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JUL 1 3 2005

STATE OF ILLINOIS Pollution Control Board

OFFICE OF THE ATTORNEY GENERAL STATE OF ILLINOIS

Lisa Madigan ATTORNEY GENERAL

July 11, 2005

The Honorable Dorothy Gunn Illinois Pollution Control Board James R. Thompson Center, Ste. 11-500 100 West Randolph Chicago, Illinois 60601

Re: People v. Decatur Foundry PCB No. 04-139

Dear Clerk Gunn:

Enclosed for filing please find the original and ten copies of a NOTICE OF FILING, MOTION FOR RELIEF FROM HEARING REQUIREMENT and STIPULATION AND PROPOSAL FOR SETTLEMENT in regard to the above-captioned matter. Please file the originals and return file-stamped copies of the documents to our office in the enclosed self-addressed, stamped envelope.

Thank you for your cooperation and consideration.

Very truly yours Telemene

Delbert D. Haschemeyer Environmental Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-9031

DDH/pp Enclosures

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PEOPLE OF THE STATE OF ILLINOIS,

Complainant,

vs.

DECATUR FOUNDRY, INC., an Illinois corporation,

No. 04- 139 (Enforcement-Land)

Respondent.

NOTICE OF FILING

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To: Mr. Samuel R. Postlewait Winters, Featherstun, Gaumer, Postlewait, Stocks & Flynn 225 North Water Street P.O. Box 1760 Decatur, IL 62525

PLEASE TAKE NOTICE that on this date I mailed for filing with the Clerk of the Pollution

Control Board of the State of Illinois, a MOTION FOR RELIEF FROM HEARING REQUIREMENT

and STIPULATION AND PROPOSAL FOR SETTLEMENT, copies of which are attached hereto

and herewith served upon you.

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS

LISA MADIGAN, Attorney General of the State of Illinois

MATTHEW J. DUNN, Chief Environmental Enforcement/Asbestos Litigation Qivision

BY:

DELBERT D. HASCHEMEYER Assistant Attorney General Environmental Bureau

500 South Second Street Springfield, Illinois 62706 217/782-9031 Dated: July 11, 2005 RECEIVED CLERK'S OFFICE

JUL 13 2005

STATE OF ILLINOIS Pollution Control Board

CERTIFICATE OF SERVICE

I hereby certify that I did on July 11, 2005, send by First Class Mail, with postage thereon fully prepaid, by depositing in a United States Post Office Box a true and correct copy of the following instruments entitled NOTICE OF FILING, MOTION FOR RELIEF FROM HEARING REQUIREMENT and STIPULATION AND PROPOSAL FOR SETTLEMENT:

To: Mr. Samuel R. Postlewait Winters, Featherstun, Gaumer, Postlewait, Stocks & Flynn 225 North Water Street P.O. Box 1760 Decatur, IL 62525

and the original and ten copies by First Class Mail with postage thereon fully prepaid of the

same foregoing instrument(s):

To: Dorothy Gunn, Clerk Illinois Pollution Control Board James R. Thompson Center Suite 11-500 100 West Randolph Chicago, Illinois 60601

A copy was also sent by First Class Mail with postage thereon fully prepaid to:

Carol Webb Hearing Officer Illinois Pollution Control Board 1021 North Grand Avenue East Springfield, IL 62794

DELBERT D. HÁSČHEMEYER Assistant Attorney General

This filing is submitted on recycled paper.

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CLERK'S OFFICE

STATE OF ILLINOIS

Pollution Control Board

PEOPLE OF THE STATE OF ILLINOIS,

Complainant,

vs.

DECATUR FOUNDRY, INC., an Illinois corporation,

No. 04- 139 (Enforcement-Land)

Respondent.

MOTION FOR RELIEF FROM HEARING REQUIREMENT

NOW COMES Complainant, PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, Attorney General of the State of Illinois, and pursuant to Section 31(c)(2) of the Illinois Environmental Protection Act ("Act"), 415 ILCS 5/31(c)(2) (2004), moves that the Illinois Pollution Control Board grant the parties in the above-captioned matter relief from the hearing requirement imposed by Section 31(c)(1) of the Act, 415 ILCS 5/31(c)(1) (2004). In support of this motion, Complainant states as follows:

1. The parties have reached agreement on all outstanding issues in this matter.

2. This agreement is presented to the Board in a Stipulation and Proposal for Settlement, filed contemporaneously with this motion.

3. All parties agree that a hearing on the Stipulation and Proposal for Settlement is not necessary, and respectfully request relief from such a hearing as allowed by Section 31(c)(2) of the Act, 415 ILCS 5/31(c)(2) (2004).

WHEREFORE, Complainant, PEOPLE OF THE STATE OF ILLINOIS, hereby requests that the Board grant this motion for relief from the hearing requirement set forth in Section 31(c)(1) of the Act, 415 ILCS 5/31(c)(1) (2004).

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS LISA MADIGAN ATTORNEY GENERAL

MATTHEW J. DUNN, Chief Environmental Enforcement/Asbestos Litigation Division

BY: ne

DELBERT D. HASCHEMEYER Environmental Bureau Assistant Attorney General

500 South Second Street Springfield, Illinois 62706 217/782-9031 Dated: July 11, 2005

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PEOPLE OF THE STATE OF ILLINOIS,

Complainant,

vs.

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DECATUR FOUNDRY, INC., an Illinois corporation,

PCB 04-139 (Enforcement - Land)

Respondent.

STIPULATION AND PROPOSAL FOR SETTLEMENT

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PEOPLE OF THE STATE OF ILLINOIS,

Claimant,

vs.

DECATUR FOUNDRY, INC., an Illinois corporation, PCB 04-139 (Enforcement - Land)

Respondent.

STIPULATION AND PROPOSAL FOR SETTLEMENT

Complainant, PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, Attorney General of the State of Illinois, the Illinois Environmental Protection Agency ("Illinois EPA"), and DECATUR FOUNDRY, INC. ("Respondent"), represented by counsel, Winters, Featherstun, Gaumer, Postlewait, Stocks & Flynn, have agreed to the making of this Stipulation and Proposal for Settlement ("Stipulation") and submit it to the Illinois Pollution Control Board ("Board") for approval. The parties agree that the statement of facts contained herein is made and agreed upon for purposes of settlement only and that neither the fact that a party has entered into this Stipulation, nor any of the facts stipulated herein, shall be introduced into evidence in any other proceeding regarding the claims asserted in the Complaint except as otherwise provided herein. If the Board approves and enters this Stipulation, Respondent agrees to be bound by the Stipulation and Board Order and not to contest their validity in any subsequent proceeding to implement or enforce their terms.

I. JURISDICTION

II. AUTHORIZATION

The undersigned representatives for each party certify that they are fully authorized by the

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STATE OF ILLINOIS Pollution Control Board party whom they represent to enter into the terms and conditions of this Stipulation and to legally bind them to it.

III. STATEMENT OF FACTS

A. Parties

1. On February 6, 2004, a Complaint was filed on behalf of the People of the State of Illinois by Lisa Madigan, Attorney General of the State of Illinois, on her own motion and upon the request of the Illinois EPA, pursuant to Section 31 of the Act, 415 ILCS 5/31 (2002), against the Respondent.

2. The Illinois EPA is an administrative agency of the State of Illinois, created pursuant to Section 4 of the Act, 415 ILCS 5/4 (2002).

3. At all times relevant to the Complaint, Respondent was and is an Illinois corporation that is authorized to transact business in the State of Illinois.

B. Site Description

At all times relevant to the Complaint, Respondent owned and operated a foundry facility

located at 1745 North Illinois Street, Decatur, Macon County, Illinois ("site").

C. Allegations of Non-Compliance

Complainant contends that the Respondent has violated the following provisions of the Act

and Pollution Control Board regulations, 35 ILCS 100 et seq. (2002) ("Board Regulations"):

Count I: Failed to determine if waste was hazardous waste in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 722.111;

Failed to properly contain and mark waste accumulation in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 722.134(a)(1), (2) and (3);

Shipped hazardous waste without proper manifest and annual reports, 415 ILCS 5/21 (2002) and 35 III. Adm. Code 722.120, 722.140 and 722.141; and

Improperly storing and disposing of hazardous waste, 415 ILCS

5/21(e) (2002).

Count II: Failed to analyze waste in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.113(a) and (b);

Failed to inspect waste areas in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.115(a), (b) and (d);

Failed to train personnel in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.116(a);

Failed to test and maintain equipment in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.133;

Failed to make emergency arrangements with local authorities with local authorities in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.137;

Failed to develop and maintain a contingency plan in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.151 and 725.153;

Failed to provide an on-scene emergency coordinator in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.155;

Failed to keep an operating record in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.173;

Failed to submit an annual report in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.175;

Failed to provide a closure plan, a post closure plan and a cost estimate and financial assurance for closure in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.212(a), 725.218(a), 725.242(a) and 725.243(a);

Operated without conducting inspections in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.274;

Failed to install two or more liners and a leachate collection and removal system in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 725.401(a);

Count III: Disposal of baghouse dust and cupola waste as non-special waste without first certifying that the waste was not special waste in violation of 415 ILCS 5/22.48 (2002) and 35 III. Adm. Code 808.121(a); and

Count IV: Operated a hazardous waste facility and stored and

disposed of hazardous waste without submitting a Resource Conservation and Recovery Act (RCRA) Part A permit application and without an RCRA permit in violation of 415 ILCS 5/21 (2002) and 35 III. Adm. Code 703.121(a) and 703.150.

D. Admission of Violations

The Respondent represents that it has entered into this Stipulation for the purpose of settling and compromising disputed claims without having to incur the expense of contested litigation. By entering into this Stipulation and complying with its terms, the Respondent does not affirmatively admit the allegations of violation within the Complaint and referenced within Section III.C herein, and this Stipulation shall not be interpreted as including such admission.

E. Compliance Activities to Date

Following discovery of alleged non-compliance in the course of a Compliance Assistance Survey in April, 2001, and subsequent Compliance Evaluation Inspection in May, 2001, Respondent, in consultation with Illinois EPA, and with the assistance of a consulting professional engineer licensed in the State of Illinois, acted to identify and eliminate alleged non-compliance with respect to testing, containing, marking, storing, and disposal of hazardous waste, and assuring that compliance was achieved regarding waste analysis, inspection of waste areas, personnel training, testing and maintenance of equipment, emergency arrangements with local authorities, maintenance of a contingency plan, and annual reporting for required years. Respondent ultimately removed and properly disposed of contaminated soil, pursuant to terms outlined within an approved RCRA Closure Plan, with closure successfully completed, as set forth in a final closure report submitted to the Illinois EPA on February 15, 2003. A follow up inspection of Respondent's facility was conducted by an Illinois EPA inspector on December 11, 2002, and no violations were observed.

IV. APPLICABILITY

This Stipulation shall apply to and be binding upon the Complainant and the Respondent, and any officer, director, agent, or employee of the Respondent, as well as any successors or assigns of the Respondent. The Respondent shall not raise as a defense to any enforcement action taken pursuant to this Stipulation the failure of any of its officers, directors, agents, employees or successors or assigns to take such action as shall be required to comply with the provisions of this Stipulation.

No change in ownership, corporate status or operator of the facility shall in any way alter the responsibilities of the Respondent under this Stipulation and Proposal for Settlement. In the event of any conveyance of title, easement or other interest in the facility, the Respondent shall continue to be bound by and remain liable for performance of all obligations under this Stipulation.

V. COMPLIANCE WITH OTHER LAWS AND REGULATIONS

This Stipulation in no way affects the responsibilities of the Respondent to comply with any other federal, state or local laws or regulations including, but not limited to, the Act and the Board regulations, 35 III. Adm. Code, Subtitles A through H.

VI. IMPACT ON THE PUBLIC RESULTING FROM ALLEGED NON-COMPLIANCE

Section 33(c) of the Act, 415 ILCS 5/33(c) (2002), provides as follows:

In making its orders and determinations, the Board shall take into consideration all the facts and circumstances bearing upon the reasonableness of the emissions, discharges, or deposits involved including, but not limited to:

- 1. the character and degree of injury to, or interference with the protection of the health, general welfare and physical property of the people;
- 2. the social and economic value of the pollution source;
- the suitability or unsuitability of the pollution source to the area in which it is located, including the question of priority of location in the area involved;

- 4. the technical practicability and economic reasonableness of reducing or eliminating the emissions, discharges or deposits resulting from such pollution source; and
- 5. any subsequent compliance.

In response to these factors, the parties state the following:

- 1. human health and the environment were threatened;
- 2. there is social and economic benefit to the facility;
- 3. operation of the facility was suitable for the area in which it occurred;
- 4. compliance with the requirements alleged to have been violated was and is both technically practicable and economically reasonable; and
- 5. Respondent has subsequently complied with the Act and the Board Regulations.

VII. CONSIDERATION OF SECTION 42(h) FACTORS

Section 42(h) of the Act, 415 ILCS 5/42(h) (2002), provides as follows:

In determining the appropriate civil penalty to be imposed under . . . this Section, the Board is authorized to consider any matters of record in mitigation or aggravation of penalty, including but not limited to the following factors:

- 1. the duration and gravity of the violation;
- 2. the presence or absence of due diligence on the part of the respondent in attempting to comply with requirements of this Act and regulations thereunder or to secure relief therefrom as provided by this Act;
- 3. any economic benefits accrued by the respondent because of delay in compliance with requirements, in which case the economic benefits shall be determined by the lowest cost alternative for achieving compliance;
- the amount of monetary penalty which will serve to deter further violations by the respondent and to otherwise aid in enhancing voluntary compliance with this Act by the respondent and other persons similarly subject to the Act;
- 5 the number, proximity in time, and gravity of previously adjudicated

violations of this Act by the respondent;

- 6. whether the respondent voluntarily self-disclosed, in accordance with subsection I of this Section, the non-compliance to the Agency; and
- 7. whether the respondent has agreed to undertake a "supplemental environmental project," which means an environmentally beneficial project that a respondent agrees to undertake in settlement of an enforcement action brought under this Act, but which the respondent is not otherwise legally required to perform.

In response to these factors, the parties state as follows:

1. Complainant alleged violations were ongoing and had been for some time prior to discovery by the Illinois EPA during an RCRA Compliance Evaluation Inspection conducted April 12th, April 19th, May 9th and May 30, 2001.

2. Respondent was diligent in attempting to come back into compliance with the Act,

Board Regulations and applicable federal regulations, once the Illinois EPA notified it of its noncompliance.

3. Respondent received an economic benefit as a result of the alleged storing and disposing of waste as non-hazardous, thus avoiding the cost associated with management and disposal of its waste as hazardous waste.

4. Complainant has determined, based upon the specific facts of this matter, that a penalty of Forty Thousand Dollars (\$40,000.00) will serve to deter further violations and aid in future voluntary compliance with the Act and Board Regulations.

5. To Complainant's knowledge, Respondent has no previously adjudicated violations of the Act.

6. Self-disclosure is not at issue in this matter.

7. The settlement of this matter does not include a supplemental environmental project.

VIII. TERMS OF SETTLEMENT

A. Penalty Payment

1. The Respondent shall pay a civil penalty in the sum of Forty Thousand Dollars (\$40,000.00) as follows: \$25,000.00 to be paid within thirty (30) calendar days of the entry of the Board's Order accepting this Stipulation; \$5,000.00 to be paid within 7 months of the entry of the Board Order; \$5,000.00 to be paid within 13 months of the entry of the Board Order; and \$5,000.00 to be paid within 19 months of the entry of the Board Order.

The penalty described in this Stipulation shall be paid by certified check, money order or electronic funds transfer payable to the Illinois EPA, designated to the Illinois Environmental Protection Trust Fund ("EPTF") and submitted to:

Illinois Environmental Protection Agency Fiscal Services Section 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62794-9276

The name and number of the case and Respondent's Federal Employer Identification Number (FEIN), 37-0628065, shall appear on the check. A copy of the certified check, money order or record of electronic funds transfer and any transmittal letter shall be sent to:

> Delbert D. Haschemeyer Assistant Attorney General Environmental Bureau 500 South Second Street Springfield, IL 662706

Kyle Davis Assistant Counsel Illinois Environmental protection Agency 1021 North Grand Avenue East P.O. Box 19276 Springfield, IL 62794-9276

2. Pursuant to Section 42(g) of the Act, 415 ILCS 5/42(g) (2002), interest shall accrue

on any payment not paid within the time period prescribed above at the maximum rate allowable under Section 1003(a) of the Illinois Income Tax Act, 36 ILCS 5/1003 (2002). Interest on any unpaid payment shall begin to accrue from the date the payment is due and continue to accrue until the date payment is received. When partial payment(s) are made, such partial payment shall be first applied to any interest on unpaid payment then due and owing. All interest on payment owed shall be paid by certified check, money order or electronic funds transfer, payable to the Illinois EPA, designated to the Illinois Environmental Protection Trust Fund and delivered to the address and in the manner describe above.

3. For purposes of payment and collection, Respondent may be reached at the following address:

Decatur Foundry, Inc. 1745 N. Illinois Street Decatur, IL 62526 Telephone: (217) 429-5261 Facsimile: (217) 425-2834

With a copy of any written notice to:

R. Samuel Postlewait, Attorney Winters, Featherstun, Gaumer, Postlewait, Stocks & Flynn 225 N. Water, Suite 200 P.O. Box 1760 Decatur, IL 62525-1760 Telephone: (217) 429-4453 Facsimile: (217) 425-8892

4. In the event of default of this Section VIII.A, the Complainant shall be entitled to all available relief including, but not limited to, reasonable costs of collection and reasonable attorney's fees.

B. Future Use

Notwithstanding any other language in this Stipulation to the contrary, and in consideration of the mutual promises and conditions contained in this Stipulation, including the Release from Liability contained in Section VIII.D below, the Respondent hereby agrees that this Stipulation may be used against the Respondent in any subsequent enforcement action or permit proceeding as proof of a past adjudication of violation of the Act and the Board Regulations promulgated thereunder for all violations alleged in the Complaint in this matter, for purposes of Section 39(a) and (i) and/or 42(h) of the Act, 415 ILCS 5/39(a) and (i) and/or 5/42(h) (2002). Further, Respondent agrees to waive any rights to contest, in any subsequent enforcement action or permit proceeding, any allegations that these alleged violations were adjudicated.

C. Cease and Desist

The Respondent shall cease and desist from future violations of the Act and Board Regulations that were the subject matter of the Complaint as outlined in Section III.C ("Allegations of Non-Compliance") of this Stipulation.

D. Release from Liability

In consideration of the Respondent's payment of the \$40,000.00 penalty and any specified costs and accrued interest, to Cease and Desist as contained in Section VIII.C. and upon the Pollution Control Board's acceptance and approval of the terms of this Stipulation and Proposal for Settlement, the Complainant releases, waives and discharges the Respondent from any further liability or penalties for violations of the Act and Board Regulations that were the subject matter of the Complaint herein. The release set forth above does not extend to any matters other than those expressly specified in Complainant's Complaint filed on February 6, 2004. The Complainant reserves, and this Stipulation is without prejudice to, all rights of the State of Illinois against the Respondent with respect to all other matters, including but not limited to, the following:

- a. criminal liability;
- b. liability for future violation of state, federal, local, and common laws and/or regulations;
- c. liability for natural resources damage arising out of the alleged violations;

and

d. liability or claims based on the Respondent's failure to satisfy the requirements of this Stipulation.

Nothing in this Stipulation is intended as a waiver, discharge, release, or covenant not to sue for any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the State of Illinois or the Illinois EPA may have against any person, as defined by Section 3.315 of the Act, 415 ILCS 5/3.315 (2002), or entity other than the Respondent.

E. Right of Entry

In addition to any other authority, the Illinois EPA, its employees and representatives, and the Attorney General, her agents and representatives, shall have the right of entry into and upon the Respondent's facility which is the subject of this Stipulation, at all reasonable times for the purposes of carrying out inspections. In conducting such inspections, the Illinois EPA, its employees and representatives, and the Attorney General, her employees and representatives may take photographs, samples, and collect information, as they deem necessary.

F. Enforcement of Board Order

1. Upon the entry of the Board's Order approving and accepting this Stipulation and Proposal for Settlement, that Order is a binding and enforceable order of the Illinois Pollution. Control Board and may be enforced as such through any and all available means.

2. Respondent agrees that notice of any subsequent proceeding to enforce the Board Order approving and accepting this Stipulation and Proposal for Settlement may be made by mail and waives any requirement of service of process.

3. The parties agree that, if the Board does not approve and accept this Stipulation and Proposal for Settlement, then neither party is bound by the terms herein.

4. It is the intent of the Complainant and Respondent that the provisions of this Stipulation and Proposal for Settlement and any Board Order accepting and approving such shall

be severable, and should any provision be declared by a court of competent jurisdiction to be inconsistent with state or federal law, and therefore unenforceable, the remaining clauses shall remain in full force and effect.

WHEREFORE, Complainant and Respondent request that the Board adopt and accept the foregoing Stipulation and Proposal for Settlement as written.

PEOPLE OF THE STATE OF ILLINOIS,

LISA MADIGAN Attorney General State of Illinois

MATTHEW J. DUNN, Chief Environmental Enforcement/ Asbestos Litigation Division

BY:

THOMAS DAVIS, Chief Environmental Bureau Assistant Attorney General

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

BY:

WILLIAM D. INGERSOLL Acting Chief Legal Counsel

DECATUR FOUNDRY, INC., an Illinois corporation

BY: TERRY R.YOUNC Chief Executive Officer

DATE:

23/05

DATE: June 21, 200.

DATE: 2/1/05