



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
INDUSTRIAL STORMWATER ESA**

IN THE MATTER OF:)	DOCKET NO.: CWA-04-2020-0318(b)
)	
SANDERS BROTHERS CONSTRUCTION)	
COMPANY INC.)	Expedited Settlement Agreement and Final Order
)	Pursuant to Clean Water Act Section 309(g)(2)(A)
Respondent)	
<hr/>)	NPDES Permit No. Unpermitted

The undersigned representative of the United States Environmental Protection Agency (EPA) and Sanders Brothers Construction Company Inc., a corporation, (Respondent) enter into this Expedited Settlement Agreement (ESA or Agreement) to resolve Respondent’s civil penalty liability for allegedly discharging industrial stormwater without a permit at the Site. On April 3, 2019, the EPA issued an Information Request pursuant to Section 308 of the Clean Water Act (Act) regarding the Respondent’s facility at 4970 LaCross Road, North Charleston, South Carolina 29406 (Site).

Based on information obtained from the Section 308 Information Request, the EPA finds that: (1) Respondent, who is an owner and operator of the Site, discharged industrial stormwater from the Site without authorization by any permit issued pursuant to the Act in violation of Section 301 of the Act, 33 U.S.C. § 1311; (2) Respondent is a “person” as defined in Section 502(5) of the Act, 33 U.S.C. § 1362(5); and (3) Respondent is responsible for the alleged violations specified in the attached "Industrial Stormwater Non-Filer Inspection Findings, Alleged Violations, and Proposed Penalty Form" (Alleged Violations Form). The Alleged Violations Form is hereby incorporated into this Agreement by reference.

The EPA also finds, and Respondent admits, that the EPA has jurisdiction over this matter pursuant to Section 309(g) of the Act, 33 U.S.C. § 1319(g). Respondent neither admits nor denies the factual allegations alleged in the Alleged Violations Form.

The EPA is authorized to enter into this Agreement under the authority vested in the Administrator by Section 309(g) of the Act, 33 U.S.C. § 1319(g), and by 40 C.F.R. § 22.13(b) and § 22.18.

Respondent consents to the assessment of a civil penalty and agrees to pay \$10,000. Respondent waives the right to: (1) contest the allegations in the Alleged Violations Form; (2) a hearing pursuant to Section 309(g)(2) of the Act, 33 U.S.C. § 1319(g)(2); (3) appeal the Final Order; and (4) judicial review pursuant to CWA § 309 (g)(8), 33 U.S.C. § 1319(g)(8). The civil

penalty will be due within thirty (30) days of the Effective Date of this ESA and Final Order and shall be made in accordance with the attached Expedited Settlement Agreement Payment Instructions (Payment Instructions), incorporated herein by reference. Respondent agrees to bear its own costs and attorney’s fees related to this ESA.

Failure by Respondent to pay the penalty assessed by this ESA and Final Order in full by its due date may subject Respondent to a civil action to collect the assessed penalty plus interest, attorney’s fees, costs and an additional quarterly nonpayment penalty pursuant to Section 309(g)(9)(B) of the Act, 33 U.S.C. § 1319(g)(9)(B). In any such collection action, the validity, amount, and appropriateness of the penalty shall not be subject to review. Pursuant to Section 309(g)(1) of the Act, 33 U.S.C. § 1319(g)(1), and 40 C.F.R. § 22.38(b), the State of South Carolina was provided a prior opportunity to consult with the EPA regarding this matter.

By signing this Agreement, Respondent certifies that: (1) the alleged violations listed in the Alleged Violations Form have been corrected, and Respondent has submitted true and accurate documentation to the EPA of such correction; and (2) consistent with Section 162(f)(1) of the Internal Revenue Code, 26 U.S.C. § 162(f)(1), Respondent will not deduct penalties paid under this Agreement for federal tax purposes.

This Agreement, upon incorporation into the Final Order and full satisfaction by the parties, shall be a complete and full resolution of Respondent’s liability for federal civil penalties for the violations of Section 301(a) of the Act alleged in the Alleged Violations Form. This Agreement does not affect the right of the EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law or to issue an administrative compliance order, e.g., for any uncorrected violations listed in the Alleged Violations Form. Nothing in this Agreement shall relieve Respondent of the duty to comply with the Act and any regulation, order, or permit issued pursuant to the Act.

Pursuant to Section 309(g)(4) of the Act, 33 U.S.C. § 1319(g)(4)(A), and 40 C.F.R. § 22.45, the EPA will provide public notice of this Agreement and a reasonable opportunity for the public to comment on the proposed issuance of this Agreement prior to issuance of the Final Order pursuant to.

APPROVED BY THE EPA:

If Respondent does not sign and return this ESA as presented within 30 days of the date of its receipt, or within an extension timeframe approved by the EPA, this proposed ESA is withdrawn without prejudice to the EPA's ability to file any other enforcement action for the violations identified in the Alleged Violations Form.

Mary Jo Bragan, Chief, Water Enforcement Branch
Enforcement and Compliance Assurance Division

The parties consent to service of this ESA and Final Order by e-mail to the e-mail addresses provided by the parties in the Certificate of Service.

FINAL ORDER

This Agreement is binding on the parties signing below. Each person signing this Agreement certifies that he or she has the authority to sign for the party who he or she represents and to bind that party to its terms. The ESA and Final Order are effective the date of filing with the Regional Hearing Clerk. Once the ESA is signed by the Regional Judicial Officer, the original ESA will be filed with the Regional Hearing Clerk. A copy of the filed ESA will be emailed to Respondent.

Having determined that this Agreement is authorized by law, the foregoing Expedited Settlement Agreement is hereby incorporated into the Final Order.

IT IS SO ORDERED:

APPROVED BY RESPONDENT:

Tanya Floyd
Regional Judicial Officer

Name (print): Carl T. Schultz

Title (print): Chief Financial Officer

Signature: _____ Date: _____

Attachments:

1. Alleged Violations Form
2. Payment Instructions

ENLOSURE A

Industrial Stormwater Non-Filer Inspection Findings, Alleged Violations, and Proposed Penalty Form

1. Sanders Brothers Construction Company, Inc. (Respondent) owns and operates a concrete and asphalt recycling facility located at 4970 LaCross Road, North Charleston, South Carolina (Facility). The Facility is identified by Standard Industrial Classification (SIC) Code 3295.
2. Pursuant to Section 402(p)(2)(B) of the CWA, 33 U.S.C. § 1342(p)(2)(B), a National Pollution Discharge Elimination System (NPDES) permit is required for “a [stormwater] discharge associated with industrial activity.”
3. Pursuant to 40 C.F.R § 122.26(b)(14)(ii), “[f]acilities classified within Standard Industrial Classification... 32 (except 323)...” which would include SIC Code 3295 are considered to be engaging in “industrial activity” for purposes of 40 C.F.R. 122.26(b)(14).
4. Section 402(p)(2)(B) of the CWA, 33 U.S.C. § 1342(p)(2)(B), and its implementing regulations at 40 C.F.R. §122.26(b)(14)(vi), as referenced above, require that an industrial facility discharging stormwater into a water of the United States must obtain an NPDES permit.
5. On April 3, 2019, the EPA issued an Information Request pursuant to Section 308 of the CWA, 33 U.S.C § 1318, to the Respondent.
6. In reviewing the Section 308 Information Request, further conference calls, and additional submittals from the Respondent, the EPA has determined the following:
 - A. The Facility had outdoor industrial activity including but not limiting to portable crushing machine, loading and unloading area, concrete rubble pile, asphalt rubble pile, truck tire wash operation, and outdoor dumpster with potential exposure and contribution to stormwater contamination.
 - B. The facility had stormwater runoff which discharges offsite into the City of North Charleston stormwater drainage ditch system. The ditch system drains into Filbin Creek which connects directly to the Copper River which is a water of the United States.
 - C. The Respondent’s industrial activity at the Facility, which included waste concrete and asphalt recycling, is classified under SIC Code 3295. Facilities operating under SIC Code 3295, industrial Sector E, are required to obtain a general NPDES permit coverage for their stormwater discharges. The Respondent did not submit an NOI for permit coverage until June 2, 2020, following the violations alleged in this action.

7. The EPA's industrial stormwater guidance anticipates potential discharges from an industrial site to occur with rain events greater than 0.1 inch. In the EPA's industrial penalty policy, 0.5 inches during a 24-hour period is used as the benchmark for likely stormwater runoff. According to the rain data available from local Charleston weather station, fifty-three (53) months during the period of July 2015 to June 2020 have had one or more daily rain events greater than 0.5 inches. Due to the hydrology and drainage pattern of the Facility, which consists mostly of flat impervious surfaces, the EPA has determined that from July 2015 to June 2020, stormwater associated with industrial activities discharged offsite into the City of North Charleston stormwater drainage ditch system. This ditch drains stormwater toward a northern direction to Filbin Creek. Filbin Creek drains eastward directly into Copper River. The Copper River is situated approximately 20,000 feet from the Facility.
8. The Copper River is a traditionally navigable water of the United States as defined by Section 502(7) of the CWA, 33 U.S.C. § 1362(7) and its implementing regulation 40 C.F.R. § 122.2.
9. Respondent has violated Sections 301 of the CWA, 33 U.S.C. §§ 1311, by discharging stormwater from the Facility without proper authorization to a water of the United States.
10. Pursuant to Section 309(g)(2)(A) of the Act, 33 U.S.C. § 1319(g)(2)(A), and 40 C.F.R. § 22.13(b), and in accordance with the EPA's September 8, 2016 Supplemental Guidance to the 1995 Interim Clean Water Act Settlement Penalty Policy for Violations of the Industrial Stormwater Requirements, the EPA is assessing a penalty of \$10,000 for the above-mentioned violations.

Enclosure B

Expedited Settlement Agreement and Final Order Payment Instructions

Payment shall be in a single payment, due no later than 30 calendar days from the effective date of the Final Order. If the due date for the payment falls on a weekend or federal holiday, then the due date is the next business day. The date the payment is made is considered to be the date processed by U.S. Bank, as described below. Payment must be received by 11:00 a.m. Eastern Standard Time to be considered as received that day.

The payment shall be made by remitting a check or making a wire transfer or on-line payment. The check or other payment shall:

- designate the name and docket number of this case, and
- be payable to “Treasurer, United States of America.”

The payment shall be remitted as follows:

If remitted by regular U.S. mail:

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

If remitted by any overnight commercial carrier:

U.S. Bank
Government Lockbox 979077
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, Missouri 63101

If remitted by wire transfer: Any wire transfer must be sent directly to the Federal Reserve Bank in New York City using the following information:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read “D 68010727 Environmental Protection Agency”

If remitted through the Automated Clearing House (ACH) for receiving US currency:

U.S. Treasury REX / Cashlink ACH Receiver
ABA: 051036706
Account Number: 310006, Environmental Protection Agency
CTX Format Transaction Code 22 – checking

Physical location of U.S. Treasury facility:
5700 Rivertech Court
Riverdale, Maryland 20737

If remitted on-line with a debit card or credit card: No user name, password, or account number is necessary for this option. On-line payment can be accessed via www.pay.gov, entering 1.1 in the form search box on the left side of the screen, opening the form, and following the directions on the screen.

At the time of payment, a copy of the check (or notification of other type of payment) shall also be sent by mail and/or email to:

Regional Hearing Clerk
U.S. EPA Region 4
Office of Regional Counsel
61 Forsyth Street, SW
Atlanta, GA 30303-896
Email: R4_Regional_Hearing_Clerk@epa.gov

and

Mr. Kenneth Kwan
U.S. EPA Region 4
Enforcement and Compliance Assurance Division
Stormwater and Ground Water Section
61 Forsyth Street, SW
Atlanta, GA 30303-8960
Email: kwan.ken@epa.gov

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Expedited Settlement Agreement and Final Order, in the Matter of **Sanders Brothers Construction Company, Docket No. CWA- 04-2020-0318(b)**, were filed and copies of the same were emailed to the parties as indicated below.

Via email to all parties at the following email addresses:

To Respondent: Carl T. Schultz
Chief Financial Officer
Sanders Brothers Construction Company, Inc.
P.O. Box 60969
N. Charleston, SC 29419
carl@sandersbrothers.com
(843) 744-4261

To EPA: Kenneth Kwan
Enforcement Officer
Enforcement and Compliance Assurance
Division kwan.ken@epa.gov
(404) 562-9752

Mr. Stephen P. Smith
Associate Regional Counsel
Office of Regional Counsel
Smith.Stephen@epa.gov
(404) 562-9554

U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303-8960

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