

**PENALTY COMPUTATION WORKSHEET
SUBJECT TO FINAL APPROVAL**

Violator's Name: North Florida Shipyards (EPA ID #FLD 093 598 548)

Address: 2060 E. Adams Street, Jacksonville, FL 32202

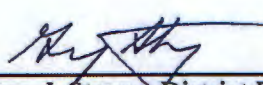


Name of Department Staff Responsible for the Penalty Computations:
Luke S. Lewis

Date: 10/5/2018

PART I - PENALTY DETERMINATIONS

REVISED 06-13-2019 (LJ)

Violation Type	RCRA Guideline	ELRA Schedule	ENVIRONMENTAL Harm	Extent of Dev.	Matrix Amount	Adjustments	Total
1 40 CFR 279.22(c): Used oil containers not labeled "Used Oil."	UO146		3+2+0+1+0=6 Minor	Always Major	\$500 \$850		\$850
2 40 CFR 262.17(a)(5)(i)(C): Containers did not have accumulation start dates.	HW4		4+5+0+1+0=10 Minor	Major for no shipments offsite	\$3,190		\$3,190
3* 62-730.160(4), FAC: Inadequate aisle space.	HW15		4+8+0+1+0=13 Moderate	Major for 3 deep or more	\$10,000*		\$10,000*
4 40 CFR 262.17(a): More than 90 days without shipment.	HW217		4+8+0+1+0=13 Moderate	Moderate for 30-180 days over accum. time	\$9,210	\$384	\$9,594
5 40 CFR 262.17(a)(5)(i)(A): Container not properly labeled.	HW5		4+2+0+1+0=7 Minor	Minor for 0-10% not labeled	\$150 \$430		\$430
6 40 CFR 279.22(d): Used oil releases.	UO140		3+2+8+2+0=15 Moderate	Always Major	\$3,900	\$87	\$3,987
7 40 CFR 262.15(a)(4): Satellite containers not kept closed.	HW10		4+2+0+1+0=7 Minor	Always Major	\$2,130 \$3,190		\$3,190
8 40 CFR 262.15(a)(5): Satellite containers not properly labeled.	HW6		Always Minor	Always Minor	combined with #5		\$0
9 40 CFR 273.13(d)(1): Container of universal waste was not kept closed.	UW37		Minor for no release	Minor for <10 bulbs	combined with #7		\$0
10 40 CFR 273.14(e): Container of universal waste was not properly labeled.	UW38		Always Minor	Minor for <10 bulbs	combined with #5		\$0
11 62-710.401(6), FAC: Used oil containers not on secondary con./open con.	UO144		3+8+0+1+0=12 Minor	Always Major	\$850	\$105	\$955
12 40 CFR 262.42(a)(2): No signed return copy or exception report.	HW113		4+5+0+1+0=10 Minor	Moderate for LQG to fail to file	\$710 \$1,420		\$1,420

Violation Type	RCRA Guideline	ELRA Schedule	ENVIRONMENTAL Harm	Extent of Dev.	Matrix Amount	Adjustments	Total
13 40 CFR 262.20(a): Mismanaging and evaporating hazardous waste.	HW117		4+5+0+1+0=10 Minor	Major for LQG with no docs.	\$3,190	\$2,844	\$6,034
14 40 CFR 262.11: Not making hazardous waste determinations.	HW216		4+5+0+2+0=11 Minor	Always Major	\$3,190	\$23.70	\$3,214
15 40 CFR 262.251: Minimization of the possibility of fire or release of hazardous waste.	HW51		4+1+6+1+0=12 Minor	Major for LQG	\$3,190 ^{62,130}	Included with #6	\$3,190
16 40 CFR 273.15(c): Container of universal waste was not dated.	UW42		Minor for SQH	Always Moderate	combined with #2		\$0
17 40 CFR 262.252(c): Not all the required equipment was present.	HW52		4+2+0+1+0=7 Minor	Minor for some equipment	\$430 ⁺¹⁵⁰	\$37.50	\$468
3** Note: Violation #3 penalty amount revised IAW DEP 923 Directive, paragraph #6. Please see attached Directive.				Subtotals:	\$3,040 ^{+39,300}	\$3,481.20	\$46,521 ^{+42,789}
				Total Penalties for all violations:			\$46,521
				Department Costs:			\$500
 Gregory, J. Strong, District Director  Michael Halpin, Assistant Deputy Secretary, Regulatory				January 14, 2019 Date		^{42,781} REVISED 06-03-2019 	
				01/15/2019		Date	
Peer Reviewed by Division: Yes (X) No () N/A ()							

PART II - MULTI-DAY PENALTIES AND ADJUSTMENTS

<u>Adjustments</u>	<u>Amount</u>
Good faith prior to discovery: _____	\$0
Justification: _____	
Good faith after discovery: _____	\$0
Justification: _____	
History of non-compliance: _____	\$0
Justification: _____	
Economic benefit of non compliance: _____ Refer descriptions and calculations below.	\$3,481.20
Justification: _____ Refer to descriptions and calculations below.	
Ability to pay: _____	\$0
Justification: _____	
Total Adjustments:	\$3,481.20

EB = AC(1-T) + DC(I) = \$2,844 + \$384 + \$87 + \$105 + \$23.70 + \$37.50 = \$3,481.20

AC = Avoided Costs – expenditures nullified by violator’s failure to comply (Operating and Maintenance costs)

DC = Delayed Costs – expenditures deferred by violator’s failure to comply (Capital Costs)

T = Corporate Tax Rate = 21% (in 2018)

I = Interest rate charged by IRS for delinquent accounts = 3% (in 2018)

Avoided Costs (AC) for Violation 13:

Violation 13: The facility managed HW shop rags as non-HW oily shop rags & evaporated a small amount of liquid paint. Cost estimate of properly disposing of HW shop rags: \$300 for one 55-gallon drum of HW shop rags every 90 days for 3 years = 4 drums x 3yrs x \$300 = \$3,600. Facility added paint in open containers to existing HW drum.

AC = \$3,600(0.79) = \$2,844

Delayed Costs (DC) for Violations 4, 6, 11, 14, 15 and 17:

Violation 4: The facility had 32 drums of HW that had accumulated for >90 days in the HWAA. Cost estimate of properly managing 32 55-gallon drums: \$400 per drum (avg cost estimated) x 32 = \$12,800 **DC = \$12,800(0.03) = \$384**

Violations 6, 15: The facility did not cleanup 3 used oil (UO) spills, a spill of spent diesel & a spill of spent blast media. Cost estimate of inhouse labor to cleanup & properly manage waste from 5 releases: UO - \$250 labor x 3 spill sites = \$750; \$300 disposal per non-HW drum x 6 drums = \$1,800. Other spills - \$25 labor x 2 sites = \$50; \$150 per 1/2 drum disposal x 2 = \$300. Sum: \$750 + \$1,800 + \$50 + \$300 = \$2,900 **DC = \$2,900(0.03) = \$87**

Violation 11: The facility did not have secondary containment for 11 drums & 4 totes of UO. Cost estimate for secondary containment for 11 drums and four totes: \$300 per 4-drum spill pallet x 3 = \$900; \$1,300 per 2-tote spill pallet x 2 = \$2,600. Sum: \$900 + \$2,600 = \$3,500 **DC = \$3,500(0.03) = \$105**

Violation 14: The facility did not make HW determinations on spent antifreeze or two 55-gallon drums of waste in a solid waste dumpster. Other waste listed in report had existing waste profiles for disposal. Cost estimate: Antifreeze - TCLP analysis shown in report = \$130 + \$210 + 40 = \$380; Waste in dumpster - TCLP analysis shown in report = \$130 x 2 drums = \$260; Sampling Labor = \$150. **DC = \$380 + \$260 + \$150 = \$790(0.03) = \$23.70**

Violation 17: The facility did not have required equipment near drums of HW in 2 areas. Cost estimate of 2 eyewash stations, a fire extinguisher and 2 spill kits: \$50 per eyewash x 2 = \$100; \$500 per spill kit x 2 = \$1,000; 1 fire extinguisher \$150. Sum: \$100 + \$1,000 + \$150 = \$1,250 **DC = \$1,250(0.03) = \$37.50**

MULTI-DAY PENALTIES

Number of days adjustment factor(s) to be applied:

Justification: _____ \$ -

Or

Number of days matrix amount is to be multiplied:

Justification: _____ \$ -

Comments: _____

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PART III - OTHER ADJUSTMENTS MADE AFTER MEETING WITH THE RESPONSIBLE PARTY

ADJUSTMENT

Dollar Amount

Relative merits of the case:

(\$3,740.00)

Resource Considerations:

Other Justification:

Adjustments made to penalty matrix amount for violations 1, 5, 7, 12, 15 and 17.
(06-03-2019)

Date

6/11/19

Gregory J. Strong, District Director