UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Certified Mail No. 7016 1370 0000 2234 6684
Return Receipt Requested

Prabhakar Somavarapu
10030 Goethe Road
Sacramento, CA 95827

SEP - 7 2018

**RE: Consent Agreement and Final Order**
**In the Matter of Sacramento Regional County Sanitation District**

Dear Mr. Somavarapu:

Please find enclosed a copy of the final executed Consent Agreement and Final Order (CA/FO) negotiated between the United States Environmental Protection Agency, Region IX, and the Sacramento Regional County Sanitation District (Regional Sanitation). This CA/FO sets out the terms for resolution of the Clean Air Act Section 112(r) and the Comprehensive Environmental Response, Compensation, and Liability Act Section 103(a) violations discovered during a routine compliance evaluation inspection at the Sacramento Regional Wastewater Treatment Plan located at 8521 Laguna Station Road, Elk Grove, California. Regional Sanitation's full compliance with the terms of this CA/FO will close this case. If you have any questions regarding the regulations governing your operations or the rules which govern the proceedings terminated by the enclosed document, please have your counsel contact Rebekah Reynolds, in the Office of Regional Counsel, at (415) 972-3916.

Sincerely,

Enrique Manzanilla, Director
Superfund Division

Enclosure

cc (via email): Rebekah Reynolds, Assistant Regional Counsel
U.S. EPA, reynolds.rebekah@epa.gov

Donald Nixon, Chemical Engineer
U.S. EPA, nixon.donald@epa.gov

Ruben Robles, Director of Operations
Regional San, roblesr@sacsewer.com

** FILED **
07SEP2018 - 04:00PM
U.S.EPA - Region 09

**UNITED STATES**
**ENVIRONMENTAL PROTECTION AGENCY**
**REGION IX**

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| **IN THE MATTER OF:** | ) | **Docket No.** |
| | ) | CAA(112r)-09-2018-0007 |
| | ) | CERCLA(103)-09-2018-0001 |
| Sacramento Regional County Sanitation District, | ) | |
| | ) | **CONSENT AGREEMENT AND FINAL ORDER PURSUANT TO 40 C.F.R. §§ 22.13 and 22.18** |
| Respondent. | ) | |

## CONSENT AGREEMENT

### A. PRELIMINARY STATEMENT

1. This is a civil administrative enforcement action instituted pursuant to Section 113(a)(3)(A) and (d) of the Clean Air Act ("CAA"), as amended, 42 U.S.C. §§ 7413(a)(3)(A) and (d), Section 109 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), as amended, 42 U.S.C. § 9609, and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits ("Consolidated Rules"), 40 C.F.R. Part 22. Complainant is the United States Environmental Protection Agency, Region IX ("EPA"). Respondent is the Sacramento Regional County Sanitation District ("Respondent").

2. This Consent Agreement and Final Order ("CA/FO"), pursuant to 40 C.F.R. §§ 22.13 and 22.18, simultaneously commences and concludes this proceeding, wherein EPA alleges that Respondent violated Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), Section 103 of CERCLA, 42 U.S.C. § 9603, and their respective implementing regulations.

### B. GENERAL ALLEGATIONS

3. Respondent owns and operates the the Sacramento Regional Wastewater Treatment Plant located at 8521 Laguna Station Road, Elk Grove, California ("Facility"). The Facility treats

wastewater collected from unincorporated Sacramento County; the Cities of Sacramento, Folsom, West Sacramento, Elk Grove, Rancho Cordova, and Citrus Heights, and the communities of Courtland and Walnut Grove.

4. On May 19, 2016, EPA performed an inspection pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), Sections 304-312 of EPCRA, 42 U.S.C. §§ 11004-12, and Section 103 of CERCLA, 42 U.S.C. § 9603(a). Based upon the information gathered during this inspection and subsequent investigation, EPA determined that Respondent violated certain provisions of the CAA and CERCLA.

**i. CAA Section 112(r)**

5. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and its implementing regulations, owners and operators of stationary sources at which a regulated substance is present in more than a threshold quantity ("TQ") must prepare and implement a risk management plan ("RMP") to detect and prevent or minimize accidental releases of such substances from the stationary source, and to provide a prompt emergency response to any such releases in order to protect human health and the environment.

6. Respondent is subject to the powers vested in the EPA Administrator by Section 113 of the CAA, 42 U.S.C. § 7413.

7. Section 113 of the CAA, 42 U.S.C. § 7413, authorizes EPA to assess civil penalties for any violation of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

8. The Administrator of EPA delegated the authority to sign consent agreements memorializing settlements of enforcement actions under the CAA to Regional Administrators with EPA delegation 7-6-A, dated August 4, 1994. The Regional Administrator, EPA Region IX, in turn, redelegated this authority with respect to enforcement of Section 112(r) of the CAA, 42

U.S.C. § 7412(r), to the Director of the Superfund Division, as well as the Director of the Enforcement Division, Region IX, with delegation R9 1265.05A, dated February 11, 2013.

9. In a letter dated December 9, 2016, the United States Department of Justice granted EPA a waiver from the condition specified in Section 113(d) of the CAA, 42 U.S.C. § 7413(d), that the first alleged date of violation occurred no more than one year before the initiation of the administrative action, to allow EPA to pursue certain administrative actions for violations of 40 C.F.R. Part 68, promulgated pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r). This administrative action falls within the scope of this waiver.

10. At all times relevant to this CA/FO, Respondent is a "person" as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

11. The Facility is a "stationary source" as defined by Sections 111(a)(3) and 112(a)(3) of the CAA, 42 U.S.C. §§ 7411(a)(3) and 7412(a)(3).

12. At all times relevant to this CA/FO, Respondent has been the "owner or operator" of the Facility as defined by Sections 111(a)(5) and 112(a)(9) of the CAA, 42 U.S.C. §§ 7411(a)(5) and 7412(a)(9).

13. Pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), EPA established a TQ for each "regulated substance" above which a facility shall be subject to the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r). For substances designated as "regulated toxic substances" or "regulated flammable substances," the TQs are specified at 40 C.F.R. § 68.130, Tables 1 and 3.

14. Chlorine is a "regulated toxic substance" listed under Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), with a TQ of 2,500 pounds. 40 C.F.R. § 68.130, Table 1.

15. Sulfur Dioxide is a "regulated toxic substance" listed under Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), with a TQ of 5,000 pounds. 40 C.F.R. § 68.130, Table 1.

16. Methane is a "regulated flammable substance" listed under Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), with a TQ of 10,000 pounds. 40 C.F.R. § 68.130, Table 3.

17. At all times relevant to this CA/FO, Respondent has 2,500 pounds or more of chlorine in one or more processes at its Facility.

18. At all times relevant to this CA/FO, Respondent has 5,000 pounds or more of sulfur dioxide in one or more processes at its Facility.

19. At all times relevant to this CA/FO, Respondent has 10,000 pounds or more of methane at one or more processes at its Facility.

20. Respondent's Gas Management System ("GMS") includes Digesters 1 through 11, the methane gas collection system, compressors, boilers, scrubbers, burners, and all related piping and instrumentation and controls.

**ii. CERCLA Section 103**

21. Section 103(a) of CERCLA, 42 U.S.C. § 9603(a), and 40 C.F.R. § 302.6 require any person in charge of a vessel or an offshore or onshore facility to immediately notify the National Response Center ("NRC") as soon as he or she has knowledge of a release of a hazardous substance that exceeds the reportable quantity ("RQ") during a 24-hour period.

22. The Administrator of EPA delegated enforcement authority under Section 109 of CERCLA, 42 U.S.C. § 9609, to the Regional Administrators with EPA delegation 14-31, dated May 11, 1994. The Regional Administrator, EPA Region IX, in turn, redelegated that authority to the Director of the Superfund Division, Region IX, with delegation R9 1290.16, dated September 29, 1997.

23. At all times relevant to this CA/FO, Respondent has been a "person" as defined by Section 101(21) of CERCLA, 42 U.S.C. § 9601(21).

24. The Facility is an "onshore facility" as defined by Sections 101(18) and 101(9) of CERCLA, 42 U.S.C. §§ 9601(18) and 9601(9).

25. At all times relevant to this CA/FO, Respondent has been the "owner or operator" of the Facility as defined by Section 101(20) of CERCLA, 42 U.S.C. § 9601(20).

26. Chlorine is designated as a "hazardous substance" in Sections 101(14) and 102(a) of CERCLA, 42 U.S.C. §§ 9601(14) and 9602(a), and 40 C.F.R. § 302.4, Table 302.4 and Appendix A to Section 302.4. The RQ for chlorine is 10 pounds.

27. At all times relevant to this CA/FO, Respondent had 10 pounds or more of chlorine in one or more processes at its Facility.

## C. ALLEGED VIOLATIONS

### COUNT I

**(failure to immediately notify the NRC of an October 24, 2013 release of chlorine)**

28. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

29. On October 24, 2013, the Facility released 92 pounds of chlorine.

30. Respondent had actual or constructive knowledge of the release on October 24, 2013.

31. Respondent did not notify the NRC until February 11, 2014, over three months after the release occurred.

32. By failing to immediately notify the NRC as soon as it had knowledge of this release of a RQ of chlorine, Respondent violated Section 103 of CERCLA, 42 U.S.C. § 9603.

### COUNT II

**(failure to immediately notify the NRC of a November 7, 2013 release of chlorine)**

33. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

34. On November 7, 2013, the Facility released 56 pounds of chlorine.

35. Respondent had actual or constructive knowledge of the release on November 7, 2013.

36. Respondent did not notify the NRC until November 21, 2013, two weeks after the release occurred.

37. By failing to immediately notify the NRC as soon as it had knowledge of this release of a RQ of chlorine, Respondent violated Section 103 of CERCLA, 42 U.S.C. § 9603.

## COUNT III

**(failure to immediately notify the NRC of an October 9, 2014 release of chlorine)**

38. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

39. On October 9, 2014, the Facility released 400 pounds of chlorine.

40. Respondent had actual or constructive knowledge of the release on October 9, 2014.

41. Respondent did not notify the NRC until October 14, 2014, four days after the release occurred.

42. By failing to immediately notify the NRC as soon as it had knowledge of this release of a RQ of chlorine, Respondent violated Section 103 of CERCLA, 42 U.S.C. § 9603.

## COUNT IV

**(failure to compile accurate piping and instrument diagrams ("P&IDs"))**

43. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

44. 40 C.F.R. § 68.65(d)(1)(ii) requires that owners or operators compile written information pertaining to the equipment in the process, including P&IDs.

45. EPA identified inaccuracies in 11 of Respondent's P&IDs.

46. By failing to ensure that all of its process P&IDs accurately reflected the design of a covered process as installed in the field, Respondent violated Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.65(d)(1)(ii).

## COUNT V

**(failure to annually certify that its standard operating procedures were current and accurate)**

47. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

48. 40 C.F.R. § 68.69(c) requires owners or operators to review operating procedures as often as necessary to assure that they reflect current operating practice, including changes that result from changes in process chemicals, technology, and equipment, and changes to stationary sources, and to certify annually that these operating procedures are current and accurate.

49. Respondent did not review and certify annually that 19 of its operating procedures for its GMS, one of its covered processes, were current and accurate in 2016.

50. By failing to annually certify that its operating procedures were current and accurate, Respondent violated Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.69(c).

## COUNT VI

**(failure to perform inspections and tests for 20 pieces of process equipment)**

51. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

52. 40 C.F.R. § 68.73(d)(1) requires that owners and operators perform inspections and tests on process equipment.

53. Respondent failed to perform inspections and tests for 20 pieces of process equipment.

54. By failing to perform inspections and tests for 20 pieces of process equipment, Respondent violated Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.73(d)(1).

## COUNT VII

**(failure to establish and implement written procedures to manage change)**

55. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

56. 40 C.F.R. § 68.75(a) requires that owners or operators establish and implement written procedures to manage changes (except for "replacements in kind") to process chemicals, technology, equipment, and procedures; and, changes to stationary sources that affect a covered process.

57. At the time of the inspection, Respondent did not have adequate written procedures for management of change ("MOC"). Specifically, the MOC program improperly exempted changes to be determined to be "low risk" or changes that were similar to a project where an MOC was already completed.

58. By failing to establish and implement adequate written procedures to manage change, Respondent violated Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.75(a).

## COUNT VIII

**(failure to investigate incident)**

59. Paragraphs 1 through 27, above, are incorporated herein by this reference as if they were set forth here in their entirety.

60. 40 C.F.R. § 68.81(a) requires the owner or operator to investigate each incident that resulted in, or could reasonably have resulted in a catastrophic release of a regulated substance.

61. On May 19, 2016, a release of chlorine occurred at the Facility.

62. Respondent did not adequately investigate a May 19, 2016 release of chlorine that could have resulted in a catastrophic release.

63. By failing to adequately investigate an incident, Respondent violated Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.81(a).

## D. CIVIL PENALTY

64. The Complainant proposes that Respondent be assessed, and Respondent agrees to pay **THIRTY-SEVEN THOUSAND EIGHT HUNDRED THIRTY DOLLARS ($37,830.00)**, as the civil penalty for the violations alleged herein.

65. The proposed penalty was calculated in accordance with the "Combined Enforcement Policy for Clean Air Act Sections 112(r)(1), 112(r)(7), and 40 C.F.R. Part 68" dated June 2012, and the "Enforcement Response Policy for Sections 304, 311, and 312 of the Emergency Planning and Community Right-to-Know Act and Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act" dated September 30, 1999, and was adjusted for inflation by the Federal Civil Penalties Inflation Adjustment Act, as amended, and the Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19.

## E. ADMISSIONS AND WAIVERS OF RIGHTS

66. For the purposes of this proceeding, Respondent admits and agrees that EPA has jurisdiction and authority over the subject matter of the action commenced in this CA/FO. Respondent consents to and agrees not to contest EPA's jurisdiction and authority to enter into and issue this CA/FO and to enforce its terms. Further, Respondent will not contest EPA's jurisdiction and authority to compel compliance with this CA/FO in any enforcement proceedings, either administrative or judicial, or to impose sanctions for violations of this CA/FO.

67. Respondent neither admits nor denies any allegations of fact or law set forth in Section C of this CA/FO and does not admit any liability arising out of the occurrences alleged in this CA/FO.

Respondent hereby waives any rights Respondent may have to contest the allegations set forth in this CA/FO, waives any rights Respondent may have to a hearing on any issue relating to the factual allegations or legal conclusions set forth in this CA/FO, including without limitation a hearing, and hereby consents to the issuance of this CA/FO without adjudication. In addition, Respondent hereby waives any rights Respondent may have to appeal the Final Order attached to this Consent Agreement and made part of this CA/FO.

68. Complainant and Respondent agree that settlement of this matter is in the public interest and that entry of this CA/FO without further litigation is the most appropriate means of resolving this matter.

## F. PARTIES BOUND

69. This CA/FO shall apply to and be binding upon Respondent, successors and assigns, until such time as the civil penalty required under Section D (and any additional civil penalty required under Section J), the compliance tasks required under Section G, and any delays in performance and/or stipulated penalties have been resolved. At such time as those matters are concluded, this CA/FO shall terminate and constitute full and complete settlement of the violations alleged herein.

70. No change in ownership or legal status relating to the Facility will in any way alter Respondent's obligations and responsibilities under this CA/FO.

71. Until termination of this CA/FO, Respondent shall give notice of this CA/FO to any successor in interest prior to transfer of ownership or operation of the Facility and shall notify EPA within seven (7) days prior to such transfer.

72. The undersigned representative of Respondent hereby certifies that he or she is fully authorized by Respondent to enter into and execute this CA/FO, and to legally bind Respondent to it.

## G. COMPLIANCE TASKS

73. All submissions required in this section shall be in writing and sent to Donald Nixon, electronically at nixon.donald@epa.gov, or, if a hard copy is requested, to:

Donald Nixon (SFD-9-3)
Superfund Division
U.S. Environmental Protection Agency - Region 9
75 Hawthorne Street
San Francisco, CA 94105.

74. If Respondent is unable to complete any of the compliance tasks required in this Section within the associated schedule, Respondent shall submit a written request, including for the basis for the request, for an extension to EPA. Based on this request, EPA may grant an extension to the aforementioned schedule.

75. P&ID Update. Within one year of the Effective Date of this CA/FO, Respondent shall submit to EPA an update to the P&IDs listed in Table 1 of Attachment A, attached as Attachment A of this CA/FO and incorporated herein by reference, in accordance with the requirements of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.65. Within eighteen months of the Effective Date of this CA/FO, Respondent shall submit to EPA an update to the P&IDs listed in Table 2 of Attachment A, attached as Attachment A of this CA/FO and incorporated herein by reference, in accordance with the requirements of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.65. Upon the completion of this task, Respondent shall submit to EPA a certification that this task has been completed.

76. Digesters 5, 6, and 7 Process Equipment. Respondent shall submit to EPA a certification that all covered process equipment related to Digesters 5, 6, and 7, including related controls and compressors, that are shut down and emptied of regulated material, and then subsequently started up, comply with all RMP requirements. The certification shall be submitted by or prior to the

startup (i.e., prior to adding regulated material(s) to a covered process and beginning operation of the related equipment after the equipment was shut down and emptied).

77. Audit of GMS Upgrade Project. After the completion of the GMS upgrade project but no later than two (2) years after the Effective Date of this CA/FO, Respondent shall complete a third-party audit of the upgraded GMS system to ensure compliance with Section 112(r) of the CAA and its implementing regulations. Respondent shall use the scope of work previously approved by EPA, attached as Attachment B of this CA/FO and incorporated herein by reference. Any changes to this scope of work shall be approved by EPA. As part of the compliance audit, Respondent shall:

(1) Prior to the selection of the third party, submit to EPA the name and qualifications of the third party;

(2) Thirty (30) days prior to the start of the third-party audit, submit to EPA the consultant's Scope of Work to perform the audit, which shall be consistent with the approved scope of work (Attachment B);

(3) Within thirty (30) days of the completion of the compliance audit, submit a copy of a compliance audit report, including recommendations, to EPA;

(4) Within sixty (60) days of the completion of the compliance audit, submit a work plan and schedule for timely implementing the recommendations of the compliance audit to EPA; and

(5) Implement the compliance audit recommendations in accordance with the submitted work plan and schedule.

## H. PAYMENT OF CIVIL PENALTY

78. Respondent consents to the assessment of and agrees to pay civil penalties of **THIRTY-SEVEN THOUSAND EIGHT HUNDRED THIRTY DOLLARS ($37,830.00)** in settlement of the civil penalty claims made in this CA/FO. This CA/FO constitutes a settlement of all claims for

the violations of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and Section 103 of CERCLA, 42 U.S.C. § 9603, alleged in Section C above.

79. Respondent shall pay the civil penalties via separate checks within thirty (30) days of the Effective Date of this CA/FO. The Effective Date of this CA/FO is the date that the Final Order contained in this CA/FO having been approved and issued by the Regional Judicial Officer is filed with the Regional Hearing Clerk.

80. All payments shall indicate the name of the Facility, EPA identification number of the Facility, the Respondent's name and address, and the appropriate EPA docket number of this action. Payment shall be made by corporate, certified, or cashier's checks payable to "Treasurer of the United States" and sent as follows:

Regular Mail:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, MO 63197-9000

Overnight Mail:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
ATTN Box 979077

St. Louis, MO 63101
Contact: Natalie Pearson (314-418-4087)

Alternatively, payment may be made by electronic transfer as provided below:

Wire Transfers:

Wire transfers must be sent directly to the Federal Reserve Bank in New York City with the following information:
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727

SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency"

ACH (also known as REX or remittance express):

Automated Clearinghouse (ACH) for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
Contact - Jesse White (301-887-6548)
ABA = 051036706
Transaction Code 22 - checking
Environmental Protection Agency
Account 31006
CTX Format

On Line Payment:

This payment option can be accessed from the information below:
www.pav.gov
Enter "sfol.l" in the search field
Open form and complete required fields

A copy of each check, or notification that the payment has been made by one of the other methods listed above, including proof of the date payment was made, shall be sent with a transmittal letter, indicating Respondent's name, the case title, and docket number, to both:

Regional Hearing Clerk (RC-1)
U.S. Environmental Protection Agency - Region 9
75 Hawthorne Street
San Francisco, CA 94105

And

Donald Nixon (SFD-9-3)
Superfund Division
U.S. Environmental Protection Agency - Region 9
75 Hawthorne Street
San Francisco, CA 94105.

81. In accordance with the Debt Collection Act of 1982 and U.S. Treasury directive (TFRM 6-8000), failure to send the penalty so that it is received by the due date will result in imposition of

interest from the Effective Date of this CA/FO at the current interest rate published by the U.S. Treasury, as described at 40 C.F.R. §13.11. In addition, a six percent (6%) per annum penalty that will be assessed monthly will be applied on any principal amount not paid within ninety (90) days of the due date.

82. The penalties specified in this CA/FO shall represent civil penalties assessed by EPA and shall not be deducted by Respondent or any other person or entity for federal, state or local taxation purposes.

## I. SUPPLEMENTAL ENVIRONMENTAL PROJECT

83. As a condition of settlement, Respondent shall perform the supplemental environmental projects ("SEPs") specified in this Section. The first project is to enhance the emergency response capabilities of the County of Sacramento Environmental Management Department ("EMD"). The second project is to enhance the emergency response capabilities of the Sacramento Metropolitan Fire District ("Metro Fire"). Performance of the tasks detailed in this Section shall constitute satisfactory performance of the SEPs, which the parties agree are intended to provide significant environmental and/or public health protection and improvements.

84. As the Certified Unified Program Agency for Sacramento County, EMD provides, among other things, emergency response services to Sacramento County. Metro Fire provides fire protection and emergency medical services to all unincorporated areas of Sacramento County. In developing the SEPs, Respondent contacted both EMD and Metro Fire and inquired whether they could utilize emergency planning and preparedness assistance to better plan for and respond to spills or releases or other emergency responses. In response to this inquiry, both EMD and Metro Fire requested that Respondent purchase certain equipment to improve their respective abilities to provide response services.

85. Within one hundred and eighty (180) days of the Effective Date of this CA/FO, Respondent shall purchase the following equipment for EMD: (i) one (1) incident response vehicle that is a four-wheel drive sport utility vehicle, i.e., Chevy Tahoe, Ford Explorer, or similar ($45,000); (ii) ten (10) portable radios with GPS, Motorola APX 4000 ($10,000); and (iii) ten (10) tactical style vests with logo and identifying lettering ($1,500). Upon receipt of the equipment described in this paragraph, Respondent shall make delivery of the equipment to EMD.

86. Within one hundred and eighty (180) days of the Effective Date of this CA/FO, Respondent shall purchase the following equipment for Metro Fire: one (1) HazMatID Elite hand-held FT-IR chemical identifier ($44,000). Upon receipt of the equipment described in this paragraph, Respondent shall make delivery of the equipment to Metro Fire.

87. Respondent shall use all reasonable efforts to provide the equipment described above to EMD and Metro Fire, but may substitute equipment that supports emergency planning and preparedness that is similar in total cost to the equipment described above with the consent of EMD and/or Metro Fire, as appropriate. Any substitution changing the total amount spent is subject to Section K.

88. Respondent shall expend at least ONE HUNDRED THOUSAND FIVE HUNDRED DOLLARS ($100,500) to complete the SEPs described herein.

89. Within sixty days (60) days of completion of the tasks outlined in paragraphs 86 and 87, above, Respondent shall submit a SEP Completion Report to EPA. The SEP Completion Report shall contain the following information: (i) a detailed description of the SEPs as implemented with an accounting showing the amount Respondent expended for the implementation of the SEPs and substantiating documentation, including but not limited to (i) invoices, purchase orders, checks or receipts, and correspondence with EMD and Metro Fire; (ii) a brief, narrative description of the environmental and public health benefits resulting from implementation of the SEPs; and (iii)

certification that the projects have been fully implemented pursuant to the provisions of the CA/FO, as described in further detail below.

90. In the SEP Completion Report, Respondent shall, by one of its officers, sign and certify under penalty of law that the information contained in such document or report is true, accurate, and not misleading by signing the following statement: "I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment." The Final SEP Completion Report shall be submitted via hard copy or electronic mail to:

Donald Nixon (SFD-9-3)
Superfund Division
U.S. Environmental Protection Agency - Region 9
75 Hawthorne Street
San Francisco, CA 94105
Nixon. Donald@epa.gov

91. Failure to complete the SEP Completion Report required herein shall be deemed a violation of this CA/FO and Respondent shall be liable for stipulated penalties pursuant to Section K.

92. With regard to the SEPs, Respondent, by signing this CA/FO, certifies the truth and accuracy of each of the following: (i) that all cost information provided to EPA in connection with EPA's approval of the SEPs is complete and accurate and that Respondent in good faith estimates that the cost to implement the SEPs is at least ONE HUNDRED THOUSAND FIVE HUNDRED

DOLLARS ($100,500); (ii) that, as of the date of this Agreement, Respondent is not required to perform or develop the SEPs by any federal, state, or local law or regulation and is not required to perform or develop the SEPs by agreement, grant, or as injunctive relief awarded in any other action in any forum; (iii) that the SEPs are not projects that Respondent was planning or intending to construct, perform or implement other than in settlement of the claims resolved in this Agreement; (iv) that Respondent has not received and will not receive credit for the SEPs in any other enforcement action; (v) that Respondent will not receive reimbursement for any portion of the SEPs from another person or entity; (vi) that for federal income tax purposes, Respondent will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEPs; and (vii) that Respondent is not a party to any federal financial transaction that is funding or could fund the same activity as the SEPs described in this Agreement and has inquired of both EMD and Metro Fire whether either entity is a party to an open federal financial assistance transaction that is funding or could fund the same activity as the SEPs and has been informed by both EMD and Metro Fire that to their knowledge they are not a party to such a transaction.

93. Any public statement, oral or written, in print, film, or other media, made by Respondent making reference to the SEPs under this CA/FO from the date of Respondent's execution of this CA/FO shall include the following language: "These projects were undertaken in connection with the settlement of an enforcement action taken by the Environmental Protection Agency to enforce federal laws."

## J. DELAY IN PERFORMANCE/STIPULATED PENALTIES

94. In the event Respondent fails to meet any requirement set forth in this CA/FO, Respondent shall pay stipulated penalties as follows: FIVE HUNDRED DOLLARS ($500) per day for the first to fifteenth day of delay, ONE THOUSAND DOLLARS ($1,000) per day for the sixteenth to

thirtieth day of delay, and FIVE THOUSAND DOLLARS ($5,000) per day for each day of delay thereafter. Compliance by Respondent shall include completion of any activity under this CA/FO in a manner acceptable to EPA and within the specified time schedules in and approved under this CA/FO.

95. In the event that Respondent fails to substantially conduct the SEP in accordance with the terms of this CA/FO, Respondent shall pay a stipulated penalty of ONE HUNDRED FIFTY THOUSAND SEVEN HUNDRED FIFTY ($150,750) less any stipulated penalties already paid for failure to submit the SEP Completion Report pursuant to Paragraph 97.

96. If Respondent demonstrates that the SEP tasks described in Section J were completed, but Respondent incurs less than 90 percent of the costs required to be incurred pursuant to Section I, Respondent shall pay a stipulated penalty to the United States that is the difference between ONE HUNDRED THOUSAND FIVE HUNDRED DOLLARS ($100,500) and the actual costs incurred by Respondent toward completion of the tasks described in Section I.

97. If Respondent fails to demonstrate that the SEP tasks in Section I were completed, but EPA determines that the Respondent: (i) made good faith and timely efforts to complete these tasks; and (ii) certifies, with supporting documentation, that at least 90 percent of the costs that were required to be incurred pursuant to Section I were incurred for the SEP tasks described in Section I, Respondent shall not be liable for any stipulated penalty under Section J.

98. For failure to submit the SEP Completion Report required by Section I, Respondent shall pay a stipulated penalty in the amount of FIVE HUNDRED DOLLARS ($500) for each day after the date the SEP Completion Report was due until it is submitted. Stipulated penalties for failure to submit the SEP Completion Report shall begin to accrue on the day after the report is due, and shall continue to accrue through the final day of EPA's receipt of this document. Notwithstanding

the penalty amounts described in this Paragraph, the total stipulated penalty paid by Respondent pursuant to this Paragraph shall not exceed of ONE HUNDRED FIFTY THOUSAND SEVEN HUNDRED FIFTY ($150,750).

99. Stipulated penalties shall begin to accrue on the day after performance is due, and shall continue to accrue through the final day until performance is complete. Respondent shall pay stipulated penalties within fifteen (15) days of receipt of a written demand by Complainant for such penalties. Payment of stipulated penalties shall be made in accordance with the procedure set forth for payment of penalties in Section H of this CA/FO.

100. If a stipulated penalty is not paid in full, interest shall begin to accrue on the unpaid balance at the end of the fifteen-day period at the current rate published by the United States Treasury, as described at 40 C.F.R. §13.11. Complainant reserves the right to take any additional action, including but not limited to, the imposition of civil penalties, to enforce compliance with this CA/FO or with the CAA and its implementing regulations.

101. The payment of stipulated penalties specified in this Section shall not be deducted by Respondent or any other person or entity for federal, state or local taxation purposes.

102. Notwithstanding any other provision of this section, EPA may, in its unreviewable discretion, waive any portion of stipulated penalties that have accrued pursuant to this CA/FO.

## K. RESERVATION OF RIGHTS

103. Except as addressed in this CA/FO, EPA hereby reserves all of its statutory and regulatory powers, authorities, rights and remedies, both legal and equitable, including the right to require that Respondent perform tasks in addition to those required by this CA/FO. EPA further reserves all of its statutory and regulatory powers, authorities, rights and remedies, both legal and equitable, which may pertain to Respondent's failure to comply with any of the requirements of this CA/FO, including without limitation, the assessment of penalties under the CAA, CERCLA or any other

statutory, regulatory or common law enforcement authority of the United States. This CA/FO shall not be construed as a covenant not to sue, release, waiver or limitation of any rights, remedies, powers or authorities, civil or criminal, which EPA has under the CAA, CERCLA or any other statutory, regulatory or common law enforcement authority of the United States.

104. Compliance by Respondent with the terms of this CA/FO shall not relieve Respondent of its obligations to comply with the CAA, CERCLA, or any other applicable local, state, tribal or federal laws and regulations. This CA/FO is not intended to be nor shall it be construed as a permit. This CA/FO does not relieve Respondent of any obligation to obtain and comply with any local, state, or federal permits nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, tribal, state or local permit.

105. The entry of this CA/FO and Respondent's consent to comply shall not limit or otherwise preclude EPA from taking additional enforcement actions should EPA determine that such actions are warranted except as it relates to those matters resolved by this CA/FO. Full payment of the penalty proposed herein shall resolve Respondent's liability for federal civil penalties for the violations and facts alleged herein.

106. EPA reserves its right to seek reimbursement from Respondent for such additional costs as may be incurred by the United States in the event of delay of performance as provided by this CA/FO.

## L. MISCELLANEOUS

107. This CA/FO may be amended or modified only by written agreement executed by both EPA and Respondent.

108. The headings in this CA/FO are for convenience of reference only and shall not affect interpretation of this CA/FO.

109. Each party to this action shall bear its own costs and attorneys' fees.

110. EPA and Respondent consent to entry of this CA/FO without further notice.

## M. EFFECTIVE DATE

111. In accordance with 40 C.F.R §§ 22.18(b)(3) and 22.31(b), this CA/FO shall be effective on the date that the Final Order contained in this CA/FO, having been approved and issued by the Regional Judicial Officer, is filed with the Regional Hearing Clerk.

IT IS SO AGREED.

Respondent Sacramento Regional County Sanitation District

DATE: 8/14/2018

BY: Prabhakar Somavarapu
Prabhakar Somavarapu
District Engineer

United States Environmental Protection Agency, Region 9

DATE: 8/23/2018

BY: _____
Enrique Manzanilla
Director, Superfund Division

## FINAL ORDER

**IT IS HEREBY ORDERED** that this Consent Agreement and Final Order ("CA/FO") pursuant to 40 C.F.R. Sections 22.13 and 22.18 (Docket Nos. CAA (112r)-09-2018-0007 and CERCLA (103)-09-2018-0001 be entered and that shall Respondent pay a civil penalty of THIRTY-SEVEN THOUSAND EIGHT HUNDRED THIRTY DOLLARS ($37,830.00) due within thirty (30) days from the Effective Date of this CA/FO, implement the compliance tasks described in Section G, and implement the Supplemental Environmental Project described in Section I of this CA/FO, in accordance with all terms and conditions of this CA/FO.

09/07/18
Date

Steven L. Jawgiel
Regional Judicial Officer
U.S. EPA, Region IX

# Table 1

## P&IDs:

| Document Serial # | Document / Drawing # | Sheet # | Document Title | Document Sub-Type | Chemical | Comments |
|---|---|---|---|---|---|---|
| 5001672 | PID285 | 1 OF 1 | GAS MANAGEMENT SYSTEM MSG STORAGE SPHERES (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10003192 | PID288 | 1 OF 1 | GAS MANAGEMENT SYSTEM ZTOF ENCLOSED FLARE SYSTEM BRN87301 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10003193 | PID289 | 1 OF 1 | GAS MANAGEMENT SYSTEM ZTOF ENCLOSED FLARE SYSTEM BRN87302 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10003194 | PID290 | 1 OF 1 | GAS MANAGEMENT SYSTEM ZTOF ENCLOSED FLARE SYSTEM BRN87303 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10008267 | PID284 | 1 OF 1 | GAS MANAGEMENT SYSTEM GAS COMPRESSORS (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10010128 | PID280 | 1 OF 1 | GAS MANAGEMENT SYSTEM DIGESTER BATTERY III (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10012460 | PID208A | 1 OF 1 | DIGESTER III-9 CIRCULATING SLUDGE 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10013303 | PID211A | 1 OF 1 | DIGESTER III-8 CIRCULATING SLUDGE SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10013560 | PID211C | 1 OF 1 | DIGESTER III-8 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10013602 | PID212C | 1 OF 1 | DIGESTER III-10 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10013604 | PID213C | 1 OF 1 | DIGESTER III-11 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10018096 | PID281 | 1 OF 1 | GAS MANAGEMENT SYSTEM SCRUBBERS 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10018097 | PID282 | 1 OF 1 | GAS MANAGEMENT SYSTEM SCRUBBERS 2 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |

| | | | | | | |
|---|---|---|---|---|---|---|
| 10018098 | PID283 | 1 OF 1 | GAS MANAGEMENT SYSTEM GAS HOLDER TANKS (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10018100 | PID287 | 1 OF 1 | GAS MANAGEMENT SYSTEM GROUND FLARES (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10020444 | PID313 | 1 OF 1 | GAS MANAGEMENT SYSTEM SUMP PUMPS & LEL/H2S LEAK DETECTION SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10020446 | PID314 | 1 OF 1 | LEL/H2S LEAK DETECTION SYSTEM SOLIDS - MSG COMPRESSOR BLDG. (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10035704 | PID284A | 1 OF 1 | GAS MANAGEMENT SYSTEM GAS COMPRESSORS (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |
| 10040747 | PID286A | 1 OF 1 | GAS MANAGEMENT SYSTEM MSG STAGE 2 COOLING SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Drawing Markups |

## Table 2

P&IDs:

| Document Serial # | Document / Drawing # | Sheet # | Document Title | Document Sub-Type | Chemical | Comments |
|---|---|---|---|---|---|---|
| 10012584 | PID196C | 1 OF 1 | DIGESTER II - 5 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Dependent on GMS Project |
| 10012585 | PID197C | 1 OF 1 | DIGESTER II - 6 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Dependent on GMS Project |
| 10012587 | PID198C | 1 OF 1 | DIGESTER II - 7 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Dependent on GMS Project |
| 10012597 | PID200A | 1 OF 1 | DIGESTER II-6 DIGESTED SLUDGE WITHDRAWAL SYSTEM 1 (RMP - RISK MANAGEMENT PLAN DRAWINGS) | P&ID (Process & Instrumentation Diagram) | Gas | Dependent on GMS Project |
| 10012928 | PID277 | 1 OF 1 | DIGESTER II-6 GAS RECIRCULATION COMPRESSORS (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Dependent on GMS Project |
| 10018099 | PID286 | 1 OF 1 | GAS MANAGEMENT SYSTEM CHILLED WATER SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | P&ID (Process & Instrumentation Diagram) | Gas | Utilities that touch GMS area will follow |

| Document Serial # | Document / Drawing # | Sheet # | Document Title | Document Sub-Type | Chemical | Comments |
|---|---|---|---|---|---|---|
| 5000396 | LDS1 | 5 OF 7 | HORNS, BEACONS, HVAC AND EXHAUST FAN INTERLOCKS ELEMENTARY LEAK DETECTION SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | Control & Logic Diagram | Gas | To follow primary P&ID update |
| 5000397 | LDS1 | 6 OF 7 | HORNS, BEACONS, HVAC, EXHAUST FAN AND POWER LOSS ELEMENTARY LEAK DETECTION SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | Control & Logic Diagram | Gas | To follow primary P&ID update |
| 5000398 | LDS1 | 7 OF 7 | HORNS AND BEACONS ELEMENTARY LEAK DETECTION SYSTEM (RMP - RISK MANAGEMENT PLAN DRAWING) | Control & Logic Diagram | Gas | To follow primary P&ID update |

# REQUEST FOR PROPOSALS

# FOR

# RISK MANAGEMENT PLAN/PROCESS SAFETY MANAGEMENT CERTIFIED AUDITOR SERVICES

# SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

## ISSUE DATE: TBD

## DUE DATE & TIME: TBD

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**Attachment B – Sample Agreement**

1. **Introduction**
The Sacramento Regional County Sanitation District's (Regional San's) mission is to serve its customers by protecting public health and the environment through reliable and safe conveyance, treatment and disposal of all wastewater in the most cost effective manner now and in the future. Regional San owns and operates an extensive conveyance system, including 11 pump stations and 177 miles of interceptor pipelines, ranging in size from 36 to 144 inches in diameter. These facilities convey wastewater flows from residential and industrial users within the Sacramento area to the Sacramento Regional Wastewater Treatment Plant (SRWTP) located in Elk Grove.

2. **Background**
Effective May of 2017, SRWTP transitioned from gaseous sulfur dioxide to liquid sodium bisulfite for de-chlorination. Effective December 2017, SRWTP transitioned gaseous chlorine to liquid sodium hypochlorite for disinfection. The SRWTP continues to maintain methane in quantities greater than the Federal/State threshold quantities. Solids removed in the wastewater treatment process are typically introduced into 6-7 active anaerobic digesters at SRWTP. There are also 3 Battery 1 digesters permanently out of service and not included in the number of active digesters. Gas consisting of approximately two-thirds methane is formed in the digesters as bacterial digestion proceeds. The digester gas is scrubbed to remove hydrogen sulfide and other contaminants, may be stored in low pressure gas holders, and piped to the adjacent Carson Cogeneration Plant for power generation. Any quantity of digester gas which cannot be used by the cogeneration plant is optionally used in the Plant Boiler room or flared under permit. The entire gas holding capacity of the digester system in the SRWTP is considered for the purpose of this program. These systems include the Mixed Sludge Tanks, through the digesters and associated piping. It also covers the entire GMS system including low pressure sludge gas, medium pressure sludge gas, scrubbers, holders, burners/flares, through to the boiler room and associated apparatus, and all controls, electrical and utility support systems.

3. **Objective**
As part of a settlement agreement between Regional San and EPA Region 9's Emergency Planning and Community Right to Know Act/Risk Management Program (EPCRA/RMP) Office, a third-party audit of the Federal RMP related to the methane gas management system (GMS) must be completed after completion of the GMS Upgrade Project but no later than two (2) years after the effective date of the CA/FO. The audit company or team may not have previously performed any Risk Management Program (RMP) or Process Safety Management (PSM) work for Regional San.

4. **Key Action Dates**
Below is the schedule for the proposal process:

    a. RFP issued: TBD
    b. RFP questions due: TBD
    c. Responses to RFP questions issued: TBD

d. Proposal due: TBD
e. Anticipated Notice of Intent to Award: TBD

5. **Proposed Project Schedule**
   a. Finalizing Consultant's Draft Audit Protocol and Document Requests within one month of contract award. Regional San will provide consultant with requested documents throughout the audit process.
   b. Draft of Final Audit Report for review within sixty days of approved Audit Protocol.
   c. Final Audit Report submitted electronically by flash drive and with four bound hardcopies including RMP/PSM Audit Certification Page, signed and certified/stamped; Appendix summary of findings and recommendations; and Appendix for supplemental audit information including checklists, notes, and interview pages within two weeks of final draft approval by the Regional San RMP/PSM Manager.

6. **Scope of Services**
   a. Inspector Certifications: Regional San is seeking inspectors with experience at waste water treatment plants, or comparable facilities, and detailed knowledge of the RMP/PSM regulations to conduct a comprehensive program audit and develop a full report of findings in accordance with *CCPS Guidelines for Auditing Process Safety Management Systems*. Preference may be given to consultants that are registered civil or mechanical PE's, Certified Hazardous Materials Manager (CHMM) and Associate Safety Professional (ASP) or Certified Safety Professional (CSP) certified. Preference will also be given to BEAC CPSA or equivalent certified inspectors.

   b. The audit will include the GMS process and support systems (as described in Section 2) which are covered by the PSM Standard and RMP Rule. The audit must evaluate the policies, practices, and procedures at Regional San with respect to the RMP Rule. However, since those systems covered by both regulations will be Program 3 RMP processes, the RMP prevention programs are identical to the PSM requirements, a de facto audit of the RMP program 3 prevention requirements will be performed by conforming to the CCPS Audit for PSM.

   c. Audit criteria will be based on applicable regulatory requirements (compliance), including all appropriate RAGEGEP. Guidance, best, and recommended practices above and beyond general program requirements will NOT be evaluated at this time

   d. Audit Objectives: the audit will include review of records, visual observations, and interviews of personnel. Specific objectives may be developed in accordance with *CCPS Guidelines for Auditing Process Safety Management Systems.* Audit objectives include documenting findings and providing recommendations for compliance. A complete summary of findings and recommendations will be provided in the Appendix of the final Audit Report. In addition to determining compliance with the OSHA regulatory requirements, the audit team will evaluate the management systems for each PSM element, including Applicability, to determine whether effective

programs are in place to insure continuing compliance. A PSM audit protocol developed by Contractor from the above objectives will be used during this audit. **The protocol must be presented in the RFP response as the Contractor's Draft Proposed Audit Plan. The Draft Audit Plan must also include proposed audit dates (demonstrating Contractor availability).**

e. Logistics and Support: Regional San is a secured critical infrastructure facility. The audit team will be escorted while on site and provided training/orientation and a tour necessary for access on the first day of the on-site facility inspection. All pertinent documents will be accessible to the audit team; however, the team must provide a document request, in a pre-agreed format, to obtain copies of any documents.

f. Since the emergency response plan (ERP) for Regional San has not been prepared in accordance with the National Response Team's *Integrated Contingency Plan* (ICP) guidance (published in the FR on June 5, 1996), the Regional San ERP will not be evaluated against the ICP guidance, but will be evaluated against existing CALIFORNIA ERP requirements [8 CCR 5192] as well as any other applicable regulations or Regional San emergency planning requirements.

g. Final Audit Report Deliverable: A comprehensive audit report may follow CCPS Audit Report Templates, but must contain all applicable sections as outlined above. The draft audit report will be submitted to the Regional San RMP/PSM Manager for review prior to finalizing (a minimum of two weeks will be allocated for Regional San review of draft). The final Audit Report, will be submitted electronically by flash drive and with four bound hardcopies, must also include:
   - Regional San cover letter signed by an authorized representative
   - RMP/PSM Audit Certification Page, signed and stamped
   - Appendix Summary of Findings and Recommendations
   - Appendix for Supplemental Audit Information, which includes: audit checklists/plans, notes, and interview pages

The Chemical Safety Data Sheet for Regional San's digester gas is included in Attachment A. A general process map of the digester gas process area is also included in Attachment A. This is a general map and is not intended to depict the entire GMS covered process or ancillary/control systems.

## 7. Basis for Compensation

Time and Expenses: Compensation for services rendered will be based on a Time and Expenses basis with a not-to-exceed dollar ceiling for the entire contract.

## 8. Indemnification

To the fullest extent permitted by law, for work or services provided under this Agreement, CONSULTANT shall indemnify, defend, and hold harmless SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT, SACRAMENTO AREA SEWER DISTRICT, and the COUNTY OF SACRAMENTO, their respective governing Boards, officers, directors, officials, employees, and authorized agents and volunteers, from and against any and all claims, demands, actions, losses, liabilities, damages, and all expenses and costs incidental thereto, including cost of defense, settlement, arbitration, and reasonable attorneys' fees, resulting from injuries to or death of persons, including but not limited to employees of either Party hereto, and damage to or destruction of property or loss of use thereof, including but not limited to the property of either Party hereto, arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of the CONSULTANT, its employees, or the CONSULTANT'S subconsultants or subcontractors.

This indemnity shall not be limited by the types and amounts of insurance or self-insurance maintained by the Consultant or the Consultant's Subconsultants or Subcontractors.

Nothing in this Indemnity shall be construed to create any duty to, any standard of care with reference to, or any liability or obligation, contractual or otherwise, to any third-party.

The provisions of this Indemnity shall survive the expiration or termination of the Agreement.

9. **Organization and Content of Proposal**

Draft Audit Proposal Approach: Provide a narrative description of the proposed audit based on the Scope of Services, along with a proposed schedule as presented in this RFP. Regional San will assess your understanding of all aspects of the project based on the overview.

Provide a detailed description of the proposed approach to the audit as described above. The description must include details to implement the tasks described in the Scope of Services and any recommended revisions to the list of tasks.

a. Related Experience: Provide a summary of experience with similar audits that the consultant and proposed team have completed. The description of each audit should include year(s) during which the work was performed and the consultant's role in the project, responsibilities of key team members, and a contact person, including telephone number of the project owner.

b. Audit Team: The proposed audit team shall be identified including specific staff responsible for project management, and direct supervision of the audit team's work products. Key tasks and the associated personnel shall be identified. The

geographic location of the consultant shall be identified. **Current resumes and certifications must be provided for each of the proposed auditors assigned to the project.**

c. Solicitation of Subconsultants, Subcontractors, Other Service Providers: If the prime consultant intends to solicit subproposals and/or quotes for certain tasks on this audit project from qualified subconsultants, subcontractors, other service providers and suppliers, Regional San expects the prime consultant to solicit qualified firms in the local business community for such services and supplies. The solicitation conducted should be as broad as possible to reasonably provide opportunities for and encourage relationship building with qualified minority and women-owned firms, and small and local business in the Sacramento community.

   The prime consultant shall not illegally discriminate in the solicitation process. Substitution of any subconsultants, subcontractors, other service providers and suppliers identified in the agreement shall not be made without the written consent of Regional San.

d. Level of Effort: Provide a table showing the proposed total level of effort in hours, required to complete each task identified in the scope of services. The table shall reflect by task the involvement of each key staff member.

   Cost Proposal: Cost proposals must contain the billable hourly rates of all consultant team members included in the proposal. Please ensure that the titles of the staff listed in the proposal match the tiles on the hourly rate schedule. Identify any other costs to be billed such as other direct costs (ODC).

   **Submit cost proposal in a separately sealed envelope. These will not be opened until the qualification-based rankings have been completed and negotiations are initiated with the highest ranked candidate.**

   Maximum allowable markups will be five percent (5%) on sub consultants and other direct costs (ODCs).

e. Insurance: Consultants to provide a summary of the firm's (and any sub consultant's) present and proposed insurance coverage, including comprehensive general liability, automotive liability, worker's compensation, employer's liability, professional liability and errors and omissions, and compare to requirements stated in the attached Sample Agreement (Attachment B to this RFP).

f. Conflicts of Interest: Consultants submitting proposals in response to this RFP must disclose to Regional San any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or

employees of the firm or other persons relative to the services to be provided under this Agreement for services to be awarded pursuant to this RFP. If a Consultant has no conflicts of interest, a statement to that effect shall be included in the proposal. A "Conflict of Interest and Non-Collusion Affidavit" form has been incorporated as part of this RFP as Attachment A, and must be completed and submitted with consultant's proposal.

g. Proprietary Information: Consultants submitting proposals to this RFP must provide a statement that nothing contained in the submitted proposal will be proprietary.

h. Employment Practices: Please provide a summary of your firm's employment policies and procedures, including any equal employment opportunity and affirmative action policies. Also, be prepared upon the request of the project manager, to submit a brief summary outlining the present composition of your work force.

i. Exceptions to Contract Terms and Conditions: Consultant shall provide a list of any exceptions to contract terms and conditions, which the Consultant will seek from the sample Regional San contract language. This sample Regional San contract has been incorporated into this RFP package as Attachment B.

**10. Submittal Instructions**

Please submit (3) original hard copies, and (1) electronic digital media copies as follows:

**Due Date: TBD**

**Deliver To:**
**Sacramento Regional County Sanitation District**
**Attn: Tiffany Beaudry**
**8521 Laguna Station Road**
**Elk Grove, CA 95758**

All questions regarding this RFP should be directed to Tiffany Beaudry, Environmental Specialist, at 916-875-9186, or BeaudryT@sacsewer.com.

Regional San will post any addenda or responses to questions issued in relation to this RFP on the Business Opportunities websites at http://regionalsan.com/business-opps-bids and http://www.sacsewer.com/business-opportunities. Proposers are responsible for checking for any addenda or question responses.

Regional San will post all question responses received by the appropriate deadline by TBD.

**11. Proposal Rating Criteria**

a. Relevant experience, qualifications/certifications, and knowledge.

b. Audit conformity and consideration to CCPS Guideline capability.
c. Availability and response time including report deliverables.

**12. Selection Process**

Interested consultants must submit a complete proposal document, with organization and content consistent with this RFP by the closing date and time shown on the cover page (page 1).

Regional San will award the contract to the consultant who submits a proposal that presents the greatest value to Regional San based on the proposal evaluation criteria shown in the table in under Phase 2. Regional San will rank the proposals based on an assessment of capability and qualification criteria. Regional San will evaluate proposals in three (3) phases as follows:

Phase 1: Regional San will examine proposals to determine if the consultant responded in accordance with the following requirements:

1. Proper completion and submittal of the required documents,
2. Acceptability of exceptions taken of agreement terms and conditions, and
3. Related experience requirement met or exceeded.

Phase 2: Regional San will evaluate and score the proposals that meet Phase 1 requirements using the table below. The consultants with the highest ranked proposals (top 2-3), depending on number of proposals received, may be invited to an interview to discuss their draft audit proposal. Regional San may elect not to hold interviews.

| **Criteria** | **Point Value** |
|---|---|
| Overall Responsiveness to RFP Requirements | 10 |
| Draft Audit Proposal Project Approach | 25 |
| Related Experience | 35 |
| Schedule | 20 |
| Interview (if held) | 10 |
| **Total** | **100** |

**Phase 3**: Regional San will open the cost information for the highest ranked proposal and enter into negotiations with the consultant. If all parties are unable to reach a mutually agreeable contract, the consultant will be disqualified and negotiations will begin with the next highest ranked proposal. This process will continue until a contract is successfully negotiated or the entire list of eligible consultants is exhausted. Once a contract is negotiated, the remaining sealed cost proposals will be returned to the consultants.

**Reminder: The cost sheet(s) will be submitted in a separately sealed envelope. After the qualifications rankings have been made, only the cost sheets of consultants that**

**Regional San enters into negotiations with will be opened. Cost sheets will be returned unopened to all other consultants.**

**Regional San reserves the right to:**

- **Reject any of all proposals or any part thereof; and**
- **Waive any informality in the proposal; and**
- **Accept the proposal that is in Regional San best interest**

**Regional San's decision is final.**

**13. Final Selection and Notification**

The award of contract shall be made to the consultant who provides the best overall response to the requirements of this RFP. Regional San may select whichever proposal they determine will best serve their interests. The successful consultant will be selected in accordance with the proposal evaluation criteria identified in the table above, and any addenda thereto, except for such immaterial deviation as may be waived by Regional San.

An intent to award is expected to be made on or before TBD, subject to final approval by the District Engineer. Written notification of the outcome of the selection process will be mailed to all consultants who submitted a proposal.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing CONSENT AGREEMENT AND FINAL ORDER in the matter of *Sacramento Regional Wastewater Treatment Plant.* (CAA(112r)-09-2018- 000 7 and CERCLA(103)-09-2018-000 1 ), signed by the Regional Judicial Officer, has been filed with the Regional Hearing Clerk and was served on Respondent, and Counsel for EPA, as indicated below:

BY FIRST CLASS MAIL:
(Certified w/Return Receipt)

Respondent - Prabhakar Somavarapu
Sacramento Regional Wastewater Treatment Plant
10030 Goethe Road
Sacramento, CA 94827

HAND DELIVERED:

Complainant - Rebekah Reynolds, Esq.
Office of Regional Counsel
ENVIRONMENTAL PROTECTION AGENCY
75 Hawthorne Street
San Francisco, CA 94105

Date: 2018-09-07

Steven Armsey
Regional Hearing Clerk
EPA, Region 9