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BEFORE THE	
UNITED STATES ENVIRONMENTAL PROTECTION A	AGENCY

In the Matter of:) DOCKET NO. CWA-10-2009-0051
JOHN BEZATES d/b/a BEZATES FEEDLOT,)
Ontario, Oregon	CONSENT AGREEMENT AND FINAL ORDER
Respondent.))

)

I. <u>STATUTORY AUTHORITY</u>

- 1.1. This Consent Agreement and Final Order is issued under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA") by Section 309(g)(2)(B) of the Clean Water Act ("CWA"), 33 U.S.C. § 1319(g)(2)(B).
- 1.2. The Administrator has delegated the authority to issue the Final Order contained in Part VI of this Consent Agreement and Final Order to the Regional Administrator of EPA Region 10, who in turn has redelegated this authority to the Regional Judicial Officer.
- 1.3. Pursuant to Section 309(g)(2)(B) of the CWA, 33 U.S.C. § 1319(g)(2)(B), and in accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties," 40 C.F.R. Part 22, EPA hereby issues, and Mr. John Bezates ("Respondent") hereby agrees to issuance of, the Final Order contained in Part V of this Consent Agreement and Final Order.

CONSENT AGREEMENT AND FINAL ORDER - 1 DOCKET NO. CWA-10-2009-0051

2.1. In accordance with 40 C.F.R. §§ 22.13(b) and 22.45(b), issuance of this Consent Agreement and Final Order commences this proceeding which will conclude when the Final Order contained in Part V of this document becomes effective.

II.

PRELIMINARY STATEMENT

2.2. Part III of this Consent Agreement and Final Order contains a concise statement of the statutory and factual basis for the alleged violations of the CWA as well as the specific provisions of the CWA that Respondent is alleged to have violated.

III. <u>ALLEGATIONS</u>

- 3.1. Section 301(a) of the CWA, 33 U.S.C. § 1311(a), prohibits the "discharge of a pollutant" by any person into navigable waters of the United States, except, *inter alia*, as authorized by a National Pollutant Discharge Elimination System ("NPDES") permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342. Section 402(a) of the CWA, 33 U.S.C. § 1342(a), provides that a state with an approved NPDES program may issue permits for the discharge of pollutants into waters of the United States upon such specific terms and conditions as the state may prescribe.
- 3.2. Section 504(12) of the CWA, 33 U.S.C. § 1362(12), defines "discharge of a pollutant" to include "any addition of any pollutant to navigable waters from any point source." "Navigable waters" are defined as "waters of the United States."
- 3.3. Section 504(14) of the Clean Water Act, 33 U.S.C. § 1362(12), defines the term "point source" to include any "concentrated animal feeding operation ... from which pollutants are or may be discharged."
- 3.4. EPA's regulations define "concentrated animal feeding operation" to include any "animal feeding operation" that: (a) confines more than 1,000 cattle; or (b) confines more than

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300 cattle and discharges pollutants to waters of the United States through a man-made ditch, flushing system, or similar man-made device. 40 C.F.R. § 122.26(b)(4), (6).

- 3.5. EPA's regulations define "animal feeding operation" to include any lot or facility where "(i) Animals ... have been, are, or will be stabled or confined and fed or maintained for a total of 45 days or more in any 12-month period, and (ii) Crops, vegetation forage growth, or post-harvest residues are not sustained in the normal growing season over any portion of the lot or facility." 40 C.F.R. § 122.23(b)(1).
- 3.6. In 2003, the State of Oregon issued Oregon Confined Animal Feeding Operation General Permit Number 1 ("CAFO General Permit") pursuant to Section 402 of the CWA, 33 U.S.C. § 1342. The CAFO General Permit became effective on August 15, 2003 and authorizes certain discharges of process wastewater from those Oregon CAFOs that subject themselves to its conditions and limitations.
- 3.7. Among the conditions and limitations contained in the CAFO General Permit is a prohibition on the discharge of process waste water from the CAFO's production area to surface waters of the state "except when rainfall events cause an overflow of process waste water from a facility designed, constructed, operated, and maintained to contain all process-generated waste waters plus the runoff and direct precipitation from a 25-year, 24-hour rainfall event." CAFO General Permit at S2.B.
- 3.8. Also among the conditions and limitations contained in the CAFO General Permit is a requirement that the "permittee must at all times properly operate and maintain all facilities and systems used for process waste collection, storage, and utilization, and correct any deficiencies found as soon as possible." CAFO General Permit at S2.H.
- 3.9. Section 309(g)(1) of the CWA, 33 U.S.C. § 1319(g)(1), authorizes EPA to assess administrative penalties against any person who has violated Section 301 or 308 of the CWA, 33

U.S.C. § 1311 or 1318. Section 309(g)(1) of the CWA also authorizes EPA to assess administrative penalties against any person who has violated any permit condition or limitation in a permit issued under Section 402 of the CWA, 33 U.S.C. § 1342.

- 3.10. Respondent is an individual and therefore a "person" as defined in Section 502(5) of the CWA, 33 U.S.C. § 1362(5).
- 3.11. Respondent is the owner and operator of the Bezates Feedlot, a beef cattle feedlot consisting of approximately eleven confinement pens, in Ontario, Oregon. The Bezates Feedlot is a "concentrated animal feeding operation" as that term is defined in 40 C.F.R. § 122.26(b) and a "confined animal feeding operation" as that term is defined in State law. At all times relevant to these allegations, the Bezates Feedlot had coverage under the CAFO General Permit.
- 3.12. The confinement pens and other production area facilities of the Bezates Feedlot are bordered on the south by Jacobsen Gulch Creek. Jacobsen Gulch Creek is a perennial body of water which flows into the Snake River. The Snake River is an interstate water susceptible to use in interstate or foreign commerce, and thus is a "navigable water" as defined in Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and is a "water of the United States" as defined in 40 C.F.R. § 122.2. As a tributary to the Snake River, Jacobsen Gulch Creek is a "navigable water" as defined in Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and "waters of the United States" as defined in 40 C.F.R. § 122.2.
- 3.13. On January 14 and 15, 2008, EPA and the Oregon State Department of Agriculture conducted an inspection of the Bezates Feedlot to determine compliance with the CAFO General Permit and the CWA.
- 3.14. On January 14, 2008, the production area of the Bezates Feedlot discharged manure-contaminated process waste water to Jacobsen Gulch Creek. This discharge was not caused by a rainfall event and was not from a facility designed, constructed, operated, and

maintained to contain all process-generated waste waters plus the runoff and direct precipitation from a 25-year, 24-hour rainfall event. This discharge was therefore not authorized by the CAFO General Permit and violated the CWA.

- 3.15. On January 14 and 15, 2008, a number of the earthen berms used to collect and store the manure and other process wastes generated at the Bezates Feedlot had fallen into disrepair. Respondent's failure to properly operate and maintain these facilities violated Section S2.H of the CAFO General Permit and violated the CWA.
- 3.16. Pursuant to Section 309(g) of the CWA, 33 U.S.C. § 1319(g), and 40 C.F.R. Part 19, Respondent is liable for civil penalties not to exceed \$11,000 per day for each day during which these violations continued, up to a maximum amount of \$157,500.

IV. CONSENT AGREEMENT

- 4.1. Respondent stipulates that EPA has jurisdiction over the subject matter alleged herein.
- 4.2. Respondent expressly waives any right to contest the allegations and to appeal the Final Order set forth in Part V, below.
- 4.3. Respondent neither admits nor denies the specific factual allegations contained in Parts III of this Consent Agreement and Final Order.
- 4.4. As required by Section 309(g)(3) of the CWA, 33 U.S.C. § 1319(g)(3), EPA has taken into account the nature, circumstances, extent and gravity of the alleged violations, as well as the Respondent's economic benefit of noncompliance, ability to pay, and such other matters as justice may require. After considering all of these factors, EPA has determined and Respondent agrees that an appropriate penalty to settle this action is in the amount of Eight Thousand Dollars (\$8,000.00).

CONSENT AGREEMENT AND FINAL ORDER - 5 DOCKET NO. CWA-10-2009-0051

- 4.5. Respondent consents to the issuance of the Final Order set forth in Part V, below, and agrees to pay the total civil penalty set forth in Paragraph 4.4, above within thirty (30) days of the effective date of the Final Order.
- 4.6. Payment under this Consent Agreement and Final Order shall be made by cashier's check or certified check, payable to the order of "Treasurer, United States of America" and delivered to the following address:

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

Respondent shall note on the check the title and docket number of this action.

4.7. Respondent shall serve photocopies of the check described in Paragraph 4.6, above, on the Regional Hearing Clerk and the EPA Region 10 Office of Compliance and Enforcement at the following addresses:

Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 10
1200 Sixth Avenue, Suite 900, ORC-158
Seattle, WA 98101

Chae Park
U.S. Environmental Protection Agency, Region 10
1200 Sixth Avenue, Suite 900, OCE-133
Seattle, WA 98101

4.8. If Respondent fails to pay the penalty assessed by this Consent Agreement and Final Order in full by the due date set forth in Paragraph 4.5, above, the entire unpaid balance of penalty and accrued interest shall become immediately due and owing. If Respondent fails to pay the penalty assessed, Respondent may be subject to a civil action to collect the assessed penalty under the CWA, together with interest, fees, costs, and additional penalties described

CONSENT AGREEMENT AND FINAL ORDER - 6 DOCKET NO. CWA-10-2009-0051

below. In any collection action, the validity, amount and appropriateness of the penalty shall not be subject to review.

- 4.9. If Respondent fails to pay any portion of the penalty assessed by this Consent Agreement and Final Order in full by the due date set forth in Paragraph 4.5, above, Respondent shall be responsible for payment of the amounts described below:
 - 4.9.1. <u>Interest</u>. Pursuant to Section 309(g)(9) of the CWA, 33 U.S.C. § 1319(g)(9), any unpaid portion of the assessed penalty shall bear interest at a rate established by the Secretary of Treasury pursuant to 31 U.S.C. § 3717(a)(1) from the effective date of the Final Order set forth in Part V, below, provided, however, that no interest shall be payable on any portion of the assessed penalty that is paid within thirty (30) days of the effective date of the Final Order.
 - 4.9.2. Attorneys Fees, Collection Costs, Nonpayment Penalty. Pursuant to Section 309(g)(9) of the CWA, 33 U.S.C. § 1319(g)(9), if Respondent fails to pay on a timely basis the amount of the penalty set forth in Paragraph 4.4, above, Respondent shall pay (in addition to any assessed penalty and interest) attorneys fees and costs for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to twenty percent (20%) of the aggregate amount of Respondents' penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.
- 4.10. The penalty described in Paragraph 4.4, above, including any additional costs incurred under Paragraph 4.9, above, represents an administrative civil penalty assessed by EPA and shall not be deductible for purposes of federal taxes.
- 4.11. Except as described in Subparagraph 4.9.2, above, each party shall bear its own costs in bringing and defending this action.

CONSENT AGREEMENT AND FINAL ORDER - 7 DOCKET NO. CWA-10-2009-0051

1200 Sixth Avenue Seattle, Washington 98101 (206) 553-1037

- 5.2. This Consent Agreement and Final Order shall constitute a settlement by EPA of all claims for civil penalties pursuant to the CWA for the violations alleged in Part III, above. In accordance with 40 C.F.R. § 22.31(a), nothing in this Consent Agreement and Final Order shall affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish, or otherwise affect Respondent's obligations to comply with all applicable provisions of the CWA, applicable CWA regulations, and/or any permits issued thereunder.
- 5.3. In accordance with Section 309(g)(1) of the CWA, 33 U.S.C. § 1319(g)(1), and 40 C.F.R. § 22.38(b), the State of Oregon has been given the opportunity to consult with EPA regarding the assessment of the administrative civil penalty against Respondent.
- 5.4. Pursuant to Section 309(g)(4)(A) of the CWA, 33 U.S.C. § 1319(g)(4)(A), EPA has published public notice of its intent to assess an administrative penalty against Respondent and to invite public comment in accordance with 40 C.F.R. § 22.45. More than forty (40) days have elapsed since the issuance of this public notice, and EPA has received no petition to set aside the Consent Agreement contained herein.
 - 5.5. This Final Order shall become effective upon filing.

SO ORDERED this 23 day of January, 2009

RICHARD G. McALLISTER

Regional Judicial Officer

U.S. Environmental Protection Agency

Region 10

CONSENT AGREEMENT AND FINAL ORDER - 9 DOCKET NO. CWA-10-2009-0051

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached CONSENT AGREEMENT AND FINAL ORDER in In the Matter of: Bezates Feedlot, DOCKET NO.: CWA-10-2009-0051 was filed with the Regional Hearing Clerk on January 23, 2009.

On January 27, 2009 the undersigned certifies that a true and correct copy of the document was delivered to:

David Allnutt, Esquire
US Environmental Protection Agency
1200 Sixth Avenue, ORC-158
Suite 900
Seattle, WA 98101

Further, the undersigned certifies that a true and correct copy of the aforementioned document was placed in the United States mail certified/return receipt on January 27, 2009, to:

John Bezates, Owner Bezates Feedlot 4620 Plum Lane Ontario, Oregon 97914

DATED this 27th day of January 2009.

Carol Kennedy

Regional Hearing Clerk

EPA Region 10