



JUL 24 2008

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Article Number: 7005 3110 0000 5928 9280

John P. Abplanalp, President
Precision Valve Corporation
700 Nepperhan Avenue
P.O. Box 309
Yonkers, New York 10702

Re: Notice of Proposed Assessment of a Civil Penalty
Docket No. CWA-02-2008-3320
Precision Valve Corporation

U.S. ENVIRONMENTAL
PROTECTION AGENCY-REG.11
2008 JUL 29 PM 4: 07
REGIONAL HEARING
CLERK

Dear Mr. Abplanalp:

Enclosed is a Complaint which the U.S. Environmental Protection Agency ("EPA") is issuing to you as a result of our determination that Precision Valve Corporation located at 700 Nepperhan Avenue, Yonkers, New York has failed to obtain a State Pollutant Discharge Elimination System (SPDES) permit and failed to comply with the SPDES Multi-Sector General Permit Requirements for Storm Water Discharges Associated with Industrial Activity. This Complaint is filed pursuant to the authority of §309(g) of the Act, 33 U.S.C. §1319(g). The Complaint proposes a penalty of \$32,500.00 be assessed jointly and severally against Precision Valve Corporation for these violations.

You have the right to a hearing to contest the factual allegations in the Complaint. If you admit the allegations, or they are found to be true after you have had an opportunity for a hearing on them, you have the right to contest the penalty proposed in the Complaint. I have enclosed a copy of the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits" ("CROP") (40 Code of Federal Regulations ("C.F.R.") Part 22) which the Agency follows in cases of this kind. Please note the requirements for an Answer at 40 C.F.R. §22.15. **If you wish to contest the allegations in the Complaint or the penalty proposed in the Complaint, you must file an Answer within thirty (30) days of your receipt of the enclosed Complaint to the EPA Regional Hearing Clerk at the following address:**

Regional Hearing Clerk
U.S. Environmental Protection Agency
290 Broadway, 16th Floor
New York, New York 10007-1866

If you do not file an Answer within thirty (30) days of receipt of this Complaint, you may be judged to have defaulted (See, §22.17 of the CROP). If a default order is entered, the entire proposed penalty may be assessed without further proceedings.

Whether or not you request a formal hearing, you may informally confer with EPA concerning the alleged violations and the amount of the proposed penalty. EPA encourages all parties

against whom it files a Complaint to pursue the possibility of settlement as a result of such informal conference with the Agency. The Agency also encourages the use of Supplemental Environmental Projects, where appropriate, as part of the settlement. Enclosed is a copy of the EPA Supplemental Environmental Projects Policy (May 1, 1998) for your consideration. You may represent yourself or be represented by an attorney at any stage of the proceedings, including any informal discussions, whether in person or by telephone. Please note that a request for an informal conference does not substitute for a written Answer or affect what you may choose to say in an Answer, nor does it extend the thirty (30) days by which you must file an Answer requesting a hearing. Any hearing held in this matter will be conducted in accordance with the CROP, including Subpart I thereof.

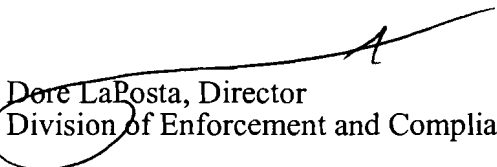
In Addition, Securities and Exchange Commission ("SEC") Regulation S-K, Item 103 - Legal Proceedings (17 CFR §229.103) requires registrants with the SEC (e.g., publicly-traded companies) to periodically disclose a broad array of environmental legal proceedings in statements filed with the Commission. In an effort to increase awareness of this duty, and encourage greater disclosure of environmental legal proceedings, we are enclosing a "Notice of SEC Registrants' Duty to Disclose Environmental Legal Proceedings."

If you have any questions or wish to discuss a settlement of this matter with the EPA by an informal conference, please immediately contact:

Eduardo J. Gonzalez
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 2
290 Broadway, 16th floor
New York, New York 10007-1866
(212) 637-3223

Finally, we are enclosing an Information Sheet which may be helpful to you, if you are a small business, as defined at 13 C.F.R. §121.201, in obtaining compliance assistance or if you wish to comment on this action to the Small Business and Agriculture Regulatory Enforcement Ombudsman and Regional Fairness Board.

Sincerely,



Dore LaPosta, Director
Division of Enforcement and Compliance Assistance

Enclosures

1. Complaint
2. CROP
3. EPA Supplemental Environmental Projects Policy
4. Notice of SEC Registrants Duty to Disclose Environmental Legal Proceedings
5. Small Business Information Sheet

cc: Karen Maples, Regional Hearing Clerk (w/Complaint only)
Joseph DiMura, NYSDEC (w/enclosure)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 Broadway
New York, New York 10007-1866

U.S. ENVIRONMENTAL
PROTECTION AGENCY-REG. II
2008 JUL 29 PM 4: 07
REGIONAL HEARING
CLERK

-----X
IN THE MATTER OF
:
Precision Valve Corporation
700 Nepperhan Avenue
Yonkers, New York 10703
:
Proceeding pursuant to §309(g) of the
Clean Water Act, 33 U.S.C. §1319(g)
-----X

Proceeding to Assess Class I
Civil Penalty Under Section
309(g) of the Clean Water Act

Docket No. CWA-02-2008-3320

COMPLAINT
FINDINGS OF VIOLATION, NOTICE OF PROPOSED
ASSESSMENT OF A CIVIL PENALTY, AND
NOTICE OF OPPORTUNITY TO REQUEST A HEARING

I. Statutory Authority

1. This Complaint, Findings of Violation, Notice of Proposed Assessment of a Civil Penalty, and Notice of Opportunity to Request a Hearing (“Complaint”) is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency (“EPA”) by Section 309(g)(2)(A) of the Clean Water Act (“Act”), 33 U.S.C. §1319(g)(2)(A). The Administrator has delegated this authority to the Regional Administrator of EPA, Region 2, who in turn has delegated it to the Director, Division of Enforcement and Compliance Assistance (“DECA”) of EPA, Region 2 (“Complainant”).

2. Pursuant to Section 309(g)(2)(A) of the Act, and in accordance with the “Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits” (“CROP”), 40 Code of Federal Regulations (“C.F.R.”) Part 22 (July 1, 2000), a copy of which is attached, Complainant hereby requests that the Regional Administrator assess a civil penalty against Precision Valve

Corporation ("Respondent") for its violations of the National Pollutant Discharge Elimination System ("NPDES") requirements pursuant to Section 402 of the Act, 33 U.S.C. §1342, and Section 301(a) of the Act, 33 U.S.C. §1311(a).

II. Findings of Violation

3. Respondent is a corporation organized under the laws of the State of New York and is a "person" within the meaning of Section 502(5) of the Act, 33 U.S.C. §1362(5).

4. At all times relevant to this Administrative Complaint, Respondent operated a facility located at 700 Nepperhan Avenue, Yonkers, New York (the "facility") where it operates a manufacturing facility which fabricates aerosol valves and preval sprayer units.

5. The Respondent has discharged storm water associated with industrial activity via the facility's storm drain system into the Saw Mill River, a navigable water of the United States pursuant to Section 502(7) of the Act, 33 U.S.C. §1362(7). Respondent has been in operation since, at least, 1953.

6. At all times relevant to this Administrative Complaint, Respondent was a "source" within the meaning of Section 306(a)(3) of the Act, 33 U.S.C. §1316(a)(3).

7. Section 301(a) of the Act, 33 U.S.C. §1311(a), provides, in part that the discharge of any pollutants by any person from a point source to a navigable water of the United States

shall be unlawful except in accordance with the terms and conditions of a duly issued permit. Respondent is subject to the National Pollutant Discharge Elimination System (“NPDES”). Requirements pursuant to Section 402 of the Act, 33 U.S.C. §1342 and Section 301(a) of the Act, 33 U.S.C. §1311(a).

8. Section 308 of the Act, 33 U.S.C. §1318, provides, in relevant part, that the Administrator of EPA may require the owner or operator of any point source to, among other things: maintain such records; make such reports; install, use and monitor such equipment; sample such effluents; and provide such other information as may reasonably be required in order to carry out Section 402 of the Act, 33 U.S.C. §1342.

9. Section 402 of the Act, 33 U.S.C. §1342, authorizes the Administrator of EPA to issue a NPDES permit for the discharge of any pollutant, or combination of pollutants subject to certain requirements of the Act and conditions which the Administrator determines are necessary. Additionally, under the authority granted to the New York State Department of Environmental Conservation (“NYSDEC”) by the EPA under Section 402(b) of the Act, 33 U.S.C. §1342(b), a State Pollutant Discharge Elimination System (“SPDES”) permit is required to be issued to facilities in New York State by the NYSDEC for the discharge of pollutants from said facilities from a point source to a navigable water of the United States.

10. Section 402(p) of the CWA, 33 U.S.C. §1342(p) sets forth the requirements for the discharges of storm water.

11. The terms “Industrial Storm Water Permit”, “Multi Sector General Storm Water Permit” or “MSGP” mean the SPDES Multi-Sector General Permit, Permit for Storm Water Discharges Associated with Industrial Activity defined by the present general permit number GP-0-06-002 and/or the previous Industrial Storm Water Permit series denoted as GP-98-03. The current MSGP denoted as, GP-0-06-002 was issued by the NYSDEC, pursuant to Section 402 of the Clean Water Act, and became effective on March 28, 2007 and will expire on March 27, 2012. The previous MSGP denoted as GP-98-03 became effective on November 1, 1998 and expired on November 1, 2003 but was administratively extended by the NYSDEC until the issuance of the current MSGP.

12. The Administrator of EPA has promulgated regulations, 40 CFR §122.26(a)(1)(ii) and §122.26(b)(14), which require operators to obtain a NPDES permit for storm water discharges associated with industrial activity. The regulations at 40 CFR §122.26(b)(14) establish requirements for storm water discharges associated with industrial activity.

13. Respondent has conducted industrial activity under SIC Codes 3086, 3469, 3479, 3499 and 7389 and therefore is regulated under 40 CFR 122.26 and the NYSDEC MSGP.

14. The SPDES MSGP and regulations for storm water discharges at 40 CFR §122.26(b)(14) apply to this facility.

15. Operators regulated under 40 CFR §122.26(b)(14) must seek MSGP coverage by filing a Notice of Intent or Termination (“NOIT”) form under the terms and conditions of the

MSGP GP-0-06-002 (or previous MSGP, GP-98-03), or if all of the conditions of No Exposure certification apply, they must be submitted in accordance with 40 CFR §122.26.

16. Storm Water runoff from the site discharges to the Saw Mill River, a water of the United States, pursuant to Section 502(7) of the CWA, 33 U.S.C. §1362(7).

17. EPA conducted a compliance evaluation inspection of the facility on October 18, 2007 to determine compliance with the CWA requirements cited above.

18. During the inspection of October 18, 2007, the following information was obtained from facility personnel and inspection findings:

- a) Respondent is primarily involved in the manufacture (fabrication) of aerosol valves including a preval sprayer unit.
- b) Storm water from the facility property is discharged through piped conveyance systems to the Saw Mill River from at least four storm water outfall pipes.
- c) Respondent has discharged storm water from its facility since, on or about, 1953.
- d) The discharge of storm water directly to a navigable water of the United States (Saw Mill River) is noted.

- e) Respondent failed to obtain a SPDES General Permit for Storm Water Discharges Associated with Industrial Activity including submittal of a NOIT and a SWPPP for the discharges noted in b., c. and d. above.

19. Based upon Paragraphs 1-18 above, Respondent has violated federal NPDES requirements in violation of the Act and its implementing regulations pursuant to §301, §308 and §402 of the CWA.

III. Notice of Proposed Order Assessing a Civil Penalty

Based on the foregoing Findings of Violation, and pursuant to the authority of Section 309(g) of the Act, 33 U.S.C. §1319(g), and the Debt Collection Improvement Act of 1996, EPA, Region 2 hereby proposes to issue a Final Order Assessing Administrative Penalties ("Final Order") to Respondent assessing a penalty of \$32,500.00. EPA determined the proposed penalty after taking into account the applicable factors identified at Section 309(g)(3) of the Act, 33 U.S.C. §1319(g)(3). EPA has taken account of the nature, circumstances, extent and gravity of the violations, and Respondent's prior compliance history, degree of culpability, economic benefit or savings accruing to Respondent by virtue of the violations, and Respondent's ability to pay the proposed penalty. Based on the Findings set forth above, the Respondent has been found to have violated the Act in instances cited in Section II of this Administrative Penalty Order.

IV. Procedures Governing This Administrative Litigation

The rules of procedure governing this civil administrative litigation have been set forth in the CROP which have been codified at 40 C.F.R. Part 22. A copy of these rules accompanies this Complaint.

A. Answering The Complaint

Where Respondent intends to contest any material fact upon which the Complaint is based, to contend that the proposed penalty is inappropriate or to contend that Respondent is entitled to judgment as a matter of law, Respondent must file with the Regional Hearing Clerk of EPA, Region 2, both an original and one copy of a written answer to the Complaint, and such Answer must be filed within thirty (30) days after service of the Complaint. 40 C.F.R. §22.15(a). The address of the Regional Hearing Clerk of EPA, Region 2, is:

Regional Hearing Clerk

U.S. Environmental Protection Agency, Region 2

290 Broadway, 16th floor

New York, New York 10007-1866

Respondent shall also then serve one copy of the Answer to the Complaint upon Complainant and any other party to the action. 40 C.F.R. §22.15(a).

Respondent's Answer to the Complaint must clearly and directly admit, deny, or explain each of the factual allegations that are contained in the Complaint and with regard to which Respondent has any knowledge. 40 C.F.R. §22.15(b). Where Respondent lacks knowledge of a particular factual allegation and so states in their Answer, the allegation is deemed denied. 40 C.F.R. §22.15(b). The Answer shall also set forth: (1) the circumstances or arguments that are alleged to constitute the grounds of defense, (2) the facts that Respondent disputes (and thus intends to place at issue in the proceeding), (3) the basis for opposing the proposed relief and (4) whether Respondent requests a hearing. 40 C.F.R. §22.15(b).

Respondent's failure to affirmatively raise in the Answer facts that constitute or that might constitute the grounds of its defense may preclude the Respondent, at a subsequent stage in this proceeding, from raising such facts and/or from having such facts admitted into evidence at a hearing.

B. Opportunity To Request A Hearing

If requested by Respondent in its Answer, a hearing upon the issues raised by the Complaint and Answer may be held. 40 C.F.R. §22.15(c). If, however, Respondent does not request a hearing, the Presiding Officer (as defined in 40 C.F.R. §22.3) may hold a hearing if the Answer raises issues appropriate for adjudication. 40 C.F.R. §22.15(c).

Any hearing in this proceeding will be held at a location determined in accordance with 40 C.F.R. §22.21(d). A hearing of this matter will be conducted in accordance with the applicable provisions

of the Administrative Procedure Act, 5 U.S.C. §§551-59, and the procedures set forth in Subparts D and I of 40 C.F.R. Part 22.

Should Respondent request a hearing on this proposed penalty assessment, members of the public, to whom EPA is obligated to give notice of this proposed action, will have a right under Section 309(g)(4)(B) of the Act, 33 U.S.C. §1319(g)(4)(B), to be heard and to present evidence on the appropriateness of the penalty assessment. Should Respondent not request a hearing, EPA will issue a Final Order, and only members of the public who submit timely comment on this proposal will have an additional thirty (30) days to petition EPA to set aside the Final Order and to hold a hearing thereon. EPA will grant the petition and will hold a hearing only if the petitioner's evidence is material and was not considered by EPA in the issuance of the Final Order.

C. Failure To Answer

If Respondent fails in its Answer to admit, deny, or explain any material factual allegation contained in the Complaint, such failure constitutes an admission of the allegation. 40 C.F.R. §22.15(d). If Respondent fails to file a timely [i.e. in accordance with the thirty (30)-day period set forth in 40 C.F.R. §22.15(a)] Answer to the Complaint, Respondent may be found in default upon motion. 40 C.F.R. §22.17(a). Default by Respondent constitutes, for purposes of the pending proceeding only, an admission of all facts alleged in the Complaint and a waiver of Respondent's right to contest such factual allegations. 40 C.F.R. §22.17(a). Following a default by Respondent for a failure to timely file an Answer to the Complaint, any order issued shall be issued pursuant to 40 C.F.R. §22.17(c).

Any penalty assessed in the default order shall become due and payable by Respondent without further proceedings thirty (30) days after the default order becomes final pursuant to 40 C.F.R. §22.17(d). If necessary, EPA may then seek to enforce such final order of default against Respondent, and to collect the assessed penalty amount, in federal court.

V. Informal Settlement Conference

Whether or not Respondent requests a formal hearing, EPA encourages settlement of this proceeding consistent with the provisions of the Act and its applicable regulations. 40 C.F.R. §22.18(b). At an informal conference with a representative(s) of Complainant, Respondent may comment on the charges made in this Complaint, and Respondent may also provide whatever additional information that it believes is relevant to the disposition of this matter, including: (1) actions Respondent has taken to correct any or all of the violations herein alleged, (2) any information relevant to Complainant's calculation of the proposed penalty, (3) the effect the proposed penalty would have on Respondent's ability to continue in business and/or (4) any other special facts or circumstances Respondent wishes to raise.

Complainant has the authority to modify the amount of the proposed penalty, where appropriate, to reflect any settlement agreement reached with Respondent, to reflect any relevant information previously not known to Complainant or to dismiss any or all of the charges, if Respondent can demonstrate that the relevant allegations are without merit and that no cause of action as herein alleged exists. Respondent is referred to 40 C.F.R. §22.18.

Any request for an informal conference or any questions that Respondent may have regarding this Complaint should be directed to:

Eduardo J. Gonzalez
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 2
290 Broadway, 16th floor
New York, New York 10007-1866
(212) 637-3223

The parties may engage in settlement discussions irrespective of whether Respondent has requested a hearing. 40 C.F.R. §22.18(b)(1). Respondent's request for a formal hearing does not prevent them from also requesting an informal settlement conference; the informal conference procedure may be pursued simultaneously with the formal adjudicatory hearing procedure. A request for an informal settlement conference constitutes neither an admission nor a denial of any of the matters alleged in the Complaint. Complainant does not deem a request for an informal settlement conference as a request for a hearing as specified in 40 C.F.R. §22.15(c).

A request for an informal settlement conference does not affect Respondent's obligation to file a timely Answer to the Complaint pursuant to 40 C.F.R. §22.15. No penalty reduction, however, will be made simply because an informal settlement conference is held.

Any settlement that may be reached as a result of an informal settlement conference shall be embodied in a written Consent Agreement. 40 C.F.R. §22.18(b)(2). In accepting the Consent Agreement, Respondent waives its right to contest the allegations in the Complaint and waives its right to appeal the Final Order that is to accompany the Consent Agreement. 40 C.F.R. §22.18(b)(2). In order to conclude the proceeding, a Final Order ratifying the parties' agreement to settle will be executed. 40 C.F.R. §22.18(b)(3).

Respondent's entering into a settlement through the signing of such Consent Agreement and its complying with the terms and conditions set forth in the such Consent Agreement terminate this administrative litigation and the civil proceedings arising out of the allegations made in the Complaint. Respondent's entering into a settlement does not extinguish, waive, satisfy or otherwise affect its obligation and responsibility to comply with all applicable statutory and regulatory requirements, and to maintain such compliance.

VI. Resolution of this Proceeding Without Hearing or Conference

Instead of filing an Answer, Respondent may choose to pay the total amount of the proposed penalty within thirty (30) days after receipt of the Complaint, provided that Respondent files with the Regional Hearing Clerk, Region 2 (at the address noted above), a copy of the check or other instrument of payment. 40 C.F.R. §22.18(a). A copy of the check or other instrument of payment should be provided to the EPA Assistant Regional Counsel identified on the previous page.

Payment of the penalty assessed should be made by sending a cashier's or certified check payable to

the "**Treasurer, United States of America**", in the full amount of the penalty assessed in this Complaint to the following addressee:

Regional Hearing Clerk
U. S. Environmental Protection Agency, Region 2
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

Pursuant to 40 C.F.R. §22.18(a)(3), if Respondent elects to pay the full amount of the penalty proposed in the Complaint within thirty (30) days of receiving the Complaint, then, upon EPA's receipt of such payment, the Regional Administrator of EPA, Region 2 (or, if designated, the Regional Judicial Officer), shall issue a Final Order in accordance with 40 C.F.R. §22.18(a)(3). In accordance with 40 C.F.R. §22.45(c)(3), no Final Order shall be issued until at least ten (10) days after the close of the comment period on this Complaint. Issuance of a Final Order terminates this administrative litigation and the civil proceedings arising out of the allegations made in the Complaint. Further, pursuant to 40 C.F.R. §22.18(a)(3), the making of such payment by Respondent shall constitute a waiver of Respondent's right both to contest the allegations made in the Complaint and to appeal said Final Order to federal court. Such payment does not extinguish, waive, satisfy or otherwise affect Respondent's obligation and responsibility to comply with all applicable regulations and requirements, and to maintain such compliance.

VII. Filing of Documents

1. The Answer and any Hearing Request and all subsequent documents filed in this action should be sent to:

**Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 2
290 Broadway - 16th Floor
New York, New York 10007-1866**

2. A copy of the Answer, any Hearing Request and all subsequent documents filed in this action shall be sent to:

**Eduardo J. Gonzalez
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 2
290 Broadway, 16th floor
New York, New York 10007-1866
(212) 637-3223**

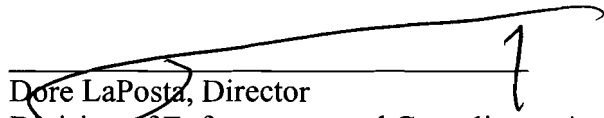
VIII. General Provisions

1. Respondent has the right to be represented by an attorney at any stage of these proceedings.

2. This Complaint does not constitute a waiver, suspension or modification of the requirements of the Act, regulations promulgated thereunder, or any applicable permit.

3. Neither assessment nor payment of an administrative civil penalty pursuant to Section 309(g) of the Act will affect Respondent's continuing obligation to comply with the Act, and with any separate Compliance Order issued under Section 309(a) of the Act, 33 U.S.C. §1319(a), for the violations alleged herein.

ISSUED THIS 24th DAY OF JULY, 2008.


Dore LaPosta, Director
Division of Enforcement and Compliance Assistance
United States Environmental Protection Agency
Region 2
290 Broadway
New York, New York 10007

CWA-02-2008-3320

To: (40 C.F.R. §22.5(b)(1))

John P. Abphanalp, President
Precision Valve Corporation
700 Nepperhan Avenue
P.O. Box 309
Yonkers, New York 10702

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 2

-----X
 IN THE MATTER OF :
 :
 Precision Valve Corporation : Proceeding to Assess Class I
 700 Nepperhan Avenue : Civil Penalty Under Section
 Yonkers, New York 10703 : 309(g) of the Clean Water Act
 :
 Proceeding Pursuant to §309(g) of the : Docket No. CWA-02-2008-3320
 Clean Water Act, 33 U.S.C. §1319(g) :
 -----X

CERTIFICATE OF SERVICE


I certify that, on the date noted below, I caused to be mailed, by certified mail, return receipt requested, a copy of the foregoing "ADMINISTRATIVE COMPLAINT" and a copy of the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits," (40 Code of Federal Regulations Part 22 (July 1, 2000)) to the following persons at the addresses listed below:

John P. Abplanalp, President
Precision Valve Corporation
700 Nepperhan Avenue
P.O. Box 309
Yonkers, New York 10702

Joseph DiMura, P.E., Director
Division of Water
NYSDEC
625 Broadway
Albany New York 12233-3506

I [hand carried / mailed] the original and a copy of the foregoing Complaint to the office of the Regional Hearing Clerk, United States Environmental Protection Agency, Region 2.

Date: 7/25/08
New York, New York


[Signature of Sender]
[NOTE: must be over 18]