

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

IN THE MATTER OF:

AFIN: 21-00079

LIS No. 25-001

SAF-HOLLAND, INC.  
1103 SOUTH MAIN STREET  
DUMAS, ARKANSAS 71639

**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.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Rule 7, APC&EC Rule 8, APC&EC Rule 18, and APC&EC Rule 19.

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

**FINDINGS OF FACT**

1. Respondent owns and operates a facility that produces truck suspension systems located at 1103 South Main Street in Dumas, Desha County, Arkansas.
2. The Air Permit referenced in this CAO is 1951-AR-7 (the Permit). The Permit was issued on May 14, 2019.
3. Ark. Code Ann. § 8-4-217(a)(3) provides:

(a) It shall be unlawful for any person to:

...

(3) Violate any provisions of this chapter or of any rule or order adopted by the Arkansas Pollution Control and Ecology Commission under this chapter or of a permit issued under this chapter by DEQ;

4. 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.”

5. Pursuant to Ark. Code Ann. § 8-4-103(c)(1)(B) as referenced by Ark. Code Ann. § 8-4-304, “Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment.”

6. On January 4, 2024, DEQ personnel conducted a full compliance inspection of Respondent’s facility. The inspection covered the reporting period of October 2021 through November 2023.

7. Specific Condition 8 of the Permit states that Respondent shall maintain monthly records to demonstrate compliance with Specific Condition 7. Respondent shall update these records by the fifteenth day of the month following the month to which the records pertain. The twelve-month rolling totals and each individual month’s data shall be maintained on-site and made available to DEQ personnel upon request.

8. General Condition 5 of the Permit states that Respondent must keep records for five years to enable DEQ to determine compliance with the terms of this Permit such as hours of operation, throughput, upset conditions, and continuous monitoring data. DEQ may use the records, at the discretion of DEQ, to determine compliance with the conditions of the Permit.

9. During the inspection, it was discovered that Respondent failed to maintain the twelve-month rolling totals and each individual month's data from October 2021 through December 2022. Such a failure violates Specific Condition 8 and General Condition 5 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304. Respondent's failure to maintain the twelve-month rolling totals and each individual month's data inhibits DEQ's ability to determine Respondent's compliance with Specific Condition 7 of the Permit.

10. Specific Condition 9 of the Permit states that the materials used at each source at the facility shall not exceed the Volatile Organic Compound (VOC) or Hazardous Air Pollutant (HAP) content listed in the condition. The manufacturer's material safety data sheet (MSDS) or equivalent shall be maintained on-site to demonstrate compliance with this Specific Condition.

11. During the inspection, it was discovered that Respondent failed to maintain records of which material was used at each source at the facility. Such a failure violates Specific Condition 9 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

12. Specific Condition 10 of the Permit states that Respondent shall maintain monthly records for the South Plant, Parts Spray Washing (SN-02), the South Plant, Dip Painting (SN-03), the South Plant, Touch-Up Painting (SN-04), the North Plant, Parts Spray Washing (SN-06), the North Plant, Dip Painting (SN-07), and the North Plant, Paint Booth (SN-08) to demonstrate compliance with Specific Condition 9. Respondent shall update these records by the fifteenth day of the month following the month to which the records pertain. The twelve-month rolling totals and

each individual month's data shall be maintained on-site and made available to DEQ personnel upon request.

13. During the inspection, it was discovered that Respondent failed to maintain the twelve-month rolling totals and each individual month's data for SN-02, SN-03, SN-04, SN-06, SN-07, and SN-08 from October 2021 through November 2023. Such a failure violates Specific Condition 10 and General Condition 5 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304. Respondent's failure to maintain the twelve-month rolling totals and each individual month's data hinders DEQ's ability to determine Respondent's compliance with Specific Condition 9 of the Permit.

14. In a letter dated February 2, 2024, DEQ informed Respondent of the compliance issues identified during the inspection conducted on January 4, 2024. This letter was intended to give Respondent an opportunity to review the issues identified and submit any additional information Respondent deemed appropriate.

15. In correspondence dated April 4, 2024, DEQ informed Respondent that formal enforcement action was proceeding regarding this matter.

### **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 thirty (30) calendar days of the effective date of this CAO, Respondent shall submit the records required by Specific Condition 8 of the Permit. The records shall be submitted on a monthly basis for a period of three (3) months beginning with the month following the effective

date of this CAO.

2. To demonstrate compliance with Specific Condition 9 of the Permit, Respondent shall submit documentation of which material is used at each source and the VOC or HAP content for each material. This documentation shall be submitted within thirty (30) calendar days of the effective date of this CAO.

3. Within thirty (30) calendar days of the effective date of this CAO, Respondent shall submit the records required by Specific Condition 10 of the Permit. The records shall be submitted on a monthly basis for a period of three (3) months beginning with the month following the effective date of this CAO.

4. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of **SIXTEEN THOUSAND EIGHT HUNDRED DOLLARS (\$16,800.00)**. Payment is due within thirty (30) calendar days after the effective date of this CAO. Such payment shall be made payable to:

DEQ, Fiscal Services  
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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. As provided by APC&EC Rule 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.

11. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws. Except as specifically provided herein, nothing contained in this CAO shall be deemed in any way to relieve Respondent of responsibilities contained in the Permit.

12. 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 relieves Respondent of the responsibilities for obtaining any necessary permits.

13. By virtue of the signature appearing below, the individual represents that he or she is an Officer of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than an Officer of Respondent shall be accompanied by a resolution granting signature authority to that individual as duly ratified by the governing body of the entity.

SO ORDERED THIS 8 DAY OF January, 2024. 2025

Bailey Taylor  
BAILEY TAYLOR  
CHIEF ADMINISTRATOR OF ENVIRONMENT AND DEQ DIRECTOR  
ARKANSAS DEPARTMENT OF ENERGY & ENVIRONMENT

APPROVED AS TO FORM AND CONTENT:

SAF-HOLLAND, INC.

BY: Rebecca Beckham (Signature)

Rebecca Beckham (Typed or printed name)

TITLE: Plant Manager

DATE: 12/26/24