

ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT, DIVISION OF ENVIRONMENTAL QUALITY

IN THE MATTER

Ammunition Operations, LLC
2592 Arkansas Highway 15 North
Lonoke, Arkansas 72086

LIS No. 24-121
EPA ID # AR0000064311
AFIN # 43-00024

CONSENT ADMINISTRATIVE ORDER

This Consent Administrative Order (CAO) is issued pursuant to the authority of the Arkansas Hazardous Waste Management Act of 1979, Ark. Code Ann. § 8-7-201 *et seq.*, the Remedial Action Trust Fund Act, Ark. Code Ann. § 8-7-501 *et seq.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Rules No. 7, 8, and 23.

The issues herein having been settled by the agreement of Ammunition Operations, LLC (Respondent) and the Arkansas Department of Energy and Environment, Division of Environmental Quality (DEQ), it is hereby agreed and stipulated that the following FINDINGS OF FACT and ORDER AND AGREEMENT be entered.

FINDINGS OF FACT

1. Respondent operates a manufacturing facility (Facility) located at 2592 Arkansas Highway 15 North, Lonoke, Lonoke County, Arkansas.
2. The Facility manufactures ammunition for sporting firearms, which includes centerfire cartridges, rimfire cartridges, shot shells, and primers.
3. Respondent is a Large Quantity Generator of hazardous waste.
4. Ark. Code Ann. § 8-7-204(c) provides that each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment and authorizes DEQ to assess an administrative civil penalty not to exceed twenty-five thousand dollars (\$25,000) per day for

violations of any provision of the Arkansas Hazardous Waste Management Act (Act) and any rules, permits, or plans issued pursuant to the Act.

5. Ark. Code Ann. § 8-7-205(1) states, “It shall be unlawful for any person to [v]iolate any provisions of this subchapter or of any rule, permit, or order adopted or issued under this subchapter[.]”

6. On April 5, 2023, during a routine audit of the facility, it was determined the facility had allowed 483 containers of waste smokeless propellant (D003, D008) to remain on-site for greater than ninety (90) days. Accumulating hazardous waste for greater than ninety (90) days violates APC&EC Rule No. 23 Section 262.17(a).

7. On April 19, 2023, Respondent submitted to DEQ a voluntary disclosure report, self-reporting information concerning the violation pursuant to DEQ’s Environmental Self-Disclosure Incentive Policy. The disclosure report is incorporated herein by reference.

8. On July 18, 2023, Respondent submitted to DEQ additional information on the accumulated waste and manifests indicating the waste had been shipped off-site.

ORDER AND AGREEMENT

WHEREFORE, the parties stipulate and agree as follows:

1. This CAO does not require the submission of any documentation or civil penalty.
2. All requirements of this CAO are subject to approval by DEQ. In the event of any deficiencies, Respondent shall submit any additional information or changes requested, or take additional actions specified by DEQ to correct any such deficiencies within the timeframe specified by DEQ. Failure to respond adequately in writing within the timeframe specified by DEQ constitutes a failure to meet the requirements established by this CAO.

3. If Respondent fails to meet any requirement of this CAO within the deadline established by the CAO, DEQ may assess stipulated penalties for the delay in the following amounts:

- a. First day through the fourteenth day: \$250.00 per day
- b. Fifteenth day through the thirtieth day: \$1,250.00 per day
- c. Each day beyond the thirtieth day: \$2,500.00 per day

These stipulated penalties for delay in performance shall be in addition to any other remedies or sanctions which may be available to DEQ by reason of Respondent's failure to comply with this CAO.

4. Respondent shall notify DEQ in writing within five (5) calendar days of knowledge of any delay or potential delay in complying with any provision of this CAO, specifying in detail the anticipated length of delay, the precise cause of delay, and the measures being taken to correct and minimize the delay.

5. DEQ may grant an extension of any provision of this CAO, provided that Respondent requests such an extension in writing and provided that the delay or anticipated delay has or will be caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period but in no event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without the fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Failure to notify the DEQ promptly, as provided in the preceding paragraph of this Section, shall be grounds for a denial of an extension.

6. Nothing contained in this CAO shall be construed as a waiver by DEQ of its authority over alleged violations not specifically addressed herein. This CAO does not purport in any way to

relieve Respondent of its responsibilities for obtaining any necessary permits or licenses, nor does it relieve Respondent of any other obligations imposed by any local, state, or federal laws. This CAO does not exonerate any past, present, or future conduct not expressly addressed herein.

7. This CAO is subject to public review and comment in accordance with Ark. Code Ann. § 8-4-103(d) and APC&EC Rule No. 8 and shall not be effective until thirty (30) calendar days after public notice is given. DEQ retains the right to rescind this CAO based upon the comments received within the thirty-day public comment period.

8. Notwithstanding the public notice requirements, the corrective actions necessary to achieve compliance shall be taken immediately. The publication of this CAO shall occur on or about the 10th or 25th day of the month following the date this CAO is executed. As provided by APC&EC Rule No. 8, this matter is subject to being reopened upon APC&EC initiative or in the event a petition to set aside this CAO is granted by the APC&EC.

9. By virtue of the signature appearing below, the individual represents that he or she is a Managing Member of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein as attested by the secretary of said entity. Execution of this CAO by an individual other than a Managing Member of Respondent shall be accompanied by a resolution granting signature authority to said individual as duly ratified by the governing body of the entity.

SO ORDERED THIS 29 DAY OF July, 2024.

Bailey Taylor

BAILEY TAYLOR

INTERIM CHIEF ADMINISTRATOR OF ENVIRONMENT AND DEQ DIRECTOR
ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT

APPROVED AS TO FORM AND CONTENT:
AMMUNITION OPERATIONS, LLC

BY:

Signature

Adam White

Print Name

Adam White

Title

Director of Operations

Date

July 20, 2024