

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION III

IN RE:	)	DOCKET NO. TSCA-03-2019-0034
	)	
	)	U.S. EPA-REGION 3-RHC
	)	FILED-30JAN2019pm1:21
Cedars Woodworking & Interior Painting, LLC 630 W. Fulton Street Lancaster, PA 17603	)	CONSENT AGREEMENT
	)	
<b>Respondent.</b>	)	Proceeding under Section 16(a) of the Toxic Substances Control Act, 15 U.S.C. § 2615(a)
	)	
	)	

**CONSENT AGREEMENT**

**I. INTRODUCTION**

1. This Consent Agreement (“CA”) is entered into by the Director of the Land and Chemicals Division, Region III (“Complainant”), of the U.S. Environmental Protection Agency (“EPA”) and Cedars Woodworking & Interior Painting, LCC (“Respondent”), pursuant to Sections 16(a) and 409 of the Toxic Substances Control Act, as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (collectively, “TSCA”), 15 U.S.C. §§ 2615(a) and 2689, and the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (“Consolidated Rules of Practice”)*, 40 C.F.R. Part 22.

2. In accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b)(2) and (3) of the *Consolidated Rules of Practice*, the filing of this CA will simultaneously commence and resolve EPA’s civil claims for Respondent’s violations alleged herein of regulations promulgated pursuant to Sections 402 and 406 of TSCA, 15 U.S.C. §§ 2682 and 2686, codified at 40 C.F.R. Part 745, Subpart E, *Residential Property Renovation*.

**II. GENERAL PROVISIONS**

3. For purposes of this proceeding, Respondent admits the jurisdictional allegations set forth in this CA and the attached Final Order (“FO”), hereinafter collectively referred to as the “CAFO.”

4. Except as provided in paragraph 3 herein Respondent neither admits nor denies the specific factual allegations and legal conclusions set forth in this CA.

5. Respondent agrees not to contest the jurisdiction of EPA with respect to the execution of this CA, the issuance of the attached Final Order, and the enforcement of this CAFO.
6. For purposes of this proceeding only, Respondent hereby expressly waives any right to contest any issue of law or fact set forth in this CA and any right to appeal the accompanying FO.
7. Respondent consents to the issuance of this CAFO and agrees to comply with its terms and conditions.
8. Each party to this CA shall bear its own costs and attorney's fees.
9. EPA and EPA's Office of Administrative Law Judges have jurisdiction over this matter pursuant to Section 16 of TSCA, 40 C.F.R. 15 U.S.C. § 2615, and 40 C.F.R. §§ 22.1(a)(5), 22.4 and 745.87.
10. In accordance with 40 C.F.R. § 22.13(b) and .18(b)(2) and (3) of the *Consolidated Rules of Practice*, Complainant alleges and adopts the Findings of Fact and Conclusions of Law set forth immediately below.

### **III. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

#### **Count 1 (Firm Certification)**

11. 40 C.F.R. § 745.82(a) provides that the requirements of 40 C.F.R. 745 Subpart E apply to all renovations performed for compensation in target housing, with certain exceptions inapplicable hereto.
12. 40 C.F.R. § 745.83 defines "person" as any natural or judicial person including, *inter alia*, any individual, corporation, partnership, or association.
13. 40 C.F.R. § 745.83 defines "firm" as, *inter alia*, a company, partnership, corporation, sole proprietorship or individual doing business, association, or other business entity.
14. 40 C.F.R. § 745.83 defines "renovation" as the modification of any existing structure, or portion thereof, that results in the disturbance of painted surfaces, with certain exceptions inapplicable hereto.
15. Respondent is a limited liability company doing business in the Commonwealth of Pennsylvania with a principle place of business located at 630 W. Fulton Street, Lancaster, PA 17603.
16. At all times relevant to the violations alleged herein, Respondent is and was a "person" and a "firm" within the meaning of 40 C.F.R. § 745.83.

17. At all times relevant to the violations alleged herein, Respondent is and was a “renovator” within the meaning of 40 C.F.R. § 745.83.
18. During various times in 2016, Respondent, or persons employed by Respondent, performed “renovations for compensation” within the meaning of 40 C.F.R. § 745.83 at a residential property located in Lancaster, Pennsylvania, at: 24 Highland Drive (“Highland Property”); 1843 Anne Avenue (“Anne Property”); 1407 Clayton Road (“Clayton Property”); 120 Eshelman Road (“Eshelman Property”); and 608 Walnut Street (“Walnut Property”).
19. Section 401(17) of TSCA, 15 U.S.C. § 2681(17), defines “target housing” as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than six (6) years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.
20. At all times relevant to the violations alleged herein, each of the residential properties identified in paragraph 18 herein housing was built prior to 1978 and was not housing for the elderly or persons with disabilities or any 0-bedroom dwelling and, therefore, was “target housing” within the meaning of Section 401(17) of TSCA, 15 U.S.C. § 2681(17).
21. At all times relevant to the violations alleged herein, at least one “residential dwelling” within the meaning of Section 401(14) of TSCA, 15 U.S.C. § 2681(14), was located at each of the residential properties identified in paragraph 18 herein.
22. The renovations at the Highland Property, the Anne Property; the Clayton Property; the Eshelman Property; and the Walnut Property were each “renovation[s] performed for compensation at target housing” within the meaning of 40 C.F.R. § 745.82.
23. On or about October 26, 2017, a duly authorized representative of EPA conducted an inspection to determine Respondent’s compliance with 40 C.F.R. 745 Part E in connection with the renovations at the residential properties identified in paragraph 18 herein.
24. 40 C.F.R. § 745.81(a)(2)(ii) provides that “[o]n or after April 22, 2010, no firm may perform, offer, or claim to perform renovations without certification from EPA under [40 C.F.R.] § 745.89 in target housing or child-occupied facilities, unless the renovation qualifies for one of the exceptions identified in 40 C.F.R. 745.82(a) or (c) [sic].”
25. During various times in 2016, Respondent offered to and/or performed a renovation at the each of the residential properties identified in paragraph 18 herein without first obtaining certification from EPA under 40 C.F.R. § 745.89 as required by 40 C.F.R. § 745.81(a)(2)(ii).

26. Respondent's acts or omissions described in paragraph 25 herein constitute a violation of 40 C.F.R. § 745.81(a)(2)(ii) and Section 409 of TSCA, 15 U.S.C. § 2689, for which a penalty is assessable under Section 16(a) of TSCA, 15 U.S.C. § 2615(a).

### **Counts 2-6 (Information Distribution)**

27. The allegations contained in the preceding paragraphs are incorporated by reference herein as though fully set forth at length.

28. 40 C.F.R. § 745.84(a)(1) provides that no more than 60 days before beginning renovation activities in any residential dwelling unit of target housing the firm performing such renovation must provide the owner of the unit with the EPA pamphlet entitled "*Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools*," and obtain either a written acknowledgement from such owner that the owner has received such pamphlet or obtain a certificate of mailing of such pamphlet at least seven (7) days prior to the renovation.

29. Respondent failed to obtain either the written acknowledgement from each owner of the Highland Property, the Anne Property, the Clayton Property, the Eshelman Property, and the Walnut Property or the certificate of mailing as described as in paragraph 28 herein as required by 40 C.F.R. § 745.84(a)(1).

34. Respondent's acts or omissions described in paragraph 29 herein constitute five separate violations of 40 C.F.R. § 745.84(a)(1)(i) and Section 409 of TSCA, 15 U.S.C. § 2689, for which a penalty is assessable under Section 16(a) of TSCA, 15 U.S.C. § 2615(a).

### **Counts 7-11 (Record Retention)**

35. The allegations contained in the preceding paragraphs are incorporated by reference herein as though fully set forth at length.

36. 40 C.F.R. § 745.86(a) provides that firms performing renovations must retain, and, if requested, make available to EPA all records necessary to demonstrate compliance with Subpart E of 40 C.F.R. Part 745, including, where applicable, records described in 40 C.F.R. § 745.86(b)(1)-(6), for a period of three years following completion of such renovations.

37. Respondent failed to retain all records necessary to demonstrate compliance with Subpart E of 40 C.F.R. Part 745 for a period of three years following completion of the renovations of the Highland Property, the Anne Property; the Clayton Property; the Eshelman Property; and the Walnut Property as required by 40 C.F.R. § 745.86(a).

38. Respondent's acts or omissions described in paragraph 37 herein constitute five separate violations of 40 C.F.R. § 745.86(a) and Section 409 of TSCA, 15 U.S.C. § 2689, for which a penalty is assessable under Section 16(a) of TSCA, 15 U.S.C. § 2615(a).

#### IV. CIVIL PENALTY

39. In settlement of EPA's claims for civil monetary penalties for the violations of TSCA alleged herein Respondent consents to the assessment of a civil penalty in the amount of **Five Hundred Dollars (\$500.00)** which Respondent shall pay in accordance with the terms set forth below. Such civil penalty amount shall become due and payable immediately upon Respondent's receipt of a true and correct copy of this CAFO. If Respondent pays the entire penalty within thirty (30) calendar days of the date on which this CAFO is mailed or hand-delivered to Respondent, no interest will be assessed against the Respondent pursuant to 40 C.F.R. § 13.11(a)(1).

40. The aforesaid settlement amount is based on a number of factors, including, but not limited to, the facts and circumstances of this case, the statutory factors of Section 16(a)(2)(B) of TSCA, 15 U.S.C. § 2615(a)(2)(B) (the nature, circumstances, extent and gravity of the violations, and with respect to Respondent, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require), EPA's August 2010 *Consolidated Enforcement Response and Penalty Policy for the Pre-Renovation and Education Rule; Renovation, Repair and Painting Rule; and Lead-Based Paint Activities Rule* (as revised April 2013 and amended), and the *Adjustment of Civil Monetary Penalties for Inflation*, 40 C.F.R. Part 19.

41. The Parties further acknowledge and represent that the aforesaid settlement is based upon an analysis of Respondent's ability to pay a civil penalty, performed in accordance with EPA's June 29, 2015, *Guidance on Evaluating a Violator's Ability to Pay a Civil Penalty in an Administrative Enforcement Proceeding*. This analysis was based upon the following documents submitted to Complainant by Respondent:

Cedars Woodworking & Interior Painting, LLC, Tax Returns, Forms 1120S (including Schedules B, K, L, MI, M2, K1; Forms 1125-E, 4562; and Statements 1, 2, 3 and 4), for years 2015 through 2017.

The person signing this CA on behalf of Respondent acknowledges and certifies by his signature that the financial documents identified in this paragraph are accurate and not misleading. Respondent is aware that the submission of false or misleading information to the United States government may subject a person to separate civil and/or criminal liability. Complainant reserves the right to seek and obtain appropriate relief if Complainant obtains evidence that the information provided and/or any representation made by the Respondent to Complainant regarding Respondent's claim of inability to pay, is false or, in any material respect, inaccurate.

42. Respondent shall remit payment of the civil penalty described in paragraph 39 herein and any interest, administrative fees and late payment penalties identified in paragraphs 43, 44, and 45 herein as follows:

- a. By mailing (*via first class U.S. Postal Service mail*) a certified check or cashier's check payable to the "United States Treasury" to:

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

Contacts: Craig Steffen 513-487-2091  
Jessica Henderson 513-487-2718 [henderson.jessica@epa.gov](mailto:henderson.jessica@epa.gov)

- b. By overnight delivery of a certified check or cashier's check payable to the "United States Treasury" to:

U.S. Environmental Protection Agency  
Government Lockbox 979077  
US EPA Fines & Penalties  
1005 Convention Plaza  
SL-MO-C2-GL  
St. Louis, MO 63101

Contacts: Craig Steffen 513-487-2091  
Jessica Henderson 513-487-2718 [henderson.jessica@epa.gov](mailto:henderson.jessica@epa.gov)

- c. By delivery of a certified check or cashier's check payable to the "United States Treasury" in any currency drawn on a bank with no USA branches to:

Cincinnati Finance  
US EPA, MS-NWD  
26 W ML King Drive  
Cincinnati, OH 45268-0001

- d. By electronic funds transfer ("EFT") to the following account:

Federal Reserve Bank of New York  
ABA: 021030004  
Account No: 68010727  
SWIFT address: FRNYUS33  
33 Liberty Street  
New York, NY 10045  
Field Tag 4200 of the Fedwire message should read:

“D 68010727 Environmental Protection Agency”

- e. By automated clearinghouse (“ACH”) to the following account:

US Treasury REX/Cashlink ACH Receiver  
ABA: 051036706  
Account 310006  
Environmental Protection Agency  
CTX Format  
Transaction Code 22 -checking

- f. Online at: [WWW.PAY.GOV/paygov/](http://WWW.PAY.GOV/paygov/)  
Search for SFO 1.1 (for correct form).

- g. Additional payment penalty guidance is available at:

<https://www.epa.gov/financial/makepayment>

- h. All payments by Respondent shall reference the name and address of Respondent Cedars Woodworking & Interior Painting, LLC and the EPA Docket Number of this CAFO (TSCA-03-2019-0019-0034). At the same time that any payment is made, Respondent shall mail or e-mail a copy of each payment (check or written confirmation of each EFT, ACH or online payment) to:

Janet E. Sharke  
Senior Asst. Regional Counsel  
U.S. EPA, Region III (3RC50)  
1650 Arch Street  
Philadelphia, PA 19103-2029

Regional Hearing Clerk  
U.S. EPA, Region III (3RC00)  
1650 Arch Street  
Philadelphia, PA 19103-2029

sharke.janet@epa.gov

R3\_Hearing\_Clerk@epa.gov

43. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, EPA is entitled to assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim, as more fully described below. Accordingly, Respondent’s failure to make timely payment or to comply with the conditions in this CA and the attached FO shall result in the assessment of late payment charges including interest, penalties, and/or administrative costs of handling delinquent debts.

44. The costs of the EPA’s administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). Pursuant to Appendix 2 of EPA’s *Resources Management Directives - Cash Management*, Chapter 9, EPA will assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties

for the first thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) days the penalty remains unpaid.

45. A late penalty payment of six percent (6%) per year will be assessed monthly on any portion of the civil penalty which remains delinquent more than ninety (90) calendar days. 40 C.F.R. § 13.11(c). Should assessment of the penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d).

46. Respondent agrees not to deduct for federal tax purposes the civil monetary penalty specified in this CA and the accompanying FO.

#### **V. FULL AND FINAL SATISFACTION**

47. This CAFO shall constitute full and final satisfaction of all civil claims for penalties which Complainant may have against Respondent under Section 16 of TSCA, 15 U.S.C. § 2615, for the specific violations alleged herein.

#### **VI. OTHER APPLICABLE LAWS**

48. Nothing in this CAFO shall relieve Respondent of the obligation to comply with all applicable federal, state, and local laws and regulations. Compliance with this CAFO shall not be a defense to any action commenced at any time for any other violation of the federal laws and regulations administered by EPA.

#### **VII. RESERVATION OF RIGHTS**

49. EPA reserves the right to commence action against any person, including Respondent, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the *Consolidated Rules of Practice*, 40 C.F.R. § 22.18(c). Further, EPA reserves any rights and remedies available to it under TSCA, the regulations promulgated thereunder, and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this CAFO following its filing with the Regional Hearing Clerk.



**VIII. CERTIFICATION OF COMPLIANCE**

50. Respondent certifies to EPA, upon personal investigation and to the best of its knowledge and belief, that it is currently in compliance with applicable provisions of TSCA and 40 C.F.R. Part 745.

**IX. PARTIES BOUND**

51. This CA and the accompanying FO shall apply to and be binding upon EPA, Respondent and Respondent's successors, agents and assigns.

**X. EFFECTIVE DATE**

52. The effective date of this CA and the accompanying FO (after signature by the Regional Administrator of EPA, Region III, or his designee, the Regional Judicial Officer) is the date on which such CAFO is filed with the Regional Hearing Clerk.

**XI. ENTIRE AGREEMENT**

53. This CA and the accompanying FO constitute the entire agreement and understanding of the Parties regarding settlement of all claims pertaining to the specific violations alleged herein and there are no representations, warranties, covenants, terms, or conditions agreed upon between the parties other than those expressed in this CAFO.

**XII. EXECUTION**

54. The person signing this CA on behalf of Respondent acknowledges and certifies by his signature that he is fully authorized to enter into this CA and to legally bind Respondent to the terms and conditions of this CA and the accompanying FO.

For Respondent:

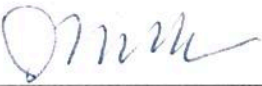
Date: 11/30/2018

By: 

Steven E. Schmucker, Owner  
Cedars Woodworking & Interior Painting, LLC

For Complainant:

Date: 12/12/2018

By: 

Janet E. Sharke  
Sr. Assistant Regional Counsel  
Office of Regional Counsel  
U.S. EPA, Region III

After reviewing the foregoing Consent Agreement and other pertinent information, the Director, Land and Chemicals Division, U.S. EPA, Region III, recommends that the Regional Administrator or the Regional Judicial Officer issue the Final Order attached hereto.

Date: 1.29.19

By: 

John A. Armstead, Director  
Land and Chemicals Division  
U.S. Environmental Protection Agency, Region III

**UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION III**

**IN RE:**

Cedars Woodworking  
& Interior Painting, LLC  
630 W. Fulton Street  
Lancaster, PA 17603

**Respondent.**

)  
 ) DOCKET NO. TSCA-03-2019-0034  
 ) U.S. EPA-REGION 3-RHC  
 ) FILED-30JAN2019pm1:21  
 )  
 ) FINAL ORDER  
 )  
 )  
 )  
 ) Proceeding under Section 16(a) of  
 ) the Toxic Substances Control Act,  
 ) 15 U.S.C. § 2615(a)  
 )

**FINAL ORDER**

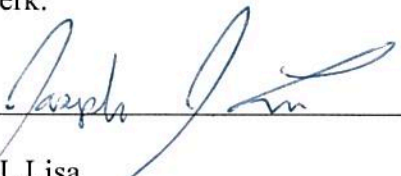
Complainant, the Director of the Land and Chemicals Division, U.S. Environmental Protection Agency, Region III, and Respondent, Cedars Woodworking & Interior Painting, LLC, have executed a document entitled “Consent Agreement,” which I hereby ratify as a Consent Agreement in accordance with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (“Consolidated Rules of Practice”), 40 C.F.R. Part 22 (with specific reference to Sections 22.18(b)(2) and (3)). The terms of the foregoing Consent Agreement are accepted by the undersigned and incorporated into this Final Order as if fully set forth at length herein.

Based upon the representations of the parties in the attached Consent Agreement, the penalty agreed to therein is based upon consideration of, *inter alia*, EPA’s August 2010 *Consolidated Enforcement Response and Penalty Policy for the Pre-Renovation and Education Rule; Renovation, Repair and Painting Rule; and Lead-Based Paint Activities Rule* (revised April 2013), and the statutory factors set forth in Section 16(a)(2)(B) of the Toxic Substances Control Act, as amended, 15 U.S.C. § 2615(a)(2)(B).

**NOW, THEREFORE, PURSUANT TO** Section 16(a) of TSCA, 15 U.S.C. § 2615(a), and Section 22.18(b)(3) of the Consolidated Rules of Practice, **IT IS HEREBY ORDERED** that Respondent pay a civil penalty in the amount of **Five Hundred Dollars (\$500.00)**, in accordance with the payment provisions set forth in the Consent Agreement, and comply with the terms and conditions of the Consent Agreement.

The effective date of the attached Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

Jan. 30, 2019  
Date

  
\_\_\_\_\_  
Joseph J. Lisa  
Regional Judicial and Presiding Officer  
U.S. EPA Region III

**CERTIFICATE OF SERVICE**

I certify that on JAN 30 2019, the original and one (1) copy of foregoing ***Consent Agreement and Final Order*** (EPA Docket No. TSCA-03-2019-0034) were filed with the EPA Region III Regional Hearing Clerk. I further certify that on the date set forth below, I served a true and correct copy of the same to each of the following persons, in the manner specified below, at the following addresses:

Copy served via UPS overnight delivery to:

Mr. Steven M. Schmucker, Owner  
Cedars Woodworking & Interior Painting, LLC  
630 W. Fulton Street  
Lancaster, PA 17603  
(Respondent)

Copy served via **Hand Delivery or Inter-Office Mail** to:

Janet E. Sharke (3RC50)  
Sr. Assistant Regional Counsel  
U.S. EPA, Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029  
(Attorney for Complainant)

Dated: JAN 30 2019

Berwin Esposito

Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region III

TRACKING NUMBER(S): 1Z A43 F71 24 913 6 2819