

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:)	Docket No. CAA-05-2001-011
)	
Hancock Manufacturing)	Proceeding to Assess an
Company, Inc.)	Administrative Penalty
Toronto, Ohio,)	under Section 113(d) of the
)	Clean Air Act,
)	42 U.S.C. § 7413(d)
Respondent.)	

Consent Agreement and Final Order

1. Complainant, the Director of the Air and Radiation Division, United States Environmental Protection Agency, Region 5 (U.S. EPA), brought this administrative action seeking a civil penalty under Section 113(d) of the Clean Air Act (the Act), 42 U.S.C. § 7413(d).

2. On June 29, 2001, U.S. EPA filed the complaint in this action against Respondent Hancock Manufacturing Company, Inc. (Hancock). The complaint alleges that Hancock violated the Ohio State Implementation Plan, approved under Section 110 of the Act, and Section 112 of the Act, 42 U.S.C. § 7412, and the regulations promulgated thereunder setting forth the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Halogenated Solvent Cleaning, 40 C.F.R. Part 63, Subpart T at its facility in Toronto, Ohio.

3. Hancock filed an answer and requested a hearing under Section 113(d)(2) of the Act, 42 U.S.C. § 7413(d)(2).

Stipulations

4. Hancock admits the jurisdictional allegations in the complaint and neither admits nor denies the factual allegations in the complaint.

5. Hancock waives its right to contest the allegations in the complaint, and waives its right to appeal under Section 113(d) of the Act, 42 U.S.C. § 7413(d).

6. Hancock certifies that it is complying fully with 40 C.F.R. Part 63, Subpart T.

7. The parties consent to the terms of this consent agreement and final order (CAFO).

8. The parties agree that settling this action without further litigation, upon the terms in this CAFO, is in the public interest.

Civil Penalty

9. In consideration of Respondent's good faith efforts to comply, cooperation with Complainant, and additional evidence provided to the Complainant, U.S. EPA agrees to mitigate the proposed penalty of \$343,962.00 to \$125,294.00.

10. Hancock must pay the \$125,294 civil penalty with interest as specified in paragraph 13 below by cashier's or certified check payable to the "Treasurer, United States of America," in accordance with the payment schedule in paragraph 13 below.

11. Hancock must send the check to:

U.S. Environmental Protection Agency
Region 5
P.O. Box 70753
Chicago, Illinois 60673

12. A transmittal letter, stating Respondent's name, complete address, the case docket number, and the billing document number must accompany the payment. Respondent must write the case docket number and the billing document number on the face of the check. Respondent must send copies of the check and transmittal letter to:

Attn: Regional Hearing Clerk, (R-19J)
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

Attn: Compliance Tracker, (AE-17J)
Air Enforcement and Compliance Assurance Branch
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

Orelia Merchant, (C-14J)
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3509

13. Hancock shall pay the \$125,294 penalty in thirty-six monthly installments plus interest according to the following schedule:

- a. \$3,000.00 on January 1, 2002, and monthly payments of the same amount on the first of each subsequent month through and including December 1, 2002;
- b. \$3,600.00 on January 1, 2003, and monthly payments of the same amount by the first of each subsequent month through and including December 1, 2003;

- c. \$4350.00 on January 1, 2004, and monthly payments of the same amount by the first of each subsequent month through and including November 1, 2004; and
- d. \$4508.70 on December 1, 2004.

14. The total amount to be paid to the United States is \$131,558.70, which includes the \$125,294 penalty plus interest.

15. This civil penalty is not deductible for federal tax purposes.

16. If Hancock does not pay timely the civil penalty according to the schedule in paragraph 13, the entire unpaid amount becomes immediately due and payable, and U.S. EPA may bring an action to collect the entire unpaid portion of the penalty with interest, handling charges, nonpayment penalties and the United States' enforcement expenses for the collection action under Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5). The validity, amount and appropriateness of the civil penalty are not reviewable in a collection action.

17. Interest will accrue on any overdue amount from the date payment was due at a rate established under 26 U.S.C. § 6621(a)(2). Hancock will pay a \$15 handling charge each month that any portion of the penalty is more than 30 days past due. Hancock will pay a quarterly nonpayment penalty each quarter during which the assessed penalty is overdue according to Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5). This nonpayment penalty will be 10 percent of the aggregate amount of the

outstanding penalties and nonpayment penalties accrued from the beginning of the quarter.

General Provisions

18. This CAFO settles U.S. EPA's claims for civil penalties for the violations alleged in the complaint.

19. Nothing in this CAFO restricts U.S. EPA's authority to seek Hancock's compliance with the Act and other applicable laws and regulations.

20. This CAFO does not affect Hancock's responsibility to comply with the Act and other applicable federal, state and local laws, and regulations.

21. This CAFO constitutes an "enforcement response" as that term is used in "U.S. EPA's Clean Air Act Stationary Source Civil Penalty Policy" to determine Hancock's "full compliance history" under Section 113(e) of the Act, 42 U.S.C. § 7413(e).

22. The terms of this CAFO bind Hancock, and its successors, and assigns.

23. Each person signing this consent agreement certifies that he or she has the authority to sign this consent agreement for the party whom he or she represents and to bind that party to its terms.

24. Each party agrees to bear its own costs and fees in this action.

25. This CAFO constitutes the entire agreement between the parties.

**U.S. Environmental Protection
Agency,
Complainant**

Date: 11-29-01

By: 

Bharat Mathur, Director
Air and Radiation Division
U.S. Environmental Protection
Agency, Region 5

Hancock Manufacturing, Inc.,
Respondent

Date: 11/26/01

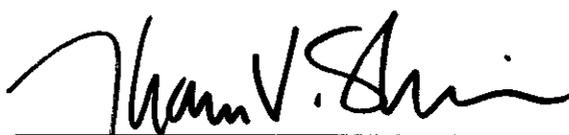
By: 
Thomas Rigsby, President, CEO
Hancock Manufacturing, Inc.

CONSENT AGREEMENT AND FINAL ORDER
Hancock Manufacturing, Inc.
Docket No. CAA-05-2001-011

Final Order

It is ordered as agreed to by the parties and as stated in the consent agreement, effective immediately upon filing of this CAFO with the Regional Hearing Clerk.

Date: 11-29-01



Thomas V. Skinner
Regional Administrator
U.S. Environmental Protection
Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

CERTIFICATE OF SERVICE

I, Loretta Shaffer, certify that I hand delivered the original of the Consent Agreement and Final Order, docket number CAA-05-2001-011 to the Regional Hearing Clerk, Region 5, United States Environmental Protection Agency, and that I mailed correct copies by first-class, postage prepaid, certified mail, return receipt requested, to Hancock and Hancock's Counsel by placing them in the custody of the United States Postal Service addressed as follows:

Thomas Rigsby, President, CEO
Hancock Manufacturing, Inc.
Cleveland & Fifth Street
Toronto, Ohio 43964

Karen L. Walter
Brouse McDowell
500 First National Tower
Akron, Ohio 44308

I also certify that copies were sent by first class mail to:

Robert Hodanbosi, Chief
Division of Air Pollution Control
Ohio Environmental Protection Agency
Lazarus Government Center
P.O. Box 1049
Columbus, Ohio 43216-1049

Kay Gilmer, APC Supervisor
Southeast District Office
Ohio Environmental Protection Agency
2195 Front Street
Logan, Ohio 43138

on the 30th day of November, 2001.

Barbara Mack for
Loretta Shaffer
AECAS (MN/OH)

CERTIFIED MAIL RECEIPT NUMBER: 7099 3400 000 9601 3564

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
BEFORE THE ADMINISTRATOR**

IN THE MATTER OF:)
)
LAMINATED PRODUCTS, INC.) **DOCKET NO. CAA-5-2001-03**
)
RESPONDENT.)

CONSENT AGREEMENT AND FINAL ORDER

CONSENT AGREEMENT

Complainant, the Director, Air and Radiation Division, Region 5, United States Environmental Protection Agency, ("U.S. EPA"), having filed the Complaint for this civil administrative action against Laminated Products, Inc., ("Respondent"); and

Complainant and Respondent having agreed that the resolution of this action is in the public interest and that the entry of this Consent Agreement and Final Order ("CAFO") without further litigation is the most appropriate means of resolving this action;

NOW, THEREFORE, based upon the pleadings, before the taking of any testimony, without the adjudication of any issue of fact or law, and upon the consent and agreement of the Parties, it is hereby Ordered as follows:

I. PRELIMINARY STATEMENT

1. On March 8, 2001, Complainant initiated this action for the assessment of a civil penalty pursuant to section 113(d) of the Clean Air Act, 42 U.S.C. § 7413(d), ("CAA" or the "Act"), and sections 22.1(a)(2) and 22.13 of the Consolidated Rules of Practice Governing the

Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.1(a)(6) and 22.13.

2. The Complaint alleged, among other things, that Respondent failed to comply with recordkeeping and work practices in violation of the regulations at 40 C.F.R. Part 63 and the Act.

3. On or about April 16, 2001, Respondent filed its Answer to the Complaint which admitted or denied the specific factual allegations of the Complaint and requested a hearing pursuant to section 113(d)(2)(A) of the Act, 42 U.S.C. § 7413(d)(2)(A).

4. Respondent admits the jurisdictional allegations of the Complaint.

5. Respondent waives its right to an administrative hearing or appeal or judicial hearing or appeal on any issue of fact or law set forth in the Complaint.

6. This CAFO shall apply to and be binding upon Respondent, its officers, directors, servants, employees, agents, successors and assigns, including, but not limited to, subsequent purchasers.

II. TERMS AND CONDITIONS

7. Respondent consents to the issuance of this CAFO and the payment of a civil penalty to resolve this action without resort to further litigation or hearing.

8. Complainant has determined that an appropriate civil penalty to resolve this action is \$9,625.00 pursuant to section 113(e) of the Act, 42 U.S.C. § 7413(e).

9. Within thirty (30) days of the effective date of this CAFO, Respondent shall submit a cashier's or certified check, payable to the order of the "Treasurer, United States of America," in the amount of \$9,625.00 to:

Region 5
U.S. Environmental Protection Agency
P.O. Box 70753
Chicago, IL 60673

Respondent shall provide a copy of the check to:

Regional Hearing Clerk
Planning and Management Division (R-19J)
Region 5
U.S. Environmental Protection Agency
77 West Jackson Boulevard
Chicago, IL 60604-3590;

Jeffery M. Trevino
Office of Regional Counsel (C-14J)
Region 5
U.S. Environmental Protection Agency
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

Farro Assadi
Enforcement Officer
Michigan and Wisconsin Air Enforcement & Compliance Assurance Section
Air Enforcement Branch (AE 17-J)
Air and Radiation Division
Region 5
U.S. Environmental Protection Agency
77 West Jackson Boulevard
Chicago, IL 60604-3590.

10. The civil penalty specified in paragraph nine (9) above is a civil penalty assessed by U.S. EPA against Respondent, to be paid by Respondent, and is not deductible for purposes of federal taxes.

11. Respondent agrees to complete a Supplemental Environmental Project by October 1, 2002. Respondent agrees to expend at least \$298,607.00, to convert the Spray Adhesive

Application Process of its Postforming Production Line to a Roller Adhesive Application

Process, to replace its use of Permigrip Adhesive with a water-based adhesive, to decrease its VOC emissions by 17.5 tons per year . Specifically:

- a. Respondent agrees to expend, by April 1, 2002, at least \$298,607.00 on capital expenditures for two (2) 775 68" Glue Spreaders, one (1) RL-750 Rotary Laminator, one (1) Creative Automation Conveyor, and one (1) Midwest Postformer, to convert the Spray Adhesive Application Process of its Postforming Production Line to a Roller Adhesive Application Process.
- b. Respondent agrees to notify Complainant by October 1, 2002, that it has begun full and successful operation of its SEP.
- c. Respondent agrees to submit to Complainant by April 1, 2004, an SEP Final Report, including but not limited to, a detailed description of the capital costs of equipment, operations and maintenance costs, labor and professional expenses, and an evaluation of the effectiveness of the SEP based upon its quarterly and annual VOC emission records. An employee or officer of authority with Respondent must sign the report, attesting to a thorough review of the information contained in the report and acknowledging the existence of civil and criminal liability for submission of false or misleading information to an instrument of the United States government. If Respondent fails to submit its SEP Final Report by April 1, 2004, it agrees to pay a stipulated penalty of \$100.00 per day the final report is late.

- d. If Respondent's October 1, 2002, - October 1, 2003, VOC emissions are not at least 17.5 tons less than its October 1, 2001, - October 1, 2002, VOC emissions, it shall pay stipulated penalties according to the following schedule:
- i. Except as provided in paragraph ii below, if the SEP is not completed satisfactorily, Respondent shall pay a stipulated penalty of \$28,875.00;
 - ii. If the SEP is not completed satisfactorily, but Respondent a) made a good faith and timely effort to complete the SEP; and b) certifies with supporting documentation, that it expended at least \$268,756.30 (90% of \$298,607.00), it shall pay no stipulated penalty;
 - iii. If the SEP is satisfactorily completed, but Respondent expended less than \$268,756.30 (90% of \$298,607.00), it shall pay a stipulated penalty of \$2,887.50 (10% of \$28,875.00 (the dollar amount the proposed civil penalty was reduced for the SEP));
 - iv. If the SEP is satisfactorily completed, and Respondent expended at least \$268,756.30 (90% of \$298,607.00), it shall pay no stipulated penalty.
 - v. Respondent's total liability for stipulated penalties shall never exceed \$28,875.00 (the dollar amount the proposed civil penalty was reduced for the SEP));
 - vi. Respondent shall submit any payment of stipulated penalties with its SEP Final Report due to U.S. EPA under subparagraph c above.
- e. Respondent certifies its SEP is not required under any federal, state or local law.

- f. Respondent agrees that until it submits its SEP Final Report and pays all stipulated penalties for which it is liable, in any public description of its SEP, it must include the following disclaimer or its substantial equivalent: "Laminated Products Inc., has undertaken its SEP under an agreement with the U.S. Environmental Protection Agency in resolution of an enforcement action filed against us for violating the Clean Air Act."

12. Complainant 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 pursuant to 31 U.S.C. § 3717. Therefore, interest will begin to accrue on a civil or stipulated penalty if it is not paid by the last date required. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 4 C.F.R. § 102.13(c). A charge will be assessed to cover the costs of debt collection, including processing and handling costs. In addition, a non-payment penalty charge of six (6) percent per year compounded annually will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. Any such non-payment penalty charge on the debt will accrue from the date the penalty payment becomes due and is not paid. 4 C.F.R. §§ 102.13(d) and (e).

13. This CAFO shall not relieve Respondent of their obligation to comply with all applicable provisions of federal, state, county, and municipal statute, law, regulation, or ordinances, nor shall it be construed by Complainant or Respondent to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

14. This CAFO constitutes a settlement by Complainant of the alleged facts, violations, and legal claims, for the proposed civil penalties sought pursuant to section 113(d) of

the Act, 42 U.S.C. § 7413(d). Nothing in this CAFO is intended to or shall be construed to operate in any way to resolve any criminal liability of the Respondent. Compliance with this CAFO shall not be a defense to any actions subsequently commenced pursuant to federal laws and regulations administered by Complainant, and it is the responsibility of Respondent to comply with such laws and regulations.

15. Each party shall bear its own costs and attorneys fees in connection with the action resolved by this CAFO.

16. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into the terms and conditions of this CAFO and to execute and legally bind that party to it.

17. This CAFO constitutes the entire agreement between the parties.

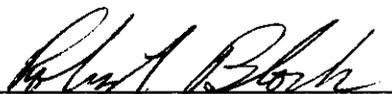
18. This CAFO constitutes a Final Order pursuant to section 113(d)(5) of the Clean Air Act, 42 U.S.C. § 7413(d)(5).

19. The effective date of this CAFO shall be the day it is filed with the Regional Hearing Clerk.

20. This CAFO shall terminate when Respondents have satisfied all of the terms and conditions of this CAFO.

**In The Matter of : Laminated Products, Inc.
Docket No. CAA-5-2001-03.
Consent Agreement and Final Order.**

LAMINATED PRODUCTS, INC
KENOSHA, WISCONSIN

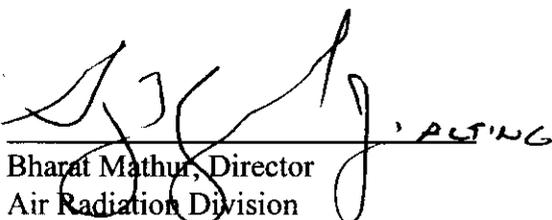


Robert Block, President

11-08-01

Date

REGION 5
U.S. ENVIRONMENTAL PROTECTION AGENCY
COMPLAINANT



ALTING

Bharat Mathur, Director
Air Radiation Division

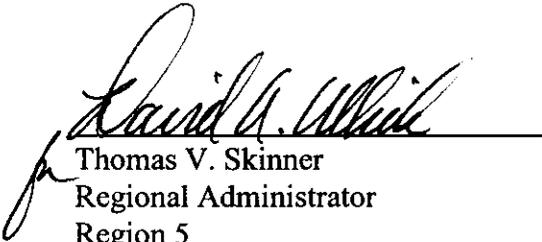
11/19/01

Date

**In The Matter of : Laminated Products, Inc.
Docket No. CAA-5-2001-03.
Consent Agreement and Final Order.**

FINAL ORDER

The foregoing Consent Agreement is hereby approved and incorporated by reference into this Final Order. The Respondent is hereby ordered to comply with all of the terms and conditions of the Consent Agreement upon the filing of this Consent Agreement and Final Order with the Regional Hearing Clerk.



Thomas V. Skinner
Regional Administrator
Region 5
U.S. Environmental Protection
Agency
77 West Jackson Boulevard
Chicago, Illinois 60604-3590



Date

CERTIFICATE OF SERVICE

I, Shanee Rucker, certify that I hand delivered the original of the Consent Agreement and Final Order, docket number CAA-5-2001-03 to the Regional Hearing Clerk, Region 5, United States Environmental Protection Agency, and that I mailed correct copies by first-class, postage prepaid, certified mail, return receipt requested, to:

Robert Block, President
Laminated Products, Inc.
5718 - 52nd Street
Kenosha, Wisconsin 53144

and to:

William S. Roush, Attorney
Davis & Kuelthau, S.C.
111 E. Kilbourn Suite 1400
Milwaukee, Wisconsin 53202-6613

by placing them in the custody of the United States Postal Service addressed as follows:

on the 19th day of November, 2001.

Shanee Rucker
Shanee Rucker
AECAS (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 7099 3400 0000 9586 1982