STATE OF RHODE ISLAND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

OFFICE OF COMPLIANCE AND INSPECTION

In Re: City of Woonsocket SYNAGRO WOONSOCKET, LLC File Nos.: OCI-WP-17-15 and RIPDES RI0100111 RIPDES Referral No.: 16-03 AAD No.: 18-006/WRE

CONSENT AGREEMENT

A. INTENT & PURPOSE

This Agreement is entered by and between the Rhode Island Department of Environmental Management ("RIDEM") and the City of Woonsocket, Rhode Island ("Woonsocket") and SYNAGRO WOONSOCKET, LLC ("Synagro") (collectively, the "Respondents"). The Agreement is entered in accordance with Section 42-17.1-2 et seq. of the Rhode Island General Laws ("R.I. Gen. Laws") for the purpose of resolving the alleged violations set forth in a Notice of Violation ("NOV") issued to Respondents by RIDEM on 6 July 2018.

B. STIPULATED FACTS

- (1) WHEREAS Woonsocket owns a wastewater treatment facility located on Cumberland Hill Road in the City of Woonsocket, Rhode Island (the "Facility") and is the holder of RIPDES Permit No. RI0100111. The Facility includes a sewage sludge incinerator (the "Incinerator").
- (2) WHEREAS CH2M HILL Engineers, Inc., a subsidiary of Jacobs ("Jacobs") operates the Facility, excluding the Incinerator, on behalf of Woonsocket.
- (3) WHEREAS Synagro is responsible for operating the Incinerator under a long-term lease and agreement with Woonsocket.
- (4) WHEREAS on 10 February 2022 Woonsocket and Synagro revised and signed an agreement titled STANDARD OPERATING PROCEDURE FOR GRAVITY THICKENER HIGH BLANKET, originally dated 14 August 2008, (the "Gravity Thickener High Blanket SOP"). The revised Gravity Thickener High Blanket SOP is attached hereto and incorporated herein as Attachment A.
- (5) WHEREAS on 18 September 2008, RIDEM issued to Woonsocket Rhode Island Pollutant Discharge Elimination System ("RIPDES") Permit No. RI0100111 (the "RIPDES Permit"), which became effective on 1 October 2008. The RIPDES Permit

authorizes Woonsocket to discharge treated wastewater from the Facility to Blackstone River.

- (6) WHEREAS on 6 July 2018, RIDEM issued a NOV to Respondents alleging certain violations of the Permit, Rhode Island's *Water Pollution Act* (the "WP Act"), *Water Quality Regulations* (the "WQ Rules"), *Regulations for the Rhode Island Pollutant Discharge Elimination System* (the "RIPDES Rules") and *Rules and Regulations for Sewage Sludge Management* (the "Sludge Rules").
- (7) WHEREAS Respondents requested an administrative hearing with the Administrative Adjudication Division ("AAD") to contest the NOV.
- (8) WHEREAS AAD is a division of RIDEM.
- (9) WHEREAS on 31 May 2019, RIDEM received a draft operations and maintenance manual for the Incinerator titled DRAFT REVISED OPERATION AND MAINTENANCE PLAN Synagro Northeast, Inc, Woonsocket, RI 221212.00 Synagro Northeast, Inc. May 2019 that was prepared by Woodard and Curran on behalf of Synagro (the "Draft O&M Manual").
- (10) WHEREAS on 16 August 2019, RIDEM received electronic correspondence from Synagro that included an aeration temperature guide (the "Temperature Guide") agreed to by Respondents for operating the Incinerator and the Facility. The Temperature Guide is attached hereto and incorporated herein as Attachment B.
- (11) WHEREAS on 16 September 2019, RIDEM sent electronic correspondence to Synagro with RIDEM's comments on the Draft O&M Manual (the "Draft O&M Manual Comments"). The Draft O&M Manual Comments are attached hereto and incorporated herein as Attachment C.
- (12) WHEREAS on or about 16 April 2021, Synagro submitted to RIDEM a memorandum dated 4 April 2021 prepared by Woodard and Curran that evaluated the capacity of the effluent cooling equipment for the Incinerator to meet effluent temperature limits (the "W&C Report"). The W&C Report is attached hereto and incorporated herein as Attachment D.
- (13) WHEREAS the W&C Report recommended replacing the existing heat exchangers for the ash thickener overflow with a new heat exchanger (identified as HE-303C) (the "New Heat Exchanger") and installing a new ash effluent equalization tank (identified as T-312) and a new ash thickener effluent pump (identified as P-320) (the "New Ash Thickener Effluent Pump") (collectively, the "New Heat Exchanger Equipment").
- (14) WHEREAS on 20 May 2021, Synagro submitted to RIDEM an addendum to the Draft O&M Manual (the "Draft O&M Manual Addendum") for the New Heat Exchanger Equipment. The Draft O&M Manual Addendum is attached hereto and incorporated herein as Attachment E.

- (15) WHEREAS RIDEM reviewed the W&C Report and the Draft O&M Manual Addendum and had the following comments (the "RIDEM Comments"):
 - (a) The existing cooling tower #1 (identified as HE-304) for the ash thickener overflow lacks sufficient redundancy.
 - (b) The New Heat Exchanger lacks redundancy.
 - (c) The New Ash Thickener Effluent Pump lacks redundancy.
 - (d) The existing dual-cell cooling tower #2 (identified as HE-306A and HE-306B) require both cells to be operational to achieve the necessary cooling capacity and there is no redundancy for this equipment.
- (16) WHEREAS in lieu of proceeding to an administrative adjudicatory hearing on the NOV and to effect a timely and amicable resolution of the NOV, RIDEM and Respondents hereby agree that it is in the best interest of the parties and in the public interest to resolve the issues raised in the NOV.
- (17) WHEREAS RIDEM finds that the Agreement is a reasonable and fair settlement and adequately protects the public interest in accordance with the WP Act, the WQ Rules, the RIPDES Rules and the Sludge Rules.
- (18) WHEREAS Respondents find that the Agreement is reasonable and fair and enter into the Agreement with full knowledge and understanding of its terms.

C. AGREEMENT

- (1) <u>JURISDICTION</u> RIDEM has jurisdiction over the subject matter of the Agreement and has personal jurisdiction over Respondents.
- (2) <u>FORCE and EFFECT</u> The Agreement shall have the full force and effect of a final compliance order issued after a full hearing on the merits pursuant to the Administrative Procedures Act, R.I. Gen. Laws Section 42-35-1 et seq. and R.I. Gen. Laws Section 42-17.7-1 et seq. from which no timely appeal was taken, and which is enforceable in Superior Court in accordance with R.I. Gen. Laws Section 42-17.1-2(21)(vi).
- (3) <u>APPLICATION</u> The provisions of the Agreement shall apply to and be binding upon RIDEM, Respondents and its agents, servants, employees, successors, assigns and all persons, firms and corporations acting under, through and for Respondents in the performance of work relating to or impacting the requirements of the Agreement.

(4) <u>CONDITIONS</u>

- (a) Synagro shall complete the following actions to comply with the Order section of the NOV:
 - (i) **By 31 March 2022**, submit a letter to RIDEM certifying that the New Heat Exchanger Equipment is installed and is operational.
 - (ii) **By 31 March 2022**, submit to RIDEM a revised Draft O&M Manual prepared and signed by a Rhode Island licensed professional engineer that:
 - 1. Incorporates operational criteria to be used for decisions to schedule sand changes for the Incinerator.
 - 2. Incorporates the Gravity Thickener High Blanket SOP.
 - 3. Incorporates the Temperature Guide.
 - 4. Incorporates the Draft O&M Manual Addendum.
 - 5. Incorporates operating procedures to address the RIDEM Comments, including reducing Incinerator throughput to comply with the Temperature Guide.
 - 6. Addresses the Draft O&M Manual Comments.
 - 7. Incorporates a list of equipment spare parts for the Incinerator to be maintained at the Facility.
 - (iii) The documents described in subsection C(4)(a)(ii) above shall be subject to RIDEM's review and approval. Upon review, RIDEM shall provide written notification to Synagro, with copy to Woonsocket, either granting formal approval or stating the deficiencies therein. RIDEM shall provide notice of any written deficiencies within 60 days of submittal. If no notice is received within such 60 days, the documents shall be deemed approved. Within 60 days (unless a longer time is specified) of receiving a notification of deficiencies, Synagro must submit to RIDEM additional information necessary to correct the deficiencies.
- (b) <u>Penalty</u> In lieu of a penalty for non-compliance, and in consideration that the NOV issued in this matter was not prosecuted or that any determination of liability was reached on the merits, and in further consideration that the parties agree an amicable resolution is in the best interest of the public and will more effectively preserve and enhance Blackstone River, Synagro shall:
 - (i) Within 7 days of execution of the Agreement, deposit \$20,000 into the account managed by the Thundermist Task Force that is used to fund water quality improvement projects within Blackstone River watershed in Woonsocket.
 - (ii) Within 30 days of execution of the Agreement, apply to RIDEM for an Order of Approval for the supplemental environmental project ("SEP") described in Attachment F, which is attached hereto and incorporated herein.

- (iii) Within 1 year of RIDEM's approval of the SEP, complete the SEP. Synagro shall be given a credit of \$100,000 for the SEP (the "SEP Credit") in accordance with subsection C(4)(b)(vi) below.
- (iv) Within 7 days of completion of the SEP, provide to RIDEM a letter that states:
 - 1. No Federal or State grants or low interest loans were used to complete the SEP.
 - 2. The actual cost to complete the SEP (the "SEP Cost") and references the documents used to determine the cost.
 - 3. The SEP was completed in accordance with the Agreement.
- (v) If Synagro fails to timely complete the SEP, RIDEM shall notify Synagro, with copy to Woonsocket, that RIDEM intends to rescind the SEP Credit. Within 14 days of Synagro's receipt of written notification by RIDEM that RIDEM intends to rescind the SEP Credit, Synagro shall either complete the SEP or demonstrate that good cause exists for the delay in completing the SEP. If Synagro fails to complete the SEP or does not demonstrate good cause for the delay within said 14 days, Synagro shall, within 10 days of Synagro's receipt of a written notification from RIDEM, submit to RIDEM a check in the amount of the SEP Credit after which Synagro shall be under no further obligation to complete the SEP.
- (vi) If the SEP Cost is less than \$175,000, Synagro shall, within 30 days of its submission of the letter to RIDEM in subsection C(4)(b)(iv) of the Agreement, pay to RIDEM the amount calculated using the following formula:

Payment Due= \$100,000 - [(SEP Cost - \$50,000) x 0.8].

- (vii) Penalties that Synagro agrees to pay in the Agreement are penalties payable to and for the benefit of the State of Rhode Island and are not compensation for actual pecuniary loss.
- (viii) If Synagro fails to remit to RIDEM a payment pursuant to subsections C(4)(b)(v) or C(4)(b)(vi) of the Agreement on or before its due date, that payment will be considered late and Synagro will be in default. If the payment is not received within 30 days of its due date, interest shall begin to accrue on the entire unpaid balance at the rate of 12 percent per annum. Interest will accrue at this rate beginning with the day after the due date specified in the Agreement until such date all past due installment payments and interest owed are remitted. Interest shall be calculated using the following generally established accounting principle:

Interest due = (number of days late/365) x (0.12) x (amount of unpaid balance).

- (ix) Penalty payments shall be by one of two methods:
 - 1. By certified check, cashier's check, or money order made payable to the **General Treasury** *Water and Air Protection Program* and forwarded to:

Administrator, RIDEM Office of Compliance and Inspection 235 Promenade Street, Suite 220 Providence, RI 02908-5767.

2. By wire transfer in accordance with instructions provided by RIDEM.

D. COMPLIANCE

- (1) <u>EFFECT OF COMPLIANCE</u> Compliance with and fulfillment of the Agreement shall be deemed to resolve all issues raised in the NOV.
- (2) <u>FAILURE TO COMPLY</u> If Synagro fails to comply with the items specified in subsection C (4)(a) of the Agreement, Synagro shall pay a stipulated penalty of \$500 per week for each and every week during which the noncompliance continues, except that RIDEM may, for good cause shown, defer or reduce such penalty. The payment of a penalty in accordance with this section shall not preclude RIDEM from seeking any other appropriate remedy (e.g., injunctive relief in Superior Court).
- (3) <u>COMPLIANCE WITH OTHER APPLICABLE LAWS</u> Compliance with the terms of the Agreement does not relieve Respondents of any obligation to comply with any other applicable laws or regulations administered by, through or for RIDEM or any other governmental entity.
- (4) <u>ADDITIONAL ENFORCEMENT ACTIONS</u> Upon a determination by the Director that there is a threat to the public health or the environment, or upon discovery of any new information, RIDEM reserves the right to take additional enforcement actions as provided by statute or regulation, including, but not limited to, the issuance of "Immediate Compliance Orders" as authorized by R.I. Gen. Laws Section 42-17.1-2(21). The Agreement shall not restrict any right to hearing or other right available by statute or regulation that Respondents may have regarding any new enforcement action commenced by RIDEM after the execution of the Agreement.
- (5) <u>FUTURE ACTIVITIES AND UNKNOWN CONDITIONS</u> The Agreement shall not operate to shield Respondents from liability arising from future activities, as of the date of execution of the Agreement.
- (6) <u>SCOPE OF THE AGREEMENT</u> The scope of the Agreement is limited to violations alleged in the NOV.

(7) <u>NOTICE AND COMMUNICATION</u> – Communications regarding the Agreement shall be directed to:

David E. Chopy, Administrator RIDEM Office of Compliance and Inspection 235 Promenade Street Providence, RI 02908-5767

(401) 222-1360 ext. 2777400

david.chopy@dem.ri.gov

Tricia Quest, Esquire

RIDEM Office of Legal Services 235 Promenade Street Providence, RI 02908-5767

(401) 222-6607

tricia.quest@dem.ri.gov

Christian F. Capizzo, Esquire

Partridge Snow & Hahn LLP 40 Westminster Street, Suite 1100 Providence, RI 02903

(401) 861-8200

ccapizzo@psh.com

Al Slepian, General Counsel SYNAGRO WOONSOCKET, LLC 435 Williams Court, Suite 100 Baltimore, MD 21220

(443)-489-9167

aslepian@SYNAGRO.com

All communications regarding compliance with the Agreement shall be forwarded to the above-referenced addressees by certified mail.

- (8) <u>DEFERRAL</u> The Director may, for good cause shown, defer any of the compliance dates prescribed herein. Good cause for deferral of any compliance date shall be forwarded to RIDEM in writing at least 15 days prior to the prescribed deadline.
- (9) <u>AMENDMENT</u> The Agreement may be amended by agreement of the parties in writing.
- (10) <u>EFFECTIVE DATE</u> The Agreement shall be deemed entered as of the date of execution by all parties.

IN WITNESS WHEREOF, the undersigned consent to the Agreement in substance and in form.

City of Woonsocket

By: _____ The Honorable Lisa Baldelli-Hunt, Mayor

Dated:

SYNAGRO WOONSOCKET, LLC

By: _______
Print Name: ______ Title: ______

Dated:

In my capacity, as ______ of SYNAGRO WOONSOCKET, LLC, I hereby aver that I am authorized to enter into the Agreement and thereby bind SYNAGRO WOONSOCKET, LLC to satisfy any obligation imposed upon it pursuant to said Agreement.

STATE OF MARYLAND COUNTY OF _____

In ______, in said County and State, on this _____ day of _____, 2022, before me personally appeared ______, the ______ of SYNAGRO WOONSOCKET, LLC, a Rhode Island corporation, to me known and known by me to be the party executing the foregoing instrument on behalf of SYNAGRO WOONSOCKET, LLC, and said party acknowledged said instrument by said party executed, to be said party's free act and deed in said capacity and the free act and deed of SYNAGRO WOONSOCKET, LLC.

State of Rhode Island, Department of Environmental Management

By: _____ David E. Chopy, Administrator Office of Compliance and Inspection

Dated: _____