

#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

# APR 13 2011

# CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Lajo Pecsenka
President
United Agricultural Services
Of America, Inc.
534 County Road 529A
Lake Panasoffkee, Florida 33538

Re: United Agricultural Services of America, Inc.

Docket No.: FIFRA-04-2011-3016(b)

Dear Mr. Pecsenka:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties as directed in Section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22.

As stated in Section V of the CAFO, the assessed penalty of \$3,825 is due within 30 days of the effective date. Please ensure that the face of your cashier's or certified check includes the name of the company and the Docket Number of this case.

Penalty payment questions should be directed to Mr. Bryson Lehman either by telephone at (513) 487-2123 or by written correspondence to his attention at the U.S. Environmental Protection Agency's (EPA's) Cincinnati Accounting Operations address identified in the CAFO. Should you have any questions about this matter or your compliance status in the future, please call me at (404) 562-8979 or Ms. Patricia Livingston at (404) 562-9171.

Also enclosed is a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission (SEC) any environmental enforcement actions taken by EPA.

Sincerely.

Jeaneanne M. Gettle

Chief

Pesticides and Toxic Substances Branch

Enclosures

ce: Mr. Craig Bryant, FDACS

File No. 109-286-2074

# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY ATLANTA, GEORGIA

In the Matter of:		Įn
United Agricultural Services of America, Inc.	) Docket No.: FIFRA-04-2011-3916(b)	
Respondent.		-

800

#### **CONSENT AGREEMENT AND FINAL ORDER**

#### I. Nature of the Action

- 1. This is a civil penalty proceeding pursuant to Section 14(a) of the Federal Insecticide,
  Fungicide, and Rodenticide Act, as amended, 7 U.S.C. § 136l(a) (FIFRA), and pursuant
  to the Consolidated Rules of Practice Governing Administrative Assessment of Civil
  Penalties and the Revocation/Termination or Suspension of Permits (Consolidated
  Rules), 40 C.F.R. Part 22. Complainant is the Director of the Air, Pesticides, and Toxics
  Management Division, United States Environmental Protection Agency, Region 4 (EPA).
  Respondent is United Agricultural Services of America, Inc.
- 2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. § 22.13(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

### II. Preliminary Statements

- 3. The authority to take action under Section 14(a) of FIFRA, 7 U.S.C. § 136/(a), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under FIFRA to EPA Region 4 by EPA Delegation 5-14, dated May 11, 1994.
- 4. Pursuant to 40 C.F.R. § 22.5(c)(4) the following individual is authorized to receive service for EPA in this proceeding:

Patricia Livingston
Pesticides Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960
(404) 562-9171.

- Respondent is United Agricultural Services of America, Inc., a Florida corporation,
   located at 534 County Road 529A, Lake Panasoffkee, Florida.
- 6. Respondent is a "person" as defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.

## III. Specific Allegations

- On or about October 14, 2009, an authorized representative of the EPA conducted an
  inspection at Respondent's facility located at 534 County Road 529A, Lake Panasoffkee,
  Florida.
- During the aforementioned inspection, the product AzaKaranj was identified as being produced, sold and/or distributed by the Respondent.
- AzaKaranj is a pesticide as defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u), which
  includes any substance or mixture of substances intended for preventing, destroying,
  repelling, or mitigating any pest.

- 10. A pest is defined in Section 2(t) of FIFRA, 7 U.S.C. § 136(t), as any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other microorganisms on or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1) of FIFRA, 7 U.S.C. § 136w(c)(1).
- 11. Respondent "produces" pesticides. The term "producer" as defined by 40 C.F.R. § 167.3 means any person who produces any pesticide, active ingredient, or device (including packaging, repackaging, labeling and relabeling).
- 12. Respondent "distributes or sells" pesticides. The term "to distribute or sell" as defined by Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), includes to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, or release for shipment.
- 13. At the time of the inspection, AzaKaranj was not registered as a pesticide with EPA, although it has now been registered as EPA Reg. No. 84185-4-87193.
- 14. The inspector documented at least one sale of the aforementioned pesticide prior to registration with EPA.
- 15. Under Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), it is unlawful for any person to distribute or sell to any person any pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136(a).
- 16. Respondent violated Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), on at least one occasion and is therefore subject to the assessment of a civil penalty under Section 14 of FIFRA, 7 U.S.C. § 136l.

- 17. At the time of the inspection, United Agricultural Services of America, Inc., produced the pesticide AzaKaranj in an establishment that was not registered with the Administrator of EPA as a pesticide-producing establishment, although it has now been registered as EPA Est. No. 87193-FL-001.
- 18. Under Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), it is unlawful to produce a pesticide in any state unless the establishment is registered with the Administrator of EPA as set forth in Section 7 of FIFRA, 7 U.S.C. § 136e.
- 19. Respondent violated Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L) by producing a pesticide in an unregistered establishment, and is therefore subject to the assessment of civil penalties under Section 14 of FIFRA, 7 U.S.C. § 1361.
- Section 14(a) of FIFRA, 7 U.S.C. §136/(a), in conjunction with the Debt Collection
   Improvement Act of 1996, authorizes the assessment of a civil penalty.
- 21. Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), requires EPA to consider the appropriateness of the assessed penalty to the size of business of the Respondent, the effect on Respondent's ability to continue in business, and the gravity of the violation.
- 22. After consideration of the factors set forth in Section 14(a)(4) of FIFRA, 7 U.S.C.
  § 136l(a)(4), the EPA proposes to assess a total civil penalty of THREE THOUSAND
  EIGHT HUNDRED TWENTY-FIVE DOLLARS (\$3,825) against the Respondent for the above-described violation. Civil penalties under Section 14(a) of FIFRA, 7 U.S.C.
  § 136l(a), may be assessed by Administrative Order.

#### IV. Consent Agreement

23. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set forth above and neither admits nor denies the factual allegations set forth above.

- 24. Respondent waives its right to a hearing on the allegations contained herein and its right to appeal the proposed Final Order accompanying the Consent Agreement.
- 25. Respondent consents to the assessment of the penalty proposed by EPA and agrees to pay the civil penalty as set forth in this CAFO.
- 26. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of FIFRA.
- 27. Compliance with this CAFO shall resolve the allegations of the violations contained herein. This CAFO shall not otherwise affect any liability of Respondent to the United States. Other than as expressed herein, neither EPA nor Complainant waives any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or to pursue criminal enforcement.
- 28. Complainant and Respondent agree to settle this matter by their execution of this CAFO.
  The parties agree that the settlement of this matter is in the public interest and that this
  CAFO is consistent with the applicable requirements of ΓIFRA.

#### V. Final Order

- 29. Respondent is assessed a civil penalty of THREE THOUSAND EIGHT HUNDRED TWENTY-FIVE DOLLARS (\$3,825) which shall be paid within 30 days from the effective date of this CAFO.
- 30. Respondent shall remit the penalty by either a cashier's or certified check made payable to the "Treasurer, United States of America," and shall send the check via U.S. mail to the following address:

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

# The check shall reference on its face the name of the Respondent and Docket Number of this CAFO.

31. At the time of payment, Respondent shall send a separate copy of the check and a written statement that the payment is being made in accordance with this CAFO, to the following persons at the following addresses:

Regional Hearing Clerk
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960;

Patricia Livingston
Pesticides Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960; and

Saundi Wilson
Office of Environmental Accountability
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960.

- 32. For the purposes of state and federal income taxation, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for any civil penalty payment made pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.
- 33. Pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the effective date of this CAFO, if the penalty is not paid by the date required. A charge will

also be assessed to cover the administrative costs, both direct and indirect, of overdue debts. In addition, a late payment penalty charge shall be applied on any principal amount not paid within 90 days of the due date.

- 34. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
- 35. This CAFO shall be binding upon the Respondent, its successors and assigns.
- 36. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally binds that party to it.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

## VI. Effective Date

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

#### AGREED AND CONSENTED TO:

Respondent: United Agricultural Services of America, Inc.

Docket No.: FIFRA-04-2011-3016(b)

Ву:	Ages.	lea	(Signature)

Date: 3/27/11

Title: Uff Operation 5 (Typed or Printed)

Complainant: U.S. Environmental Protection Agency

Beverly H. Bamister, Director Air, Pesticides and Toxics

Management Division

APPROVED AND SO ORDERED this B day of Quil

Susan B. Schub

Regional Judicial Officer

## **CERTIFICATE OF SERVICE**

I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order and served a true and correct copy of the foregoing Consent Agreement and Final Order, In the Matter of United Agricultural Services of America, Inc., Docket Number: FIFRA-04-2011-3016(b), to the addressees listed below.

Lajo Pecsenka, President (via Certified Mail, Return Receipt Requested)
United Agricultural Services of America, Inc.
534 County Road 529A
Lake Panasoffkee, FL 33538

Patricia Livingston (via EPA's internal mail)
Pesticides Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, GA 30303

Robert Caplan
Associate Regional Counsel
Office of Environmental Accountability
U.S. EPA Region 4
61 Forsyth Street
Atlanta, GA 30303

Date: 4-13-11

Patricia A. Bullock, Regional Hearing Clerk U.S. Environmental Protection Agency, Region 4 Atlanta Federal Center

61 Forsyth Street Atlanta, GA 30303 (404) 562-9511

(via EPA's internal mail)

# EPA ACCOUNTS RECEIVABLE CONTROL NUMBER FORM

(Attach a copy of the final order and transmi	TING OFFIC	E: efendani/Re	spondent)	,
This form was originated by:			• • • • • • •	om 4/12///
his form was originated by:		Narme)		(Date)
nthe Region 4, ORC, OEA			ı	at ( <b>404) 562</b> -9904
	Office)	\		(Telephone Number)
Nan-SF Judicial Order/Consent Decree USAO COLLECTS	b		Administrative Orde FMO COLLECTS 1	er/Consent Agreement PAYMENT
SF Judicial Order/Consent Decree			Oversight Billing - C Sent with bill	Cost Package required:
DOI COLLECTS			Nat sent with bill	
Other Receivable			Oversight Billing - (	iont Package not required
This is an original debt			This is a modification	a
The Total Dollar Amount of the Receivable: \$(If installments, atlack schedule: \$(If installments, atlack schedule: \$(If installments, atlack schedule: \$(If installments, atlack schedule: \$	Alf Colonia to sun	<u> </u>	<u> </u>	
· · · · · · · · · · · · · · · · · · ·	<del>geggenennye</del> 'e			•
The IFMS Accounts Receivable Control Number	r ist			Date
f you have any questions, piesse call:	of the	: Financial I	Management Section	<b></b>
DISTRIBUTION:				
A. <u>IUDICIAL ORDERS</u> : Copies of this form with an should be mailed to:	s attached copy o	l the front pe	nge of the FINAL JUDIC	CIAL ORDER
Debt Trucking Officer Environmental Enforcement Section Department of Justice RM 1647 P.O. Box 7411, Benjamin Franklin Station Washington, D.C. 20044	<u>2.</u> 3.		og Office (EAD) d Program Office	
B. ADMINISTRATIVE ORDERS: Copies of this fo	em with an attac	hed copy of t	he front page of the Ada	ministrative Order should be:
Originating Office     Regional Hearing Clerk	3. 4.	Designate	d Program Office Counsel (EAD)	- **