

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VII  
901 N. 5<sup>th</sup> Street  
KANSAS CITY, KANSAS 66101

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ENVIRONMENTAL PROTECTION  
AGENCY-REGION VII  
REGIONAL HEARING CLERK

BEFORE THE ADMINISTRATOR

	)	
	)	Docket No. CWA-07-2006-0059
	)	
GRASMICK FARMING COMPANY, INC.	)	
SCOTTSBLUFF COUNTY, NEBRASKA	)	
	)	
Respondent	)	FINDING OF VIOLATION
	)	ORDER FOR COMPLIANCE
	)	
	)	
Proceedings under	)	
Section 309(a)(3)	)	
of the Clean Water Act,	)	
33 U.S.C. § 1319(a)(3)	)	
_____	)	

**Preliminary Statement**

1. The following Findings of Violation are made and Order for Compliance (“Order”) issued pursuant to the authority of Section 309(a)(3) of the Clean Water Act (“CWA” or “Act”), 33 U.S.C. § 1319(a)(3). This authority has been delegated by the Administrator of the United States Environmental Protection Agency (“EPA”) to the Regional Administrator, EPA, Region VII, and redelegated to the Director of Region VII’s Water, Wetlands and Pesticides Division.
2. The Respondent is Grasmick Farming Company, Inc. (“Respondent”), a corporation that owns and operates an animal feeding operation (“Facility”) that is located in Section 9, Township 22 North, Range 57 West, near the city of Morrill in Scottsbluff County, Nebraska.

**Statutory and Regulatory Authority**

3. Section 301(a) of the CWA, 33 U.S.C. §1311(a), prohibits the discharge of pollutants except in compliance with, *inter alia*, Section 402 of the CWA, 33 U.S.C. § 1342.
4. Section 402 of the CWA, 33 U.S.C. § 1342, provides that pollutants may be discharged only in accordance with the terms of a National Pollutant Discharge Elimination System (“NPDES”) permit issued pursuant to that Section.
5. Section 504(12) of the CWA, 33 U.S.C. § 1362(12), defines the term “discharge of pollutant” to include “any addition of any pollutant to navigable waters from any point source.”
6. To implement Section 402 of the CWA, the EPA promulgated regulations codified at 40 C.F.R. § 122. Under C.F.R. § 122.1, a NPDES permit is required for the discharge of pollutants from any point source into waters of the United States.
7. “Pollutant” is defined by Section 502(6) of the CWA, 33 U.S.C. 1362 to include, *inter alia*, biological materials and agricultural waste discharged to water.
8. “Point source” is defined by Section 502(14) of the CWA, 33 U.S.C. § 1362 to include “any discernible, confined and discrete conveyance, including but not limited to any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation . . . from which pollutants are or may be discharged.”
9. “Animal feeding operation” or “AFO” is defined by 40 C.F.R. § 122.23(b)(1) as a lot or facility where animals have been, are, or will be stabled or confined and fed or maintained for a total of 45 days or more in any twelve month period, and where crops, vegetation, forage growth, or post-harvest residues are not sustained in the normal growing season over any portion of the lot or facility.
10. “Concentrated animal feeding operation” or “CAFO” is defined by 40 C.F.R. § 122.23(b)(2) as an animal feeding operation that is defined as a Large CAFO in accordance with 40 C.F.R. § 122.23(b)(3).
11. “Large CAFO” is defined according to 40 C.F.R. § 122.23(b)(4)(iii) as an animal feeding operation that stables or confines more than “1,000 cattle other than mature dairy cows or veal calves.”

12. "Waters of the United States" are defined in 40 C.F.R. § 122.2 to include intrastate rivers and streams, and tributaries thereto.
13. The Nebraska Department of Environmental Quality ("NDEQ") is the agency within the State of Nebraska with the delegated authority to administer the federal NPDES Program pursuant to Section 402 of the CWA, the Nebraska Environmental Protection Act (Secs. 81-1504 (11), Reissue 1987), and the State of Nebraska Department of Environmental Quality, Title 119, Rules and Regulations Pertaining to the Issuance of Permits Under the National Pollutant Discharge Elimination System. The EPA maintains concurrent enforcement authority with delegated state NPDES programs for violations of the CWA.

#### **Factual Background and Findings of Violation**

14. Respondent owns and operates an animal feeding operation that is located in Section 9, Township 22 North, Range 57 West, in Scottsbluff County, Nebraska.
15. On June 15, 2005, EPA personnel conducted a compliance evaluation inspection of the Facility.
16. The Facility confines and feeds or maintains cattle for a total of forty-five (45) days or more in any twelve month period.
17. Neither crops, vegetation, forage growth, nor post harvest residues are sustained over any portion of the Facility's feeding areas.
18. The Facility is an AFO as defined by 40 C.F.R. §122.23(b)(1), and as that phrase is used in Section 502(14) of the CWA, 33 U.S.C. § 1362(14).
19. The Facility confines greater than 1,000 head of cattle for at least 45 days over a 12 month period, therefore the Facility is a large CAFO as that term is defined in 40 C.F.R. §122.23(b)(4). At the time of the inspection, the manager of the Facility indicated the Facility was confining approximately 4,000 head of feeder cattle.
20. Respondent does not have an NPDES permit for the Facility.
21. Runoff from the Facility's feeding pens on the south and west sides of the facility drain to a ditch that flows north to Horse Creek Lateral. Horse Creek Lateral is an irrigation canal that diverts water from Horse Creek approximately 3 miles west of the Facility. Horse Creek Lateral flows adjacent to and past the Facility and discharges into the North Platte River approximately 8 miles to the east of the Facility. At the time of the EPA

inspection, EPA observed that liquid waste from the facility was flowing through the ditch and into Horse Creek Lateral.

22. The pens at the facility that do not drain to the drainage ditch, described above, drain toward the center of the facility into a lagoon. Because the lagoon does not have an outlet there are times when the liquid waste contained by the lagoon is pumped by Respondent from the lagoon into Horse Creek Lateral.
23. The drainage ditch at the Facility, Horse Creek Lateral, and the North Platte River are waters of the United States, as defined under 40 C.F.R. Part 122.2. The North Platte River has been listed by the state of Nebraska as an impaired water body because of elevated presence of fecal coliform.
24. With the exception of the lagoon, the Facility does not have livestock waste control facilities to prevent the discharge of animal waste to Horse Creek Lateral.
25. Based on the size of the Facility, the distance and proximity of the Facility to waters of the United States, and the slope and condition of the land across that distance, wastewater containing pollutants from open feeding areas at the Facility will continue to flow into Horse Creek Lateral during significant precipitation events. Also, Respondent pumps liquid wastes from the lagoon into Horse Creek Lateral.
26. The ongoing flow of waste water from Respondent's Facility and Respondent's intermittent pumping of waste water to Horse Creek Lateral constitutes unauthorized discharges of pollutants from a point source to waters of the United States. This is a violation of Sections 301 and 402 of the Clean Water Act, 33 U.S.C. §1311 and 1342, and implementing regulations.

#### **Order For Compliance**

Based on the Findings of Violation set forth above, and pursuant to Sections 308(a) and 309(a)(3) of the CWA, 33 U.S.C. §§ 1318(a) and 1319(a)(3), Respondent is hereby ORDERED to take the following actions to eliminate its violations of the CWA:

27. Within fifteen (15) days of the effective date of this Order, Respondent shall submit an Interim Measures Plan to the EPA for review and approval. The Plan shall describe, in detail, actions that Respondent will take to reduce the discharge of runoff from Respondent's Facility to waters of the United States. The Plan shall also include a schedule for implementation of the interim measures. The interim controls shall remain in place and operated until Respondent completes construction of the feedlot waste

control structures necessary to comply with the Clean Water Act. Upon EPA approval of the Interim Measures Plan, Respondent shall implement the Plan immediately.

28. In accordance with the schedules established by the state-issued construction permit or within one (1) year of the effective date of this Order, whichever is earliest, Respondent shall complete construction of feedlot waste control structures that prevent the unauthorized discharges from the Facility to waters of the United States. If construction is not completed by this date, Respondent shall cease operations within areas of the Facility where feedlot runoff cannot be managed to prevent discharges to waters of the United States.
29. Beginning thirty (30) days after the effective date of this Order and continuing monthly on the seventh day of each month until Respondent submits a Notice of Construction Completion to the EPA, Respondent shall submit written monthly progress reports to the EPA that describe, in detail, the construction and related activities that occurred at the facility during the reporting period, construction and related activities anticipated during the upcoming reporting period, and a description of any problems encountered or anticipated and how these problems were/will be addressed.
30. Respondent shall submit to the EPA a Notice of Construction Completion within thirty (30) days of when the construction of all feedlot waste control structures is completed. This notification shall be in writing and shall include as-built drawings of the constructed improvements.
31. Upon completion of construction and continuing until such time as Respondent is issued an NPDES Permit for the Facility, Respondent shall maintain the following operational records: 1) storage facility liquid levels after every event with the potential to change the amount of liquid in the storage facility; 2) land application records, including dates, location, amounts applied, and application rates; and 3) precipitation records. Respondent shall submit copies of these records to the EPA on a quarterly basis for the periods of January-March, April-June, July-September and October-December. Records must be submitted on or before the seventh day of the month following the end of the period (October 7, January 7, April 7 and July 7). Upon issuance of an NPDES permit, Respondent shall maintain and submit records as required by the NPDES permit.
32. Within one (1) week of completion of feedlot waste controls, Respondent must submit an application for an NPDES permit to NDEQ. Respondent shall provide written notice to the EPA that an NPDES application was submitted to NDEQ.

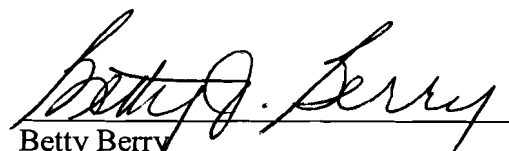
**Effect of Order**


33. Compliance with the terms of this Order shall not relieve Respondent of liability for, or preclude the EPA from initiating an administrative or judicial enforcement action to recover penalties for any violations of the CWA, or seek additional injunctive relief, pursuant to Section 309 of the CWA, 42 U.S.C. § 1319.
34. This Order shall not constitute a permit under the CWA. Compliance with the terms of this Order shall not relieve Respondent of its responsibility to obtain any required local, state and/or federal permits.
35. Nothing in this Order shall limit the EPA's right to obtain access to, and/or inspect Respondent's Facility, and/or to request additional information from Respondent, pursuant to the authority of Section 308 of the CWA, 33 U.S.C. § 1318.
36. The EPA may subsequently amend this Order in accordance with the authority of the CWA. For example, the EPA may amend this Order to address any noncompliance with the CWA, including, but not limited to, any noncompliance with the requirements of Section 402 of the CWA. In the event of any such subsequent amendment to this Order, all requirements for performance of this Order not affected by the amendment shall remain as specified by this original Order.
37. If any provision or authority of this Order or the application of this Order to Respondent is held by federal judicial authority to be invalid, the application to Respondent of the remainder of this Order shall remain in full force and effect and shall not be affected by such a holding.
38. All submissions to the EPA required by this Order shall be sent to:  
  
Rochelle Gibson  
CAFO Enforcement Program  
Water, Wetlands and Pesticides Division  
U.S. Environmental Protection Agency Region VII  
901 N. 5<sup>th</sup> Street  
Kansas City, Kansas 66101.
39. Pursuant to 40 C.F.R. 2.201-2.311, Respondent may assert a business confidentiality claim covering any portion of the submitted information which is entitled to confidential treatment and which is not effluent data. For any such claim, describe the basis for the claim under the applicable regulation. Any material for which business confidentiality is claimed should be placed in a separate envelope labeled, "Confidential Business

Information.” Failure to assert a claim in the manner described in 40 C.F.R. § 2.203(b) allows the EPA to release the submitted information to the public without further notice. The EPA may disclose information subject to the business confidentiality claim only to the extent set forth in the above-cited regulations. Special rules governing information obtained under the Clean Water Act appear in 40 C.F.R. § 2.302.

40. Notice is hereby given that violation of, or failure to comply with, any of the provisions of the foregoing Order may subject Respondent to (1) civil penalties of up to \$32,500 per day for each violation, pursuant to Section 309(d) of the Act, 33 U.S.C. § 1319(d); or (2) civil action in federal court for injunctive relief, pursuant to Section 309(b) of the Act, 33 U.S.C. §1319(b).
41. The terms of this Order shall be effective and enforceable against Respondent upon its receipt of the Order.

Date 02/09/06

  
Betty Berry  
Acting Director  
Water, Wetlands, and Pesticides Division

  
J. Daniel Breedlove  
Assistant Regional Counsel

**CERTIFICATE OF SERVICE**

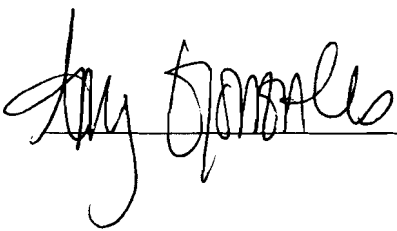
I certify that on the date note below I filed the original and one true and correct copy of the signed original Findings of Violation and Order of Compliance with the Regional Hearing Clerk, Region VII.

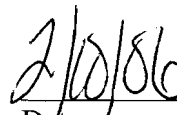
I further certify that I sent by certified mail, return receipt requested, a true and correct copy of the signed original Findings of Violation and Order for Compliance together with cover letter and small business assistance information, to the following registered agent for Hatterman Farms, Inc.:

Harvey Grasmick  
Registered Agent for Grasmick Farming Company, Inc.  
80283 County Road 7  
Morrill, Nebraska 69358.

I further certify that on the date noted below, I sent by certified mail, return receipt requested, a true and correct copy of the signed original Findings of Violation and Order for Compliance to the following representative of the State of Nebraska:

Dennis Heitmann  
Supervisor, Agriculture Section  
Water Quality Division  
Nebraska Department of Environmental Quality  
Suite 400, 1200 N Street, The Atrium  
Lincoln, Nebraska 68509.

  
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Date