

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

IN THE MATTER OF:

AFIN: 27-00064

LIS No. 25-048

STELLA-JONES CORPORATION
-LEOLA POLE YARD
10080 HIGHWAY 229 NORTH
LEOLA, AR 72084

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, now codified at 8 CAR § 10-101 *et seq.*, APC&EC Rule 8 (8 CAR § 11-101 *et seq.*), APC&EC Rule 18 (8 CAR § 40-101 *et seq.*), APC&EC Rule 19 (8 CAR § 41-101 *et seq.*), and APC&EC Rule 26 (8 CAR § 42-101 *et seq.*).

The issues herein having been settled by agreement of Stella-Jones Corporation -Leola Pole Yard (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 wood utility pole yard located at 10080 Highway 229 North in Leola, Grant County, Arkansas.
2. There are two air permits referenced in this CAO. 1667-AOP-R0 (Permit R0) was

issued on December 20, 2022, and voided on December 14, 2023. 1667-AOP-R1 (Permit R1) was issued on December 14, 2023.

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. An inspection was conducted on May 17, 2024, with the inspection reporting period of December 2022 through April 2024.

7. General Provision 7 of Permit R0 and Permit R1 states Respondent must submit reports of all required monitoring every six (6) months. If the permit establishes no other reporting period, the reporting period shall end on the last day of the month six months after the issuance of the initial Title V permit and every six months thereafter. The report is due on the first day of the second month after the end of the reporting period. The first report due after issuance of the initial Title V permit shall contain six months of data and each report thereafter shall contain twelve (12) months of data. The report shall contain data for all monitoring requirements in effect during the reporting period. If a monitoring requirement is not in effect for the entire reporting period, only those months of data in which the monitoring requirement was in effect are required to be reported.

The report must clearly identify all instances of deviations from permit requirements. A responsible official as defined in APC&EC Rule 26.2 must certify all required reports.

8. During the inspection, a review of DEQ's 2019 Compliance Monitoring Database found that Respondent failed to timely submit two (2) Semi-Annual Monitoring (SAM) Reports that were due on or before August 1, 2023, and February 1, 2024, respectively. On August 2, 2024, the August 1, 2023 SAM report was received by DEQ and on August 14, 2024, the February 1, 2024 SAM report was delivered to DEQ. Such failures violate General Provision 7 of Permit R0 and R1 and therefore violate Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

9. General Provision 21 of Permit R0 and Permit R1 states Respondent shall submit a compliance certification with the terms and conditions contained in the permit, including emission limitations, standards, or work practices. Respondent must submit the compliance certification annually. If the permit establishes no other reporting period, the reporting period shall end on the last day of the anniversary month of the initial Title V permit. The report is due on the first day of the second month after the end of the reporting period. Respondent must also submit the compliance certification to the Administrator as well as to DEQ. All compliance certifications required by this permit must include the following:

- a. The identification of each term or condition of the permit that is the basis of the certification;
- b. The compliance status;
- c. Whether compliance was continuous or intermittent;
- d. The method(s) used for determining the compliance status of the source, currently and over the reporting period established by the monitoring requirements of this permit; and

- e. Such other facts as DEQ may require elsewhere in Respondent's permit or by 42 U.S.C §§ 7414(a)(3) and 7661c(b).

10. During the inspection, a review of the DEQ Annual Compliance Certification (ACC) database found that Respondent failed to submit the ACC Report that was due on or before the February 1, 2024 deadline. On August 14, 2024, the February 1, 2024 ACC report was received by DEQ. Such a failure violates General Provision 21 of Permit R0 and Permit R1 and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

11. A compliance letter was sent to Respondent on June 12, 2024. No response to the compliance letter has been received at this time.

12. In correspondence dated August 20, 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. This CAO addresses all violations referenced in the FINDINGS OF FACT.
2. In compromise and full settlement for instances of noncompliance specified in the FINDINGS OF FACT, Respondent agrees to pay the sum of **FOUR THOUSAND EIGHT HUNDRED DOLLARS (\$4,800.00)**. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. As provided by APC&EC Rule 8, now codified at 8 CAR § 11-101, *et seq.*, 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.

9. 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.

10. 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.

11. 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 21 DAY OF May, 2025.

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

APPROVED AS TO FORM AND CONTENT:

STELLA-JONES CORPORATION

BY: James Perry (Signature)

James Perry (Typed or printed name)

TITLE: Manager

DATE: 5/12/2025