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STATE AIR POLLUTION CONTROL BOARD
ENFORCEMENT ACTION - ORDER BY CONSENT
ISSUED TO
FLEETWOOD HOMES, INC.
Registration No. 30952

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Fleetwood Homes, Inc., regarding the Fleetwood Homes, Inc. manufactured housing plant in Rocky Mount, Virginia, for the purpose of resolving certain violations of the Virginia Air Pollution Control Law and the applicable permit(s) and regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia, as described in Va. Code §§ 10.1-1184 and -1301.

2. "BRRO" means the Blue Ridge Regional Office of DEQ, located in Roanoke, Virginia.

3. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia, as described in Va. Code § 10.1-1183.

4. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.

5. "Facility" means the Fleetwood Homes, Inc. manufactured housing plant located at 90 Weaver Street in Rocky Mount, Virginia, which is owned and operated by Fleetwood.

6. "Fleetwood" means Fleetwood Homes, Inc., a corporation authorized to do business in Virginia and its affiliates, partners, and subsidiaries. Fleetwood is a "person" within the meaning of Va. Code § 10.1-1300.

7. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.

8. "Order" means this document, also known as a "Consent Order" or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.

9. "PCE" means a partial compliance evaluation by DEQ staff.

10. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.

11. "Permit" means a New Source Review permit to operate a stationary source of air pollution, which was issued on June 1, 2007 under the Virginia Air Pollution Control Law and the Regulations to the predecessor of Fleetwood for operation of the Facility. On August 17, 2009, Fleetwood purchased the Facility. On September 8, 2009, the Permit was transferred to Fleetwood upon Fleetwood's request.

12. "Va. Code" means the Code of Virginia (1950), as amended.

13. "VAC" means the Virginia Administrative Code.

14. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 *et seq.*) of Title 10.1 of the Va. Code.

SECTION C: Findings of Fact and Conclusions of Law

1. Fleetwood owns and operates the Facility, a manufactured housing plant in Rocky Mount, Virginia.

2. The Permit authorizes Fleetwood to operate a stationary source of air pollution. The Permit contains conditions and enumerates limitations on the air emissions from the Facility and includes monitoring and recordkeeping requirements. Equipment specified in the Permit includes a spray booth and miscellaneous wood working and other equipment to build chassis, floor walls and tops. Emissions controls include fabric filter controls for particulate emissions from wood working operations and dry filters for control of emissions from the spray booth.

3. On July 30, 2015, Department staff conducted a full compliance inspection of the Facility for compliance with the requirements of the Virginia Air Pollution Control Law, the

Permit, and the Regulations. Based on the inspection and follow-up information, Department staff made the following observations:

a. The monitoring device for the fabric filter was not in operation.

b. A log of observations for the pressure differential across the fabric filter was not available.

c. Paint residue from the chassis painting operation indicated that painting was occurring outside the confines of the spray booth.

d. A log of observations for the pressure differential across the dry filters of the spray booth was not available.

e. Records of scheduled and nonscheduled maintenance on the fabric filter and spray booths were not available. Records of operator training were not available.

f. Because both the paint booth and fabric filter were not operated properly, a record of malfunction should have been made for the operating deficiencies.

4. Condition 3 of the Permit requires that the fabric filter be equipped with a device to continuously measure the differential pressure drop across the fabric filter.

5. Condition 4 of the Permit requires that the device used to continuously measure the differential pressure drop across the fabric filter shall be observed by the permitee with a frequency of not less than once per day and that the permitee keep a log of the observations from the monitoring device.

6. Condition 5 of the Permit requires that all chassis painting be conducted inside the spray booth and that the spray booth be in operation when applying paint.

7. Condition 8 of the Permit requires that the device used to continuously measure differential pressure drop across the dry filters be observed by the permitee with a frequency of not less than once per day and that the permitee keep a log of the observations from the monitoring device.

8. Condition 24 of the Permit requires that the permitee develop a maintenance schedule and maintain records of scheduled and non-scheduled maintenance, train operators in the proper operation of all such equipment, and maintain records of the training.

9. Condition 25 of the Permit requires that the permitee maintain records of the occurrence and duration of any bypass, malfunction, shutdown for failure of the facility or its associated air pollution control equipment.

10. 9 VAC 5-80-260(A)(1) states that "Pursuant to §10.1-1322 of the Code of Virginia, failure to comply with any condition of a permit shall be considered a violation of the Virginia Air Pollution Control Law."

11. Va. Code §10.1-1322 states that "Failure to comply with any condition of a permit shall be considered a violation of the chapter and investigations and enforcement actions may be pursued in the same manner as is done with regulations and orders of the Board under the provisions of this chapter."

12. On August 31, 2015, based on the July 30, 2015 full compliance inspection, the Department issued NOV No. ABRRO000256 to Fleetwood for the violations described in paragraph C(3) above.

13. On October 20, 2015, Fleetwood submitted a written response to the NOV. The response indicated that Fleetwood has corrected all of the deficiencies noted in the NOV.

14. Based on the results of the July 30, 2015 full compliance inspection, the Board concludes that Fleetwood has violated Permit conditions 3, 4, 5, 8, 24 and 25, 9 VAC 5-80-260(A)(1), and Va. Code §10.1-1322 as described in paragraph C(3) above.

15. Fleetwood has submitted documentation that verifies that the violations described in paragraph C(3) have been corrected.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §§ 10.1-1309 and -1316, the Board orders Fleetwood, and Fleetwood agrees to pay a civil charge of $14,219.00 within 30 days of the effective date of the Order in settlement of the violations cited in this Order.

Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," and delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Fleetwood shall include its Federal Employer Identification Number (FEIN) 27-0560677 with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF). If the Department has to refer collection of moneys due under this Order to the Department of Law, Fleetwood shall be liable for attorneys' fees of 30% of the amount outstanding.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Fleetwood for good cause shown by Fleetwood, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.

2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.

3. For purposes of this Order and subsequent actions with respect to this Order only, Fleetwood admits the jurisdictional allegations, findings of fact, and conclusions of law contained herein.

4. Fleetwood consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.

5. Fleetwood declares it has received fair and due process under the Administrative Process Act and the Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.

6. Failure by Fleetwood to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.

7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.

8. Fleetwood shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other unforeseeable circumstances beyond its control and not due to a lack of good faith or diligence on its part. Fleetwood shall demonstrate that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Fleetwood shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are

occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:

a. the reasons for the delay or noncompliance;

b. the projected duration of any such delay or noncompliance;

c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and

d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which the parties intend to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto and any successors in interest, designees and assigns, jointly and severally.

10. This Order shall become effective upon execution by both the Director or his designee and Fleetwood. Nevertheless, Fleetwood agrees to be bound by any compliance date which precedes the effective date of this Order.

11. This Order shall continue in effect until:

    a. The Director or his designee terminates the Order after Fleetwood has completed all of the requirements of the Order;

    b. Fleetwood petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or

    c. the Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to Fleetwood.

    Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Fleetwood from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

12. Any plans, reports, schedules or specifications attached hereto or submitted by Fleetwood and approved by the Department pursuant to this Order are incorporated into this Order.

Any non-compliance with such approved documents shall be considered a violation of this Order.

13. The undersigned representative of Fleetwood certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Domion to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Fleetwood.

14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.

15. By its signature below, Fleetwood voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 8th day of February, 2016.

Robert J. Weld, Regional Director
Department of Environmental Quality

Fleetwood voluntarily agrees to the issuance of this Order.

Date: 1/28/16 By: _____
Fleetwood Homes, Inc.

Commonwealth of Virginia
City/County of Franklin

The foregoing document was signed and acknowledged before me this 28th day of January, 2016, by Dennis Jones, who is General Manager, on behalf of the corporation.

Erin Elaine Hairston
Notary Public

7524085
Registration No.

My commission expires: 01-31-2019

Notary seal:

ERIN ELAINE HAIRSTON
NOTARY PUBLIC
REG. #7524085
MY COMMISSION EXPIRES 1/31/20__
COMMONWEALTH OF VIRGINIA