

DENISE LEONG  
Assistant Regional Counsel  
United States Environmental Protection Agency, Region IX  
75 Hawthorne Street  
San Francisco, California 94105  
(415) 972-3409  
[Leong.Denise@epa.gov](mailto:Leong.Denise@epa.gov)



Suzanne Andrews  
Acting Regional Counsel  
United States Environmental Protection Agency, Region IX

Attorneys for Complainant

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION IX  
75 HAWTHORNE STREET  
SAN FRANCISCO, CALIFORNIA 94105

In the Matter of:	)	Docket No. CAA-09-2024-0094
	)	
Stronghold Engineering, Inc.	)	CONSENT AGREEMENT AND
	)	FINAL ORDER PURSUANT TO
	)	40 C.F.R. §§ 22.13 and 22.18
	)	
Perris, California	)	
	)	
Respondent.	)	
_____	)	

**I. CONSENT AGREEMENT**

**A. Preliminary Statement**

1. This is a civil administrative penalty assessment proceeding brought under Section 205(c)(1) of the Clean Air Act (“CAA” or the “Act”), 42 U.S.C. § 7524(c)(1), and Sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (“Consolidated Rules”), as codified at 40 C.F.R. Part

22. In accordance with 40 C.F.R. §§ 22.13 and 22.18, entry of this Consent Agreement and Final Order ("CAFO") simultaneously initiates and concludes this matter.

2. Complainant is the Assistant Director of the Air, Waste & Chemicals Branch of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency Region IX (the "EPA"), who has been delegated the authority to initiate and settle civil administrative penalty proceedings under section 205(c)(1) of the CAA, 42 U.S.C. § 7424(c)(1). EPA Delegation 7-19 (January 18, 2017); EPA Region 9 Redefinition R9-7-19 (October 5, 2017); Memorandum from John W. Busterud, Regional Administrator, Region 9, to all Region 9 supervisors and employees re: EPA R9 Organizational Realignment General Redefinition of Authority (May 5, 2020).

3. Respondent is Stronghold Engineering, Inc. ("Stronghold"), a construction company that is a California corporation. Stronghold is headquartered at 150 W. Walnut Avenue in Perris, California.

4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this CAFO without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this CAFO.

### **B. Governing Law**

5. This proceeding arises under Part A of Title II of the CAA, CAA Sections 202-219, 42 U.S.C. §§ 7521-7554, and the regulations promulgated thereunder. These laws aim to reduce emissions from mobile sources of air pollution, including hydrocarbons and oxides of nitrogen ("NOx").

6. Section 203(a)(1) of the Act CAA, 42 U.S.C. § 7522(a)(1), states,

The following acts and the causing thereof are prohibited—in the case of a manufacturer of new motor vehicles or new motor vehicle engines for distribution in commerce, the sale, or the offering for sale, or the introduction, or delivery for introduction, into commerce, or (in the case of any person, except as provided by regulation of the Administrator), the importation into the United States, of any new motor vehicle or new motor vehicle engine, manufactured after the effective date of regulations under this part which are applicable to such vehicle or engine unless

such vehicle or engine is covered by a certificate of conformity issued (and in effect) under regulations prescribed under this part or part C in the case of clean-fuel vehicles (except as provided in subsection (b) of this section);

7. Manufacturers may not sell, offer for sale, or introduce or deliver into commerce in the United States, nor may any person import into the United States, any engine or vehicle unless such engine or vehicle is covered by a valid, EPA-issued certificate of conformity (“COC”) for its model year, or is properly exempted or excluded from the certification requirements. 40 C.F.R. §§ 1068.101(a)(1) and (b)(5). *See also* 40 C.F.R. § 1068.301(b).

8. Violations of CAA section 203(a)(1) are subject to civil penalties of up to \$57,617 per motor vehicle or motor vehicle engine violation that occurred after November 2, 2015, where penalties are assessed on or after December 27, 2023. Section 205 of the CAA, 42 U.S.C. § 7524 and 40 C.F.R. Part 19.

9. Section 213(d) of the Act, 42 U.S.C. § 7547(d), calls for nonroad engines and vehicles to be enforced in the same manner as standards prescribed for motor vehicles.

10. Definitions:

- a. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines “person” as “an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent or employee thereof.”
- b. The term “manufacturer,” as defined under Section 216 of the CAA, as “any person who manufactures or assembles an engine or piece of equipment for sale in the United States or otherwise introduces a new engine or piece of equipment into U.S. commerce. This includes importers that import new engines or new equipment into the United States for

resale. It also includes secondary engine manufacturers.” 42 U.S.C. § 7550; 40 C.F.R. § 1068.30.

- c. Section 216(10) of the CAA, 42 U.S.C. § 7550(10), defines “nonroad engine” as “an internal combustion engine (including the fuel system) that is not used in a motor vehicle or a vehicle used solely for competition, or that is not subject to standards promulgated under section 7411 of this title or section 7521 of this title.”

11. The CAA requires EPA to prescribe and revise, by regulation, standards applicable to the emission of any air pollutant from new motor vehicles or new motor vehicle engines which cause or contribute to air pollution, which may reasonably be anticipated to endanger public health or welfare. CAA §§ 202(a)(1) and (3)(B), 42 U.S.C. §§ 7521(a)(1) and (3)(B).

12. EPA’s Regulations for Control of Emissions from New and In-use Nonroad Compression-Ignition Engines, 40 C.F.R. Part 1039, set emissions standards for new nonroad diesel engines and establish testing, certification, and labeling requirements starting with MY 2012 for engines with a power output of at least between 56 kW but less than 130 kW. 40 C.F.R. § 1039.1(b)(1).

### **C. Stipulated Facts**

- 13. Complainant realleges and incorporates herein Paragraphs 1-12 of this CAFO.
- 14. At all times relevant to this CAFO, Respondent was a “person” as defined above.
- 15. At all times relevant to this CAFO, Respondent was a “manufacturer” as defined above.
- 16. In 2023, Respondent imported into the Port of Long Beach one cement pump (the “Subject Equipment”) as described in the Table below.

**Table: Subject Equipment**

<b>Equipment Type</b>	<b>Equipment Manufacturer</b>	<b>Engine Manufacturer</b>	<b>Model</b>	<b>Model Year</b>	<b>Power</b>	<b>Quantity</b>
Nonroad compression-ignition cement pump	Tumosan Motor ve Traktor Sanayi A.S.	Tumosan Diesel Engines	Mix Master 30	2023	95 HP (69.9 kW)	1

17. The Subject Equipment is a nonroad compression-ignition equipment subject to the emission standards and compliance provisions of the CAA and its regulations. CAA Sections 203 and 213(d), 42 U.S.C. §§ 7522, 7547(d).

18. EPA's Regulations for Control of Emissions from New and In-use Nonroad Compression-Ignition Engines, 40 C.F.R. Part 1039, are applicable to the Subject Equipment.

**D. Alleged Violation of Law**

19. By importing the Subject Equipment that is not covered by a COC, Respondent committed a violation of CAA § 203(a)(1), 42 U.S.C. § 7522(a)(1), and the corresponding regulations codified at 40 C.F.R. §§ 1068.101(a)(1) and (b)(5).

**E. Terms of Consent Agreement**

20. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:
- a. admits that EPA has jurisdiction over the subject matter alleged in this CAFO and over Respondent;
  - b. neither admits nor denies the specific factual allegations contained in Section I.C of this CAFO;
  - c. consents to the assessment of a civil penalty, as stated below;
  - d. consents to the conditions specified in this CAFO;

- e. waives any right to contest the allegations set forth in Section I.D of this CAFO; and
- f. waives their rights to appeal the proposed Order contained in this CAFO.

#### **F. Civil Penalty**

21. Penalty Payment. Respondent agrees to pay a civil penalty in the amount of NINE THOUSAND EIGHT HUNDRED FORTY-FIVE DOLLARS (\$9,845) (“Assessed Penalty”) within thirty (30) days after the date the Final Order ratifying this consent agreement becomes final. The Final Order shall become final thirty (30) days after the date the Final Order ratifying this agreement is filed with the Regional Hearing Clerk (“Filing Date”).

22. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website:

<https://www.epa.gov/financial/makepayment>. For additional instructions see:

<https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

23. When making a payment, Respondent shall:

- a. Identify every payment with Respondent’s name and the docket number of this Agreement, CAA-09-2024-0094.
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s):

- i. Regional Hearing Clerk, Region 9  
U.S. Environmental Protection Agency  
75 Hawthorne Street, San Francisco, CA 90410  
[R9HearingClerk@epa.gov](mailto:R9HearingClerk@epa.gov)

- ii. Janice Chan, Environmental Engineer  
U.S. Environmental Protection Agency  
75 Hawthorne Street, San Francisco, CA 90410  
[Chan.Janice@epa.gov](mailto:Chan.Janice@epa.gov)

and

- iii. U.S. Environmental Protection Agency  
Cincinnati Finance Center  
Via electronic mail to:  
CINWD\_AcctsReceivable@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.

24. If Respondent does not timely pay the civil penalty, specified in Paragraph 21, then Respondent shall pay to the EPA a stipulated penalty in the amount of FIVE HUNDRED DOLLARS (\$500.00) for each day the default continues plus the penalty sum specified in Paragraph 21 upon written demand by the EPA.

25. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7524(c)(6), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this Agreement, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately due and owing, and EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any accrued interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7524(c)(6), interest will be assessed pursuant to 26 U.S.C. §

6621(a)(2), that is the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.

- b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of collection proceedings.
- c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

26. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this Agreement, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per to 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.
- d. Request that the Attorney General bring a civil action in the appropriate district court to recover the full remaining balance of the Assessed Penalty, in addition to interest and the

amounts described above, per 42 U.S.C. § 7524(c)(6). In any such action, the validity, amount, and appropriateness of the Assessed Penalty shall not be subject to review.

27. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

28. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.

### **G. Certification of Compliance**

29. Respondent certifies that as of the date of their signature of this Consent Agreement, Respondent is complying fully with section 203(a)(1) of the CAA, 42 U.S.C. § 7522(a)(1).

30. The provisions of this CAFO shall apply to and be binding upon Respondent and their officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns. Respondent must give written notice and a copy of this CAFO to any successors in interest prior to any transfer of ownership or control of any portion of or interest in Respondent. Simultaneously with such notice, Respondent shall provide written notice of such transfer, assignment, or delegation to EPA. In the event of any such transfer, assignment, or delegation, Respondent shall not be released from the obligations or liabilities of this CAFO unless EPA has provided written approval of the release of said obligations or liabilities.

31. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.

32. By signing this CAFO, the undersigned representative of Complainant and the undersigned representative of Respondent each certify that he or she is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party he or she represents to this CAFO.

33. By signing this CAFO, Respondent certifies that the information they have supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

34. Each party agrees to bear its own costs and attorney's fees in this action.

#### **H. General Provisions**

35. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts specifically alleged above.

36. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

37. This CAFO constitutes the entire agreement between the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to the subject matter hereof.

## **I. Effective Date**

38. Respondent and Complainant agree to issuance of the attached Final Order. Upon filing, EPA will transmit a copy of the filed CAFO to the Respondent. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk.

The foregoing Consent Agreement In the Matter of: Stronghold Engineering, Inc. Docket No. CAA-09-2024-0094 is hereby stipulated, agreed, and approved for entry:

**Stronghold Engineering, Inc. Respondent**

8/27/2024

Date

B. Bailey

Beverly A. Bailey  
Chief Executive Officer  
Stronghold Engineering, Inc.

The foregoing Consent Agreement In the Matter of: Stronghold Engineering, Inc. Docket No. CAA-09-2024-0094 is hereby stipulated, agreed, and approved for entry:

**United States Environmental Protection Agency, Complainant**

\_\_\_\_\_  
Date

KAORU  
MORIMOTO

Digitally signed by  
KAORU MORIMOTO  
Date: 2024.09.24  
17:19:39 -07'00'

\_\_\_\_\_  
Kaoru Morimoto  
Assistant Director  
Enforcement and Compliance Assurance Division  
United States Environmental  
Protection Agency, Region IX  
75 Hawthorne Street  
San Francisco, CA 94105

**Consent Agreement and Final Order  
In the Matter of: Stronghold Engineering, Inc.  
Docket No. CAA-09-2024-0094**

**II. FINAL ORDER**

EPA Region IX and Stronghold Engineering, Inc., having entered into the foregoing Consent Agreement,

IT IS HEREBY, ORDERED that this Consent Agreement and Final Order (Docket No. CAA-09-2024-0094), shall be entered and Respondent shall pay a civil administrative penalty in the amount of NINE THOUSAND EIGHT HUNDRED FORTY-FIVE (\$9,845), and otherwise comply with the terms set forth in the CAFO. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Beatrice Wong  
Regional Judicial Officer  
U.S. Environmental Protection Agency  
Region 9

## CERTIFICATE OF SERVICE

I certify that the original of the fully executed Consent Agreement and Final Order in the matter of Stronghold Engineering, Inc. (Docket No. CAA-09-2024-0094) was filed with the Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, and that a true and correct copy of the same was served on the parties, via electronic mail, as indicated below:

**RESPONDENT:** Beverly A. Bailey  
Chief Executive Officer  
Stronghold Engineering, Inc.  
150 W. Walnut Avenue  
Perris, California 92571  
[bb@teamsei.com](mailto:bb@teamsei.com)

**COMPLAINANT:** Denise Leong  
Assistant Regional Counsel  
U.S. EPA, Region IX  
75 Hawthorne Street, (ORC 2-1)  
San Francisco, CA 94105  
[Leong.Denise@epa.gov](mailto:Leong.Denise@epa.gov)

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Ponly Tu  
Regional Hearing Clerk  
U.S. EPA – Region IX