

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4 ATLANTA FEDERAL CENTER 61 FORSYTH STREET ATLANTA, GEORGIA 30303-8960

<u>CERTIFIED MAIL</u> 7017 1450 0000 7972 1667 <u>RETURN RECEIPT REQUESTED</u>

SEP 18 2019

Mr. Michael Morgan Aircraft Services International Group, Inc. 201 South Orange Avenue, Suite 1200 Orlando, Florida 32801

> Re: Consent Agreement and Final Order Aircraft Services International Group, Inc. Docket No. CWA-04-2018-5126(b)

Dear Mr. Morgan:

This letter is to notify Aircraft Services International Group, Inc. that the Consent Agreement and Final Order (CA/FO) for the above-referenced matter has been signed by the U.S. Environmental Protection Agency, and became effective on the date of filing with the Regional Hearing Clerk, as required by 40 C.F.R. §§ 22.6 and 22.31. A copy of the Consent Agreement and Final Order is enclosed. Pursuant to the Final Order, Aircraft Services International Group, Inc. shall submit the payment of \$67,800.00 within thirty (30) days of the effective date.

Also enclosed is a copy of a document titled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts Aircraft Services International Group, Inc. on notice of its potential duty to disclose to the Securities and Exchange Commission any environmental actions taken by the EPA.

If you have any questions, please contact Mr. Steven P. Smith, Associate Regional Counsel at (404) 562-9554.

Sincerely,

Suzanne G. Rubini Acting Director

Enforcement and Compliance Assurance Division

cc: Mr. Byron W. Kirkpatrick Troutman Sanders LLP

> Mr. David S. Sager DAL Piper LLP (US)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4

IN THE MATTER OF Aircraft Service International Group, Inc. 201 South Orange Avenue, Suite 1200 Orlando, Florida 32801)))))	CLASS II CONSENT AGREEMENT AND FINAL ORDER UNDER SECTION 311(b)(6)(B)(ii) OF THE CLEAN WATER ACT, 33 U.S.C. § 1321(b)(6)(B)(ii) AND UNDER 40 C.F.R. § 22.13(b)			
Respondent) _)	Docket No. CWA-04-2018-5126(b)			
I.	<u>LEGA</u>	L AUTHORITY	OF ERRY	∷	

1. This Consent Agreement is proposed and entered into under the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 311(b)(6)(B)(ii) of the Clean Water Act ("CWA"), 33 U.S.C. § 1321(b)(6)(B)(ii), as amended by the Oil Pollution Act of 1990, and under the authority provided by 40 C.F.R. §§ 22.13(b) and 22.18(b)(2). Complainant is the Administrator of the United States Environmental Protection Agency (EPA). On EPA's behalf, the Director, Enforcement and Compliance Assurance Division, United States Environmental Protection Agency (EPA) Region 4, is delegated the authority to settle civil administrative penalty proceedings under Section 311(b)(6) of the Clean Water Act.

II. <u>CONSENT AGREEMENT</u>

2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to settle this action. Accordingly, before any testimony has been taken upon the pleadings and without any admission of violation or adjudication of any issue of fact or law and in accordance with 40 C.F.R. § 22.13(b), Complainant and Respondent have agreed to the execution of this Consent Agreement and Final Order ("CAFO"), and Respondent hereby agrees to comply with the terms of this CAFO. For purposes of this CAFO and settlement of this action, Respondent admits that EPA has jurisdiction over the subject matter alleged in this CAFO.

III. GENERAL STIPULATIONS

3. Aircraft Service International Group, Inc. ("ASIG" or "Respondent") is organized under the laws of the state of Delaware and is registered to do business in the state of Georgia. ASIG operated as a subsidiary of BBA Aviation plc until January 31, 2017, when it was acquired by John Menzies plc. Following its acquisition by John Menzies plc, ASIG ceased operations in Georgia. At all times set forth in the CAFO, ASIG was operating as a subsidiary of BBA Aviation plc. Respondent is a "person" within the meaning of Section 311(a)(7) of the CWA, 33 U.S.C. § 1321(a)(7).

IV. <u>OIL SPILL STIPULATIONS</u>

- 4. On April 22, 2016, Respondent was the owner and operator within the meaning of Section 311(a)(6) of the CWA, 33 U.S.C. § 1321(a)(6) of a mobile re-fueler that was transporting approximately 10,000 gallons (approximately 238 barrels) of Jet A fuel in Terminal D at the Atlanta Hartsfield-Jackson International Airport, located at 6000 N. Terminal Parkway, Atlanta, Georgia ("Atlanta Airport"), which is near the Flint River. The mobile-refueler is hereafter known as "Facility 1."
- 5. Facility 1 was an "onshore facility" within the meaning of Section 311(a)(10) of the CWA, 33 U.S.C. § 1321(a)(10).
- 6. The Flint River is a navigable water as defined in Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and 40 C.F.R. § 110.1 and is therefore subject to the jurisdiction of Section 311 of the CWA, 33 U.S.C. § 1321.
- 7. Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3), prohibits the discharge of oil into or upon the navigable waters of the United States or adjoining shorelines in such quantities that have been determined may be harmful.
- 8. Section 311(a)(2) of the CWA, 33 U.S.C. § 1321(a)(2), defines "discharge" as including, but not limited to, any spilling, leaking, pumping, pouring, emitting, emptying or dumping.

- 9. Section 311(a)(1) of the CWA, 33 U.S.C. § 1321(a)(1), defines "oil" as "oil of any kind or in any form, including, but not limited to, petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes other than dredged spoil."
- 10. Jet A fuel constitutes "oil" within the meaning of Section 311(a)(1) of the CWA, 42 U.S.C. § 1321(a)(1).
- 11. Pursuant to Section 311(b)(4) of the CWA, 33 U.S.C. § 1321 (b)(4), the determination of the quantity of oil that may be harmful and is thereby prohibited under Section 311(b)(3), 33 U.S.C. § 1321 (b)(3), is defined at 40 C.F.R. § 110.3 to include discharges of oil that, inter alia, cause a sheen upon or discoloration of the surface of the water or adjoining shorelines.

V. <u>OIL SPILL ALLEGATIONS</u>

Complainant alleges, and Respondent neither admits nor denies, that:

- 12. On April 22, 2016, Respondent discharged approximately 107 barrels of Jet A Fuel, as defined in Section 311(a)(1) of the CWA, 33 U.S.C. § 1321(a)(1), from its Facility 1 into or upon the Flint River and/or its adjoining shorelines.
- 13. Respondent's April 22, 2016 discharge of Jet A Fuel caused a sheen and discoloration of the surface of the Flint River and its adjoining shorelines and, therefore, was in a quantity that has been determined may be harmful under 40 C.F.R. § 110.3, in violation of Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3).
- 14. Accordingly, Respondent violated Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3).

VI. <u>SPILL PREVENTION, CONTROL,</u> AND COUNSTERMEASURES STIPULATIONS

15. On April 23, 2016, Respondent was the owner and operator within the meaning of Section 311(a)(6) of the CWA, 33 U.S.C. § 1321(a)(6), of (a) mobile re-fuelers with the storage capacity of 90,120 gallons (approximately 2,145 barrels) of Jet A Fuel at the Atlanta Airport and (b) aboveground

storage tanks and drums with the storage capacity of 3,030 gallons (approximately 71 barrels) at the Ground Support Equipment Shop located at 211 Charles W Grant Parkway, Atlanta, Georgia ("GSE Shop"). Together, the mobile-refuelers at the Atlanta Airport and the aboveground storage tanks and drums at the GSE Shop are hereafter referred to as "Facility 2." Facility 2 had an aggregate aboveground storage capacity of 93,150 gallons (approximately 2,218 barrels) of Jet A fuel, petroleum, gear oil, engine oil, used oil, grease, hydraulic fluid, and off-spec Jet A Fuel, as those terms are defined in Section 311(a)(1) of the CWA, 42 U.S.C. §1321(a)(1) and 40 C.F.R. § 110.1. Respondent has since ceased operations at the Atlanta Airport.

- 16. Facility 2 was an "onshore facility" within the meaning of Section 311(a)(10) of the CWA, 33 U.S.C. § 1321(a)(10).
- 17. Pursuant to 40 C.F.R. § 112.1, the Spill Prevention, Control and Countermeasure ("SPCC") regulations contained in 40 C.F.R. Part 112 apply to each owner and operator of a non-transportation-related onshore facility engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing, using or consuming oil or oil products, which, due to its location, could reasonably be expected to discharge oil into or upon the navigable waters of the United States and their adjoining shorelines in such quantity as may be harmful, as described in 40 C.F.R. § 110.3 ("harmful quantities").
- 18. Respondent was engaged in storing, transferring, and using oil products at Facility 2.
- 19. Because Facility 2 had an aggregate above ground storage capacity greater than 1,320 gallons of oil in containers, each with a capacity of at least 55 gallons, Facility 2 does not qualify for the exemption under 40 C.F.R. § 112.1(d)(2).
- 20. Facility 2 was a non-transportation-related facility within the meaning of 40 C.F.R. § 112.2, as described in 40 C.F.R. Part 112, Appendix A.

- 21. Facility 2 was located near Sullivan Creek, Mud Creek, and the Flint River. Specifically, the GSE aboveground storage tanks and drums were located near Sullivan Creek, Mud Creek, and the Flint River. The mobile-refuelers at the Atlanta Airport were located near the Flint River.
- 22. Sullivan Creek and Mud Creek flow into the Flint River. Sullivan Creek, Mud Creek, and the Flint River are navigable waters as defined in Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and 40 C.F.R. § 112.2 and are therefore subject to the jurisdiction of Section 311 of the CWA, 33 U.S.C. § 1321.
- 23. Due to its location, Facility 2 could reasonably have been expected to discharge oil and/or other pollutants to Sullivan Creek, Mud Creek, and the Flint River, and/or their adjoining shorelines, in quantities that would (a) violate applicable water quality standards or (b) cause a film or sheen upon or discoloration of the surface of the navigable waters of the United States or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of such water or adjoining shorelines.
- 24. Facility 2 was therefore a non-transportation-related onshore facility which, due to its location, could reasonably be expected to discharge a harmful quantity of oil to a navigable water of the United States or its adjoining shorelines and was, as such, an SPCC-regulated facility.
- 25. Pursuant to 40 C.F.R. § 112.3, the owner or operator of an SPCC-regulated facility must prepare in writing and implement an SPCC Plan in accordance with 40 C.F.R. § 112.7 and any other applicable sections of 40 C.F.R. Part 112.
- 26. Pursuant to 40 C.F.R. § 112.7(a)(1) and (c), the SPCC Plan must include a discussion of the facility's method, design, and capacity for secondary containment to address the typical failure mode, and the most likely quantity of oil that would be discharged.
- 27. Pursuant to 40 C.F.R. § 112.7(a)(1) and (2), the SPCC Plan must include a description of the containment and/or diversionary structures or equipment to prevent a discharge, including that the diked areas are sufficiently impervious to contain discharged oil as required by 40 C.F.R. § 112.8(c)(2).

Pursuant to 40 C.F.R. § 112.7(a)(4), notwithstanding compliance with 40 C.F.R. § 112.3, whenever a facility has discharged more than 1,000 U.S. gallons of oil (25 barrels) in a single discharge as described in 40 C.F.R. § 112.1(b), or discharged more than 42 U.S. gallons of oil (one barrel) in each of two discharges as described in 40 C.F.R. § 112.1(b), occurring within any twelve (12) month period, the facility shall submit a report to the Regional Administrator with specific information within 60 days from the time of the discharge.

VII. SPILL PREVENTION, CONTROL, AND AND COUNTERMEASURE ALLEGATIONS

Complainant alleges, and Respondent neither admits nor denies, that:

- 29. On April 23, 2016, the EPA conducted an inspection at Respondent's Facility 2 to assess compliance with SPCC regulations.
- 30. At the time of the April 23, 2016 inspection, Respondent had failed to adequately prepare and implement an SPCC Plan ("Plan") in accordance with 40 C.F.R. §§ 112.7 and 112.8, and any other applicable sections of 40 C.F.R. Part 112, as required by 40 C.F.R. § 112.3(a). Specifically, the Plan violated the following requirements of the SPCC regulations:
- a. The Plan did not adequately discuss the facility's method, design, and capacity for secondary containment to address the typical failure mode, and the most likely quantity of oil that would be discharged from the mobile refuelers or from the tanker truck and mobile refuelers in the loading and unloading areas as required by 40 C.F.R. § 112.7(a)(1) and (c).
- b. The Plan did not discuss that the diked secondary containment area at the GSE Shop was sufficiently impervious to contain discharged oil as required by 40 C.F.R. § 112.7(a)(1) and (2) and 40 C.F.R. § 112.8(c)(2).
- 31. The EPA therefore alleges that Respondent violated the regulatory requirements cited in 30(a) and (b) above and is therefore in violation of 40 C.F.R. § 112.3.

- 32. Additionally, Respondent failed to implement the Facility's Plan in accordance with 40 C.F.R. §§ 112.7 and 112.8, and any other applicable sections of 40 C.F.R. Part 112, as required by 40 C.F.R. § 112.3(a). Specifically, the EPA found Respondent violated the SPCC regulations by failing to submit a report to the Regional Administrator with the information required by 40 C.F.R. 112.7(a)(4) within 60 days of Respondent's April 22, 2016 single discharge of 4, 494 gallons (approximately 107 barrels) of oil, as described in Paragraphs 12 through 14 above.
- 33. The EPA therefore alleges that Respondent violated the regulatory requirements in paragraph 32 above and is in violation of 40 C.F.R. § 112.4(a).

VIII. WAIVER OF RIGHTS

- 33. Solely for the purpose of this Consent Agreement proceeding, Respondent waives the right to contest the allegations contained herein, to a hearing under Section 311(b)(6)(B)(ii) of the CWA, 33 U.S.C. § 1321(b)(6)(B)(ii), to appeal any Final Order in this matter under Section 311(b)(6)(G)(ii) of the CWA, 33 U.S.C. § 1321(b)(6)(G)(ii), and consents to the issuance of a Final Order without further adjudication.
- 34. Complainant reserves the right, pursuant to 40 C.F.R. § 22.45(c)(4)(iii), to withdraw from this Consent Agreement and proposed Final Order within fifteen (15) calendar days of receipt of a commenter's petition requesting, pursuant to 40 C.F.R. § 22.45(c)(4)(ii), that the Regional Administrator set aside the Consent Agreement and proposed Final Order on the basis that material evidence was not considered.
- 35. Respondent waives any right it may have pursuant to 40 C.F.R. § 22.8 to be present during any discussions with, or to be served with and reply to, any memorandum or communication addressed to EPA officials where the purpose of such discussion, memorandum, or communication is to persuade such official to accept and issue this CAFO.

- 36. Respondent waives its right to challenge the validity of this CAFO and the settlement of the matters addressed in this CAFO based on any issue related to the Paperwork Reduction Act, 44 U.S.C. §§ 3501 et seq.
- 37. The Final Order does not constitute a waiver, suspension or modification of the requirements of Section 311 of the CWA, 33 U.S.C. § 1321, or any regulations promulgated thereunder, and does not affect the right of the Administrator or the United States to pursue any applicable injunctive or other equitable relief or criminal sanctions for any violation of law.

IX. PAYMENT OF CIVIL PENALTY

- 38. Respondent consents to the payment of a civil penalty of SIXTY-SEVEN THOUSAND EIGHT HUNDRED DOLLARS (\$67,800), which is to be paid within thirty (30) calendar days of the effective date of the Final Order.
- 39. Payment shall be made by a corporate/cashier's or certified check, by electronic funds transfer (EFT), or on-line. If paying by check, Respondent shall submit a corporate/cashier's or certified check, payable to the "Environmental Protection Agency." The check shall bear the notation "OSLTF 311" and Respondent shall reference the title and docket number of this case on the face of the check
- a. If Respondent sends payment by the U.S. Postal Service, the payment shall be sent to:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center Post Office Box 979077 St. Louis, Missouri 63197-9000

b. If Respondent sends payment by an overnight commercial delivery service such as DHL, FedEx, or UPS, the payment shall be sent to:

U.S. Bank Government Lockbox 979077 U.S. EPA Fines & Penalties 1005 Convention Plaza SL-MO-C2-GL St. Louis, Missouri 63101 (314) 481-1028

c. If Respondent sends payment by wire transfer, the wire transfer should be directed to the Federal Reserve Bank of New York:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045

The Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency."

- d. If Respondent elects to use the On-Line Payment Option, available through the Department of the Treasury, Respondent should go to www.pay.gov and enter "sfo 1.1" in the search field, and then open the form and complete required fields.
- 40. Respondent shall submit copies of each check (or, in the case of a wire transfer or on-line payment, a copy of the wire transfer or on-line confirmation) to the following people:

Patricia Bullock Regional Hearing Clerk U.S. EPA, Region 4 Sam Nunn Atlanta Federal Center 61 Forsyth Street, SW Atlanta, Georgia 30303

and to:

William Joyner
Drinking Water and Wastewater Section
Water Enforcement Branch
Enforcement and Compliance Assurance Division
U.S. EPA, Region IV

61 Forsyth Street, S.W. Atlanta, Georgia 30303

- 41. Penalties paid pursuant to this CAFO are not deductible for federal purposes under 26 U.S.C. § 162(f).
- 42. Respondent's failure to pay the penalty assessed by the Final Order in full by its due date may subject Respondent to a civil action to collect the assessed penalty, plus interest, attorney's fees, costs and an additional quarterly nonpayment penalty pursuant to Section 311(b)(6)(H) of the CWA, 33 U.S.C. § 1321(b)(6)(H). In any such collection action, the validity, amount, and appropriateness of the penalty agreed to herein shall not be subject to review.

X. GENERAL PROVISIONS

- 43. Pursuant to Section 311(b)(6)(C) of the CWA, 33 U.S.C. § 1321(b)(6)(C), and 40 C.F.R. § 22.45, Complainant will provide public notice of and reasonable opportunity to comment on this Consent Agreement and proposed Final Order.
- 44. The Final Order shall be binding upon Respondent and Respondent's officers, directors, agents, and successors or assigns.
- 45. No change in ownership, partnership, corporate, or legal status relating to the Facility will in any way alter Respondent's obligations and responsibilities under this CAFO.
- 46. Compliance with this CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged herein.
- 47. The undersigned representative of Respondent hereby certifies that he or she is fully authorized to enter into and execute this Consent Agreement and to legally bind Respondent to the terms and conditions of this Consent Agreement and the attached Final Order.
- 48. A copy of any documents that Respondent files in this action shall be sent to the following attorney who represents the EPA in this matter and who is authorized to receive service for the EPA in this proceeding:

Teresa Mann, Esq.
Senior Attorney
Office of Regional Counsel
U.S. EPA, Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303
Phone: (404) 562-9572
Mann.teresa@epa.gov

49. A copy of any documents that Complainant files in this action shall be sent to the following individuals to receive service for Respondent in this proceeding:

Byron W. Kirkpatrick, Esq. Troutman Sanders LLP 600 Peachtree Street, NE, Suite 3000 Atlanta, Georgia 30308 Phone: 404-885-3387 Byron.Kirkpatrick@troutman.com

and to:

David S. Sager, Esq.
DLA Piper LLP (US)
51 John F. Kennedy Parkway, Suite 120
Short Hills, New Jersey 07078-2704
david.sager@us.dlapiper.com

50. By executing this CAFO, Respondent certifies that all violations alleged herein, which are neither admitted nor denied, have been corrected.

XI. <u>SEVERABILITY</u>

51. It is the intent of the parties that the provisions of this CAFO are severable. If any provision or authority of this CAFO or the application of this CAFO to any party or circumstance is held by any judicial or administrative authority to be invalid or unenforceable, the application of such provisions to other parties or circumstances and the remainder of the CAFO shall remain in force and shall not be affected thereby.

XII. <u>EFFECTIVE DATE</u>

52. The effective date of this CAFO shall be the date on which the Final Order is filed with the Regional Hearing Clerk.

[SIGNATURES ON FOLLOWING PAGE]

In the Matter of Aircraft Service International Group, Inc., Docket No. CWA-04-2018-5126(B) CONSENTED AND AGREED TO:

For the RESPONDENT AIRCRAFT	SERVICE INTERNATIONAL GROUP, INC.:
Date: 7 16 19 Na	me JOHN SATERS
Tit	le SYP FINANCE
For the COMPLAINANT, U.S. ENVI	RONMENTAL PROTECTION AGENCY, REGION 4:
Suzanne G. Rubini, Acting Director Enforcement and Compliance Assurance U.S. EPA, Region 4	Date: 9/12/19 e Division

XII. <u>EFFECTIVE DATE</u>

52. The effective date of this CAFO shall be the date on which the Final Order is filed with the Regional Hearing Clerk.

[SIGNATURES ON FOLLOWING PAGE]

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4

IN THE MATTER OF Aircraft Service International Group, Inc. 201 South Orange Avenue, Suite 1200 Orlando, Florida 32801) CLASS II CONSENT AGREEMENT AND FINAL ORDER UNDER SECTION) 311(b)(6)(B)(ii) OF THE CLEAN WATER ACT, 33 U.S.C. § 1321(b)(6)(B)(ii) AND UNDER 40 C.F.R. § 22.13(b)
Respondent) Docket No. CWA-04-2018-5126(b)

FINAL ORDER

The foregoing Consent Agreement is hereby approved, ratified and incorporated by reference into this Final Order in accordance with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22. Respondent is hereby ORDERED to comply with all of the terms of the foregoing Consent Agreement effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This Order disposes of this matter pursuant to 40 C.F.R. §§ 22.18 and 22.31.

Date: 9-17-19

Signature:

Regional Administrator

EPA Region 4

CERTIFICATE OF SERVICE

I hereby certify that I have this day filed the original and a true copy of the foregoing Consent Agreement and Final Order, in the matter of Aircraft Service International Group, Inc., Docket No. CWA-04-2018-5126(b) on the parties listed below in the manner indicated:

Teresa Mann
Senior Attorney
Office of Environmental Accountability
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street SW
Atlanta, Georgia 30303

(Via EPA's Electronic Mail)

William Joyner
Drinking Water and Wastewater Section
Water Enforcement Branch
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street SW
Atlanta, Georgia 30303

(Via EPA's Electronic Mail)

Byron W. Kirkpatrick, Esq. Troutman Sanders 600 Peachtree Street, NE, Suite 3000 Atlanta, Georgia 30308

(Via Certified Mail)

David S. Sager, Esq.
DLA Piper LLP (US)
51 John F. Kennedy Parkway, Suite 120
Short Hills, New Jersey 07078-2704

(Via Certified Mail)

Dated: 9-13-19

Patricia Bullock

Regional Hearing Clerk

U.S. Environmental Protection Agency, Region 4 61 Forsyth Street SW

Atlanta, Georgia 30303