



UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY

BEFORE THE ADMINISTRATOR

IN THE MATTER OF)
)
SCHOOL DISTRICT OF UPPER) DOCKET NO. CAA-03-2009-0189
DUBLIN, 1 SOURCE SAFETY and)
HEALTH, INC., and)
SARGENT ENTERPRISES, INC.,^{1/})
)
)
RESPONDENTS)

PREHEARING ORDER

As you previously have been notified, I have been designated by the September 17, 2009 Order of the Chief Administrative Law Judge to preside in the above captioned matter. This proceeding arises under the authority of Sections 113(a)(3) and (d) of the Clean Air Act ("CAA"), as amended, 42 U.S.C. §§ 7413(a)(3) and (d), and is governed by the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (the "Rules of Practice"), 40 C.F.R. §§ 22.1-32. The parties are advised to familiarize themselves with both the applicable statute(s) and the Rules of Practice.

United States Environmental Protection Agency ("EPA") policy, found in the Rules of Practice at Section 22.18(b), 40 C.F.R. § 22.18(b), encourages settlement of a proceeding without the necessity of a formal hearing.^{2/} The benefits of a negotiated

^{1/} Respondent 1 Source Safety and Health, Inc. and Complainant executed a Consent Agreement and Final Order on August 13, 2009. Respondent 1 Source Safety and Health, Inc. will be deleted from the caption in all further filings in this matter.

^{2/} In response to an inquiry from this office, Respondent Sargent Enterprises, Inc. ("Respondent Sargent") agreed to
(continued...)

settlement may far outweigh the uncertainty, time, and expense associated with a litigated proceeding.

The record does not demonstrate that settlement discussions have been held in this matter. The parties are directed to hold a settlement conference on this matter on or before **October 20, 2009**, to attempt to reach an amicable resolution of this matter. See Section 22.4(c)(8) of the Rules of Practice, 40 C.F.R. § 22.4(c)(8). Complainant shall file a status report regarding such conference and the status of settlement on or before **October 30, 2009**.

In the event that the parties fail to reach a settlement by that date, they shall strictly comply with the requirements of this order and prepare for a hearing. The parties are advised that extensions of time will not be granted absent a showing of good cause. The pursuit of settlement negotiations or an averment that a settlement in principle has been reached will not constitute good cause for failure to comply with the prehearing requirements or to meet the schedule set forth in this Prehearing Order. Of course, the parties are encouraged to initiate or continue to engage in settlement discussions during and after preparation of their prehearing exchange.

The following requirements of this Order concerning prehearing exchange information are authorized by Section 22.19(a) of the Rules of Practice, 40 C.F.R. § 22.19(a). As such, it is directed that the following prehearing exchange takes place:

1. Each party^{3/} shall submit:
 - (a) the names of any expert or other witnesses it intends to call at the hearing, together with a brief narrative summary of each witness' expected testimony, or a statement that no witnesses will be called; and

^{2/} (...continued)
participate in the Alternate Dispute Resolution ("ADR") process offered by this office, but Complainant and Respondent School District of Upper Dublin ("Respondent Upper Dublin") did not respond.

^{3/} Respondent Sargent, presently proceeding *pro se*, and Respondent Upper Dublin, represented by counsel, filed separate Answers. Respondents may choose to file a joint prehearing exchange, or each Respondent may file separately.

- (b) copies of all documents and exhibits which each party intends to introduce into evidence at the hearing. The exhibits should include a curriculum vitae or resume for each proposed expert witness. If photographs are submitted, the photographs must be actual unretouched photographs. The documents and exhibits shall be identified as "Complainant's" or "Respondent Sargent's" or "Respondent Upper Dublin's" exhibit, as appropriate, and numbered with Arabic numerals (e.g., "Complainant's Exhibit 1"); and
- (c) a statement expressing its view as to the place for the hearing and the estimated amount of time needed to present its direct case.

See Sections 22.19(a), (b), (d) of the Rules of Practice, 40 C.F.R. §§ 22.19(a), (b), (d); see also Section 22.21(d) of the Rules of Practice, 40 C.F.R. § 22.21(d).

- 2. Complainant shall submit a statement explaining in detail how the proposed penalty was determined, including a description of how the specific provisions of any Agency penalty or enforcement policies and/or guidelines were applied in calculating the penalty.
- 3. Each Respondent shall submit a statement explaining why the proposed penalty should be reduced or eliminated. If either Respondent intends to take the position that it is unable to pay the proposed penalty or that payment will have an adverse effect on its ability to continue to do business, that Respondent shall furnish supporting documentation such as certified copies of financial statements or tax returns.
- 4. Complainant shall submit a statement regarding whether the Paperwork Reduction Act of 1980 ("PRA"), 44 U.S.C. §§ 3501 *et seq.*, applies to this proceeding, whether there is a current Office of Management and Budget control number involved herein and whether the provisions of Section 3512 of the PRA are applicable in this case.

See Section 22.19(a)(3) of the Rules of Practice, 40 C.F.R. § 22.19(a)(3).

The prehearing exchanges delineated above shall be filed in *seriatim* manner, according to the following schedule:

- November 24, 2009 - Complainant's Initial Prehearing Exchange
- December 22, 2009 - Respondents' Prehearing Exchange, including any direct and/or rebuttal evidence
- January 7, 2010 - Complainant's Rebuttal Prehearing Exchange (if necessary)

In their Answers to the Complaint, each Respondent exercised its right to request a hearing pursuant to Section 554 of the Administrative Procedure Act ("APA"), 5 U.S.C. § 554. If the parties cannot settle with a Consent Agreement and Final Order, a hearing will be held in accordance with Section 556 of the APA, 5 U.S.C. § 556. Section 556(d) of the APA provides that a party is entitled to present its case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts. Thus, each Respondent has the right to defend itself against Complainant's charges by way of direct evidence, rebuttal evidence, or through cross-examination of Complainant's witnesses. Each Respondent is entitled to elect any or all three means to pursue its defense. If any Respondent elects only to conduct cross-examination of Complainant's witnesses and to forgo the presentation of direct and/or rebuttal evidence, that Respondent shall serve a statement to that effect on or before the date for filing its prehearing exchange. Each party is hereby reminded that failure to comply with the prehearing exchange requirements set forth herein, including a Respondent's statement of election only to conduct cross-examination of the Complainant's witnesses, can result in the entry of a default judgment against the defaulting party. See Section 22.17 of the Rules of Practice, 40 C.F.R. § 22.17.

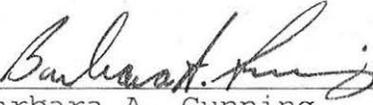
The original and one copy of all pleadings, statements and documents (with any attachments) required or permitted to be filed in this Order (including a ratified Consent Agreement and Final Order) shall be filed with the Regional Hearing Clerk, and copies (with any attachments) shall be sent to the undersigned and all other parties. The parties are advised that E-mail correspondence with the Administrative Law Judge is not authorized. See Section 22.5(a) of the Rules of Practice, 40 C.F.R. § 22.5(a).

The prehearing exchange information required by this Order to be sent to the Presiding Judge, as well as any other further pleadings, shall be addressed as follows:

Judge Barbara A. Gunning
Office of Administrative Law Judges
U.S. Environmental Protection Agency
Mail Code 1900L
1200 Pennsylvania Ave., NW
Washington, DC 20460-2001
Telephone: 202-564-6281

Hand-delivered packages transported by Federal Express or another delivery service which x-rays their packages as part of their routine security procedures, may be delivered directly to the Offices of the Administrative Law Judges at 1099 14th Street, NW, Suite 350, Washington, DC 20005.

Telephone contact may be made with my legal staff assistant, Mary Angeles at (202) 564-6281. The facsimile number is (202) 565-0044.



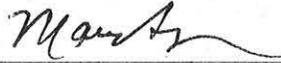
Barbara A. Gunning
Administrative Law Judge

Dated: September 24, 2009
Washington, DC

In the Matter of *School District of Upper Dublin, 1 Source Safety and Health, Inc., and Sargent Enterprises, Inc., Respondent.*
Docket No. CAA-03-2009-0189

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **Prehearing Order**, dated September 24, 2009, was sent this day in the following manner to the addressees listed below.



Mary Angeles
Legal Staff Assistant

Original and One Copy by Pouch Mail to:

Lydia Guy
Regional Hearing Clerk
U.S. EPA / Region III
1650 Arch Street
Philadelphia, PA 19103-2029

Copy by Pouch Mail to:

Jennifer Abramson, Esq.
Assistant Regional Counsel (3LC26)
ORC, U.S. EPA / Region III
1650 Arch Street
Philadelphia, PA 19103-2029

Copy by Regular Mail to:

Thomas H. McDonough, Esq.
Wisler Pearlstine, LLP
Office Court at Walton Point
484 Norristown Road, Suite 100
Blue Bell, PA 19422

Brian J. Sargent, President
Sargent Enterprises, Inc.
732 Center Street
Jim Thorpe, PA 18229

Dated: September 24, 2009
Washington, D.C.