upon the representations of the parties in the attached Consent Agreement, the penalty agreed to therein is based upon the consideration of a number of factors, including, but not limited to, the statutory factors of the seriousness of Respondent's violations and any good faith efforts by Respondent to comply with all applicable requirements as provided in Section 9006(c) and (e) of the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6991e(c) and (e), with specific reference to EPA's Penalty Guidance for Violations of UST Regulations ("UST Guidance") dated November 4, 1990.

NOW. THEREFORE, PURSUANT TO Section 9006(c) of RCRA, 42 U.S.C. § 6991e(c), and Section 22.18(b)(3) of the Consolidated Rules of Practice, IT IS HEREBY ORDERED that Respondents pay a civil penalty of EIGHT THOUSAND SIX HUNDRED TWENTY-SIX DOLLARS (\$8,626) in accordance with the payment provisions set forth in the Consent Agreement, and comply with the terms and conditions of the Consent Agreement.

Docket No.: RCRA-03-2017-0094

The effective date of the attached Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk,

March 21, 2017 Date

Joseph J. Lisa Regional L. m

Regional Judicial and Presiding Officer U.S. Environmental Protection Agency, Region III

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the date listed below, a true and correct copy of the attached Consent Agreement and Final Order, Docket No. RCRA-03-2017-0094, was sent by electronic e-mail and a hard copy mailed overnight via UPS, confirmation of receipt requested to:

Gul Sher 524 Reisterstown Road Pikesville, MD 21208 (410) 236-3888 Email: <u>gulsher9@gmail.com</u>

Date 3/2.1/17

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Louis F. Ramalho Sr. Assistant Regional Counsel U.S. EPA - Region III 1650 Arch Street Philadelphia, PA 19103-2029