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BEFORE THE  
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

|                   |   |                             |
|-------------------|---|-----------------------------|
| In the Matter of: | ) |                             |
|                   | ) | DOCKET NO. CWA 10-2008-0009 |
| Anthony Lerma,    | ) |                             |
|                   | ) | <b>STATUS REPORT</b>        |
| Anchorage, Alaska | ) |                             |
|                   | ) |                             |
| Respondent.       | ) |                             |

Having conferred with Respondent's counsel, the Complainant submits the following status report on settlement negotiations.

The parties have reached an agreement in principle to settle this case through a Consent Agreement and Final Order. The salient terms of the agreement are as follows:

- (1) The parties will settle this case for a cash penalty of \$15,000;
- (2) The penalty will be paid in 4 equal installments, plus interest, over two years;
- (3) Prior to entering into the CAFO, Respondent will send additional documents demonstrating that the assets identified in Complainant's ability-to-pay analysis are fully encumbered; and
- (4) Upon signing the CAFO, Respondent will provide Complainant with a sworn statement that he is in compliance with the Construction General Permit at the Northern Harbors property (if Respondent continues as the operator on the site) or a sworn statement that he is no longer the operator at the Northern Harbors construction site.

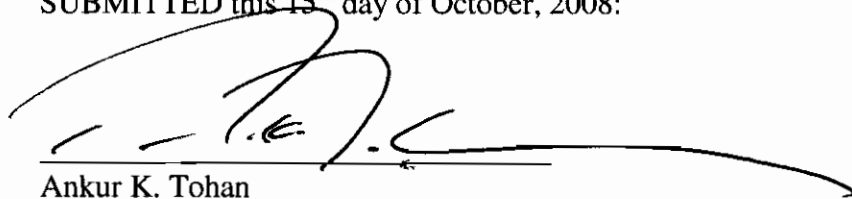
**STATUS REPORT - 1**  
**DOCKET NO. CWA 10-2008-0009**

**U.S. Environmental Protection Agency**  
**1200 Sixth Avenue, Suite 900**  
**Seattle, Washington 98101**  
**(206) 553-1796**

1 The parties are continuing to negotiate which allegations of liability in the Complaint  
2 Respondent will admit to in the CAFO. The parties expect to wrap up their negotiations on that  
3 issue by tomorrow, October 16, 2008.

4 Complainant is preparing the necessary documentation and expects to send a proposed  
5 CAFO to Respondent for his signature by October 20, 2008. Complainant expects to file the  
6 CAFO by October 27, 2008.

7  
8 SUBMITTED this 15<sup>th</sup> day of October, 2008:

9  
10 

11 Ankur K. Tohan  
12 Assistant Regional Counsel  
13 Counsel for the U.S. Environmental Protection Agency

1 **CERTIFICATE OF SERVICE**

2 I certify that the foregoing "Status Report" was sent to the following persons, in the  
3 manner specified, on the date below:

4 Original and one copy, hand-delivered:

5 Carol Kenndy, Regional Hearing Clerk  
6 U.S. Environmental Protection Agency, Region 10  
7 1200 Sixth Avenue,  
8 Suite 900, Mail Stop ORC-158  
Seattle, Washington 98101

9 A true and correct copy, via facsimile:

10 David H. Shoup  
11 Tindall Bennett & Shoup, P.C.  
12 508 West 2<sup>nd</sup> Ave, Third Floor  
13 Anchorage, AK 99501  
Fax (907) 278-8536

14 A true and correct copy, via facsimile and mail:

15 Hon. Barbara Gunning  
16 Administrative Law Judge  
17 Office of Administrative Law Judges  
18 U.S. Environmental Protection Agency  
19 Mail Code 1900L  
20 1200 Pennsylvania Ave., NW  
Washington, DC 20460-2001

21 Dated: 10/15/08

22 Lisa Bingham  
23 Lisa Bingham  
24 U.S. EPA Region 10  
25

**STATUS REPORT - 3**  
**DOCKET NO. CWA 10-2008-0009**

**U.S. Environmental Protection Agency**  
**1200 Sixth Avenue, Suite 900**  
**Seattle, Washington 98101**  
**(206) 553-1796**