



STATE OF MISSISSIPPI
PHIL BRYANT
GOVERNOR
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
GARY C. RIKARD, EXECUTIVE DIRECTOR

November 5, 2014

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Kelly Warnock
Calvert Company Inc, The
120 Aztec Drive
Richland, MS 39218

**Re: Calvert Company Inc, The
Agreed Order No. 6473 14**

Dear Ms. Warnock:

Enclosed you will find a copy of Agreed Order No. 6473 14, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Gary Rikard, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Mohammad Yassin at (601) 961-5195.

Sincerely,

A handwritten signature in blue ink that reads "Chris Sanders".

Chris Sanders, P.E.
Chief, Environmental Compliance and Enforcement Division

Enclosure
cc: Mohammad Yassin

Agency Interest No. 9431
ENF20140002

BEFORE THE MISSISSIPPI COMMISSION
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO.

6473 14

CALVERT COMPANY INC
120 AZTEC DRIVE
RICHLAND, MISSISSIPPI 39218

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Calvert Company Inc, Respondent, in the above captioned cause and agree as follows:

1.

By letter dated July 9, 2014, Respondent was contacted by Complainant and notified of the following violations at its facility located at 120 Aztec Drive, Richland, Mississippi in Rankin County:

A. *40 CFR §262.34(b)(3) Hazardous Waste Labeling:*
While being accumulated on-site, each container and tank must be labeled or marked clearly with the words, "Hazardous Waste"

Two plastic transfer containers at the plating area were not labeled as hazardous waste. In addition, one 55-gallon drum adjacent to the painting booth containing paint waste was not labeled as hazardous waste.

B. *40 CFR § 262.34(a)(1) Management of Containers and by reference 40 CFR § 265.173(b)*

(a) Except as provided in paragraphs (d), (e), and (f) of this section, a generator may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, provided that:

40 CFR § 265.173(b) Management of containers

A container holding hazardous waste must always be closed during storage, except when it is necessary to add or remove waste.

One 55-gallon drum of paint waste adjacent to the painting booth was not closed.

C. 40 CFR § 262.34(c)(2) Accumulation time

(c) A generator may accumulate as much as 55 gallons of hazardous waste or one quart of acutely hazardous waste listed in § 261.31 or § 261.33(e) in containers at or near any point of generation where wastes initially accumulate which is under the control of the operator of the process generating the waste, without a permit or interim status and without complying with paragraph (a) or (d) of this section...

A hazardous waste drum with an accumulation time date of July 4, 2014, was found outside the 90-day storage area. The drum had not exceeded the 90-day storage limit; however, the drum must be moved from the satellite accumulation area to the storage area within 72 hours upon being declared full.

D. 40 CFR § 262.34(a)(1) Accumulation time and by reference 40 CFR § 265.174(d).

(a) Except as provided in paragraphs (d), (e), and (f) of this section, a generator may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, provided that....

40 CFR § 265.174(d) Inspections

(d) The owner or operator must record inspections in an inspection log or summary. He must keep these records for at least three years from the date of inspection. At a minimum, these records must include the date and time of the inspection, the name of the inspector, a notation of the observations made, and the date and nature of any repairs or other remedial actions.

There were no weekly inspection reports for the 90-day storage area.

E. 40 CFR § 262.34(a)(4) Accumulation time and by reference 40 CFR § 265.51(a)

(a) Except as provided in paragraphs (d), (e), and (f) of this section, a generator may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, provided that:

(4) The generator complies with the requirements for owners or operators in subparts C and D in 40 CFR part 265, with § 265.16, and with all applicable requirements under 40

CFR part 268.

40 CFR § 265.51(a) Purpose and implementation of contingency plan.

(a) Each owner or operator must have a contingency plan for his facility. The contingency plan must be designed to minimize hazards to human health or the environment from fires, explosions, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water.

Respondent did not have a contingency plan.

2.

In lieu of a formal enforcement hearing concerning the violation(s) listed above, Complainant and Respondent agree to settle this matter as follows:

A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$24,034. Respondent shall pay this penalty to MDEQ as follows:

1. Respondent shall remit to MDEQ the amount of \$9,034 within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality

Attn: Jennifer Parish

P.O. Box 2339

Jackson, MS 39225

2. In accordance with the provisions of this Order, Respondent shall be allowed credit against the civil penalty for expenditures of up to \$15,000 toward the implementation of the Supplemental Environmental Project (SEP) referenced and described in Section 2.B. below. Respondent shall receive credit at the rate of one dollar of penalty payment for each dollar of expenditure under the SEP. All SEP expenditures must be certified by Respondent and reported to MDEQ in order for credit to apply. If the expenditures incurred during implementation of the SEP are less than \$15,000, the remaining balance of the \$24,034 penalty will be due on or

before the "SEP Completion Date," which shall be six (6) months from the date of execution of this Agreed Order.

3. The Respondent may, at its option and for a period of up to sixty (60) days after execution of this Agreed Order, notify the Complainant that it will not complete the project described in Section 2.B., below. The Respondent will then pay the Complainant \$15,000 within thirty (30) days of notification to the Complainant.

B. Respondent further understands and agrees that as part of the referenced settlement, Respondent shall comply with the following conditions:

1. Install and operate a solvent recovery system as described in the SEP proposal plan dated October 2, 2014.
2. Any public statement, oral or written, in print, film, or other media, made by Complainant making reference to the SEP shall include the following language: "This project was undertaken in connection with the settlement of an environmental enforcement action taken by the Mississippi Commission on Environmental Quality."

3.

Upon completion of the SEP described in Section 2.B. of this Agreed Order, but no later than the SEP Completion Date, Complainant shall submit to MDEQ a "SEP Completion Report" containing the following information:

1. A detailed description of the SEP as implemented.
2. A description of any problems encountered with the implementation of the SEP and the solutions thereto.
3. Itemized costs, documented by copies of purchase orders, receipts, canceled checks, and/or other evidence of expenses.

4. Certification, signed by a responsible corporate official or Complainant's legal counsel, that Complainant has fully implemented the SEP pursuant to the provisions of this Agreed Order.
5. A description of the environmental and public health benefits resulting from implementation of the SEP.
6. Certification, signed by a responsible corporate official of Complainant, that Complainant did not and will not deduct SEP expenditures from its state or federal income taxes as current operating expenses in 2014 and that Complainant will not receive any state or federal tax credits for these expenditures toward its state or federal income taxes for 2014. Complainant may capitalize the SEP expenditures and depreciate them in 2014 forward.

All submissions as per section 3 of this Order shall be directed to the following address:

Chief, Environmental Compliance & Enforcement Division
Office of Pollution Control
Post Office Box 2261
Jackson, Mississippi 39225

Following receipt of the SEP Completion Report, MDEQ will within sixty (60) days either:

1. Accept the SEP Completion Report; or
2. Reject the SEP Completion Report, notify Respondent, in writing, of deficiencies in the SEP and/or the SEP Completion Report and grant Respondent a reasonable amount of time in which to correct any deficiencies and submit a revised SEP Completion Report. MDEQ may reject the SEP Completion Report if the SEP as performed or the SEP Completion Report as drafted did not satisfy the requirements of this Agreed Order. MDEQ shall not unreasonably withhold approval of the SEP Completion Report so long as the report is consistent with the SEP proposal and the terms of this Agreed Order.

4.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

5.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

6.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

ORDERED, this the 3rd day of NOVEMBER, 2014.

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

BY: Gary C. Rikard
GARY C. RIKARD
EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT
OF ENVIRONMENTAL QUALITY

AGREED, this the 31st day of October, 2014.

CALVERT COMPANY INC,

BY: Kelly Warnock Kelly Warnock

TITLE: General Manager

STATE OF Mississippi

COUNTY OF Hinds

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Kelly Warnock who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the General Manager of the Calvert Company Inc, and is authorized to sign and enter this Agreement.

SWORN AND SUBSCRIBED BEFORE ME, this the 31st day of October, 2014.

Margaret A. Conn
NOTARY PUBLIC

My Commission expires: June 27, 2017

