

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY**

IN THE MATTER OF:

AFIN: 60-06094

LIS No. 22-040

AMERICAN STRUCTURE INC.
3709 PHYLLIS STREET
NORTH LITTLE ROCK, AR 72118

CONSENT ADMINISTRATIVE ORDER

This Consent Administrative Order (CAO) is issued pursuant to the authority delegated under the federal Clean Air Act, 42 U.S.C. § 7401 *et seq.*, and the federal regulations issued thereunder. In addition, this CAO is issued pursuant to the authority of the Arkansas Water and Air Pollution Control Act (the Act), Ark. Code Ann. § 8-4-101 *et seq.*, the Removal of Asbestos Material Act, Ark. Code Ann. § 20-27-1001 *et seq.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Regulation 7, APC&EC Regulation 8, and APC&EC Regulation 21.

The issues herein having been settled by agreement of American Structure Inc. (Respondent) and the Director of the Division of Environmental Quality¹ (DEQ), it is hereby agreed and stipulated that the following FINDINGS OF FACT and ORDER AND AGREEMENT be entered.

FINDINGS OF FACT

1. Beginning on July 26, 2021, and ending on July 29, 2021, Respondent demolished or caused to be demolished a structure located at 3805 MacArthur Drive, North Little Rock, Pulaski County, Arkansas 72118 (Site).

¹ Pursuant to Act 910 of 2019, the Arkansas Transformation and Efficiencies Act, the former Arkansas Department of Environmental Quality is now the Division of Environmental Quality in the newly created Arkansas Department of Energy and Environment.

2. Ark. Code Ann. § 20-27-1007(2) and (4) provides:

It shall be unlawful for any person:

...

(2) To participate in any response action, demolition, or renovation contrary to the rules or orders issued under this subchapter or contrary to the Arkansas Water and Air Pollution Control Act, § 8-4-101 *et seq.*, and the Arkansas Solid Waste Management Act, § 8-6-201 *et seq.*, and the rules promulgated thereunder, whether or not such person is required to have a license or certificate pursuant to this subchapter;

...

(4) To violate any provision of this subchapter or any rule or order adopted or issued under this subchapter.

3. Ark. Code Ann. § 8-4-103(c)(1)(A) provides, “Any person that violates any provision of this chapter and rules, permits, or plans issued pursuant to this chapter may be assessed an administrative civil penalty not to exceed ten thousand dollars (\$10,000) per violation.”

4. Pursuant to Ark. Code Ann. § 8-4-103(c)(1)(B) as referenced by Ark. Code Ann. § 20-27-1002(a), “Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment.”

5. The structure(s) in question constitutes a “facility” as defined in APC&EC Regulation 21, Chapter 4.

6. Respondent meets the definition of an “owner or operator of a demolition or renovation activity” as defined in APC&EC Regulation 21, Chapter 4.

7. APC&EC Reg. 21.501 requires an owner or operator of a demolition, renovation, or response action, such as Respondent, to conduct, or have conducted, a thorough inspection of the affected facility, or part of the facility, for the presence of asbestos, including category I and category II non-friable asbestos, prior to the commencement of the demolition, renovation, or response action.

8. APC&EC Reg. 21.601 requires that for any demolition of a facility or facility component, the owner or operator shall submit a written NOI to the DEQ by either hand-delivery, post-marked by U.S. Postal Service, or post-marked by commercial delivery service at least ten (10) working days before any demolition activity begins.

9. On July 29, 2021, DEQ received a complaint alleging demolition activities at the Site.

10. On July 29, 2021, DEQ personnel conducted a complaint investigation of the Site.

11. During the investigation, DEQ personnel observed evidence of demolition activity. Respondent stated that it had removed the roof from the structure.

12. DEQ personnel requested a copy of the asbestos inspection report for the Site. Respondent stated they failed to conduct or have conducted a thorough asbestos inspection of the affected facility prior to demolition activities. Such failure violates APC&EC Reg. 21.501, and therefore violates Ark. Code Ann. § 20-27-1007(4).

13. DEQ personnel requested a copy of the NOI for the Site. Respondent stated they failed to submit an NOI to DEQ and did not have a copy of the NOI at the time of the investigation. Such failure violates APC&EC Reg. 21.601, and therefore violates Ark. Code Ann. § 20-27-1007(4).

14. On August 10, 2021, DEQ received by hand-delivery, an asbestos inspection report and NOI (Number 14611) pertaining to demolition activities conducted by Respondent at the Site.

15. The asbestos inspection report indicated that samples collected at the Site on July 29, 2021, contained asbestos. See Table below.

Collected Samples Containing Asbestos, July 29, 2021			
SAMPLE NUMBER	ASBESTOS	LOCATION	MATERIAL
SRI-01a (Layer #1)	2% Chrysotile	Restroom Area Wall	Joint Compound
SRI-01c (Composite Analysis)	<1% Chrysotile	Restroom Area Wall	SR/JC Composite
SRI-02a (Layer #1)	2% Chrysotile	Restroom Area Wall	Joint Compound
SRI-02c (Composite Analysis)	<1% Chrysotile	Restroom Area Wall	SR/JC Composite

16. A review of the NOI by DEQ personnel revealed deficiencies regarding Engineering Controls, Waste Transporter, and Waste Site information.

17. On August 13, 2021, DEQ sent Respondent a Notice of Deficiency regarding the NOI and requested that they submit a revised NOI.

18. On August 20, 2021, DEQ received Respondent's revised NOI. A review of the NOI indicated that demolition activities started on July 26, 2021, and ended on July 29, 2021. Thus, the NOI was not received at least ten (10) working days before demolition activities began. Such act violates APC&EC Reg. 21.601, and therefore violates Ark. Code Ann. § 20-27-1007(4).

19. In correspondence dated October 20, 2021, DEQ informed Respondent of the compliance issues identified during the investigation of the Site that was conducted on July 29, 2021. This was intended to provide Respondent with the opportunity to review the violations and submit any additional information Respondent deemed appropriate regarding the compliance issues.

20. In correspondence dated November 10, 2021, DEQ informed Respondent that a formal enforcement action is proceeding for the compliance issues associated with the Site.

Original

ORDER AND AGREEMENT

WHEREFORE, Respondent, neither admitting nor denying the factual and legal allegations contained in this CAO, and DEQ do hereby agree and stipulate as follows:

1. Within 90 calendar days of the effective date of this CAO, an employee/owner of Respondent shall satisfactorily complete an approved asbestos Two-Hour Arkansas Regulatory Awareness training course provided by an Arkansas licensed provider. The course shall adequately address the topics outlined in APC&EC Reg.21.1907.

2. Within ten (10) calendar days of completing the asbestos Two-Hour Arkansas Regulatory Awareness training course referenced in Paragraph 1 of the ORDER AND AGREEMENT of this CAO, Respondent shall submit a copy of the course completion certificate to:

DEQ, Office of Air Quality
- Enforcement Section
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317.

3. In compromise and full settlement for instances of noncompliance specified in the FINDINGS OF FACT, Respondent agrees to pay the sum of **TWO THOUSAND THREE HUNDRED TWENTY DOLLARS (\$2,320.00)**. Payment is due within thirty (30) calendar days of the effective date of this CAO. Such payment shall be made payable to:

DEQ, Fiscal Division
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317.

In the event that Respondent fails to pay the civil penalty within the prescribed time, DEQ shall be entitled to attorneys' fees and costs associated with collection.

4. All applicable submissions required by this CAO are subject to approval by DEQ.

In the event of any deficiency, Respondent shall, within fifteen (15) calendar days of notification by DEQ, submit any additional information requested. Failure to respond adequately to the notice of deficiency within fifteen (15) calendar days constitutes a failure to meet a deadline and is subject to the civil penalties established in the following Paragraph.

5. Failure to meet the limits, requirements, or deadlines of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any limits, requirements, or deadlines, Respondent shall pay, on demand, to DEQ civil penalties according to the following schedule:

- | | |
|--|----------------|
| (a) First day through the fourteenth day: | \$100 per day |
| (b) Fifteenth day through the thirtieth day: | \$500 per day |
| (c) More than thirty days: | \$1000 per day |

Stipulated penalties shall be paid within thirty (30) calendar days of receipt of DEQ's demand to Respondent for such penalties. These stipulated penalties may be imposed for delay in scheduled performance and shall be in addition to any other remedies or sanctions that may be available to DEQ by reason of Respondent's failure to comply with the requirements of this CAO. DEQ reserves its rights to collect other penalties and fines pursuant to its enforcement authority in lieu of the stipulated penalties set forth above.

6. If any event, including, but not limited to, an occurrence of nature, causes or may cause a delay in the achievement of compliance by Respondent with the requirements or deadlines of this CAO, Respondent shall notify DEQ in writing as soon as reasonably possible after it is apparent that a delay will result, but in no case after the due dates have passed. The notification shall describe in detail the anticipated length of the delay, the precise cause of the delay, the measures being taken and to be taken to minimize the delay, and the timetable by which those measures will be implemented.

7. DEQ may grant an extension of any provision of this CAO, provided that Respondent requests such an extension in writing and provided that the delay or anticipated delay has or will be caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period, but in no event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without the fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Failure to notify DEQ promptly, as provided in the previous Paragraph of the ORDER AND AGREEMENT, shall be grounds for a denial of an extension.

8. This CAO is subject to public review and comment in accordance with Ark. Code Ann. § 8-4-103(d), and therefore is not effective until thirty (30) calendar days after public notice of the CAO is given. DEQ retains the right and discretion to rescind this CAO based on comments received within the thirty (30) day public comment period.

9. As provided by APC&EC Regulation 8, this matter is subject to being reopened upon Commission initiative or in the event a petition to set aside this CAO is granted by the Commission.

10. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws.

11. Nothing in this CAO shall be construed as a waiver by DEQ of its enforcement authority over alleged violations not specifically addressed herein. In addition, this CAO neither exonerates Respondent from any past, present, or future conduct that is not expressly addressed herein, nor does it relieve Respondent of the responsibilities for obtaining any necessary permits.

12. By virtue of the signature appearing below, the individual represents that he/ she

is an Officer of Respondent being duly authorized to execute and bind Respondent to the terms contained herein.

SO ORDERED THIS 29TH DAY OF MARCH, 2022.

Julie Linck
JULIE LINCK, CHIEF ADMINISTRATOR
ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY

APPROVED AS TO FORM AND CONTENT:

AMERICAN STRUCTURE INC.

BY: Gerardo Guzman (Signature)

Gerardo Guzman (Typed or printed name)

TITLE: President

DATE: 3/21/2022