

**STATE OF RHODE ISLAND
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

OFFICE OF COMPLIANCE AND INSPECTION

**In Re: Leon Petroleum, LLC
Riverside Gas & Cstore, Inc.**

File No.: OC&I 20-40-02989

CONSENT AGREEMENT

A. INTENT & PURPOSE

This Agreement is entered by and between the Rhode Island Department of Environmental Management (“DEM”) and Leon Petroleum, LLC and Riverside Gas & Cstore, Inc. (“Respondents”). This 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 DEM on 12 April 2021.

B. STIPULATED FACTS

- (1) WHEREAS the subject property is located at 3393 Pawtucket Avenue, Assessor’s Map 310, Block 6, Parcel 3 in the East Providence, Rhode Island (the “Property”).
- (2) WHEREAS Respondent Leon Petroleum, LLC is the owner of the Property.
- (3) WHEREAS the Property includes a service station and an underground storage tank system (the “Facility”).
- (4) WHEREAS Respondent Riverside Gas & Cstore, Inc. operates the Facility.
- (5) WHEREAS, on 12 April 2021, DEM issued a NOV to Respondents alleging certain violations of Rhode Island's *Rules and Regulations for Underground Storage Facilities Used for Regulated Substances and Hazardous Materials* (250-RICR-140-25-1) (“UST Regulations”).
- (6) WHEREAS Respondents did not request an administrative hearing with DEM’s Administrative Adjudication Division (“AAD”) to contest the NOV.
- (7) WHEREAS AAD is a division of DEM.
- (8) WHEREAS Respondents have complied with Sections 1, 2, 3(a), 3(c) through 3(g), 3(j) and 3(k) of the Order set forth in the NOV.

- (9) WHEREAS, in lieu of proceeding to Superior Court to enforce the NOV and to affect a timely and amicable resolution of the NOV, DEM 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.
- (10) WHEREAS DEM finds that this Agreement is a reasonable and fair settlement and adequately protects the public interest in accordance with the UST Regulations.
- (11) WHEREAS Respondents find that this Agreement is reasonable and fair and enters into this Agreement with full knowledge and understanding of its terms.

C. AGREEMENT

- (1) JURISDICTION – DEM has jurisdiction over the subject matter of this Agreement and has personal jurisdiction over Respondents.
- (2) FORCE and EFFECT – This 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) APPLICATION – The provisions of this Agreement shall apply to and be binding upon DEM, Respondents and their 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 this Agreement.
- (4) CONDITIONS –
- (a) Respondents shall complete the following actions to comply with the remaining sections of the Order set forth in the NOV:
- (i) **Within 15 days of execution of the Agreement**, submit to DEM’s Office of Land Revitalization & Sustainable Materials Management (“LRSMM”) a completed *Change in Ownership of a UST or UST Facility* form and a completed *Change of UST Facility Operator* form in accordance with Part 1.7(P)(2) and Part 1.18(B)(3) of the UST Regulations. These forms are available on DEM’s website at <http://www.dem.ri.gov/documents/forms/index.php#ust>.
- (ii) **Within 30 days of the execution of the Agreement**, inspect and repair or modify the tank field observation wells as necessary to ensure that they are labeled, secured against tampering, and fitted with expandable watertight caps around the PVC well casings, as per Part 1.10(Q) of the UST Regulations. Written or photographic verification of compliance shall be submitted to the DEM’s Office of Compliance and Inspection (“OCI”).

(iii) **Within 30 days of the execution of the Agreement**, retain a licensed, qualified well-drilling contractor to abandon any remaining groundwater monitoring wells on the Property in full compliance with Part 1.10(Q)(1)(e) of the UST Regulations and Part 3.22(H) of Rhode Island's *Groundwater Quality Rules* (250-RICR-150-05-3). Written verification of compliance shall be submitted to the OCI.

(b) Penalty – Respondents shall pay to DEM **\$14,094** in administrative penalties assessed as follows:

(i) **Upon execution of the Agreement by Respondents**, Respondents shall pay to DEM **\$1,094**.

(ii) The remainder of the penalty, **\$13,000**, shall be paid to DEM in thirteen equal and consecutive monthly installments of **\$1,000**. The remaining payments shall be made on the first day of each month, starting on 1 June 2022 and completed by 1 July 2023.

(iii) Penalties that Respondents agree to pay in this Agreement are penalties payable to and for the benefit of the State of Rhode Island and are not compensation for actual pecuniary loss.

(iv) If Respondents fail to remit to DEM a payment on or before its due date, that payment will be considered late, and Respondents 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 this 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:

$$\text{Interest due} = (\text{number of days late}/365) \times (0.12) \times (\text{amount of unpaid balance})$$

This provision does not preclude RIDEM from seeking additional penalties according to Section D for failure to comply with the remaining provisions of this Agreement.

(v) 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
DEM - 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.

- (5) RIGHT OF ACCESS – Respondents provide to DEM, its authorized officers, employees, and representatives an irrevocable right of access to the Property at all reasonable times to monitor compliance with this Agreement. Respondents shall ensure that assignees, successors in interest, lessees, sublessees, tenants in possession and/or occupants of the Property shall provide the same access and cooperation if they control the Property. Respondents shall provide a copy of this Agreement to any current lessee, sublessee, tenant in possession and/or occupant of the Property as of the effective date of this Agreement. Any subsequent leases, subleases, assignments or transfers of the Property or an interest in the Property shall include this right of access provision and shall otherwise be consistent with the terms of this Agreement.

D. COMPLIANCE

- (1) EFFECT OF COMPLIANCE – Compliance with and fulfillment of this Agreement shall be deemed to resolve all issues raised in the NOV. Upon Respondent’s successful completion of the requirements set forth in the Agreement, DEM shall issue a Release and Discharge of the NOV to Respondents for recording. The recordings shall be at the sole expense of Respondents.
- (2) FAILURE TO COMPLY – If Respondents fails to comply with items specified in subsection C(4)(a) of the Agreement, Respondents shall pay a stipulated penalty of \$500 per month for each and every month during which the non-compliance continues, except that DEM may, for good cause shown, defer or reduce such penalty. The payment of a penalty in accordance with this section shall not preclude DEM from seeking any other appropriate remedy (e.g., injunctive relief in Superior Court).
- (3) COMPLIANCE WITH OTHER APPLICABLE LAWS – Compliance with the terms of this Agreement does not relieve Respondent of any obligation to comply with any other applicable laws or regulations administered by, through or for DEM or any other governmental entity.
- (4) ADDITIONAL ENFORCEMENT ACTIONS – 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, DEM 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). This Agreement shall not restrict any right to hearing or other right available by statute or regulation that Respondent may have regarding any new enforcement action commenced by RIDEM after the execution of this Agreement.
- (5) FUTURE ACTIVITIES AND UNKNOWN CONDITIONS – This Agreement shall not operate to shield Respondents from liability arising from future activities, as of the date of execution of this Agreement.
- (6) SCOPE OF THE AGREEMENT – The scope of the Agreement is limited to violations alleged in the NOV.

- (7) NOTICE AND COMMUNICATION – Communications regarding this Agreement shall be directed to:

Tracey Tyrrell, Supervising Environmental Scientist
DEM - Office of Compliance and Inspection
235 Promenade Street, Suite 220
Providence, RI 02908-5767
(401) 222-1360, Ext 2777407
tracey.tyrrell@dem.ri.gov

Christina Hoefsmit, Esq.
DEM – Office of Legal Services
235 Promenade Street, Suite 425
Providence, RI 02908-5767
(401) 222-6607, Ext 2772305
Christina.hoefsmit@dem.ri.gov

For Leon Petroleum, LLC
Mehtab Akhtar
3393 Pawtucket Avenue
Riverside, RI 02915
mehtab2345@gmail.com

For Riverside Gas & Cstore, Inc.
Muhammad Kashif
3393 Pawtucket Avenue
Riverside, RI 02915

- (a) At any time prior to full compliance with the terms of this Agreement, Respondents agree to notify DEM in writing of any change in ownership of the Property and provide the name and address of the new owner(s). Notice of any change in address/telephone/fax of either party shall be sent to all other parties by certified mail.
- (b) All communications regarding compliance with this Agreement shall be forwarded to the above-referenced addressees by certified mail.
- (8) DEFERRAL – 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) AMENDMENT – The Agreement may be amended by agreement of the parties in writing.
- (10) EFFECTIVE DATE – This Agreement shall be deemed entered as of the date of execution by all parties.

For Leon Petroleum, LLC

Mehtab Akhtar

Dated: _____

In my capacity, as _____ of Leon Petroleum, LLC, I hereby aver that I am authorized to enter into this Agreement and thereby bind Leon Petroleum, LLC to satisfy any obligation imposed upon it pursuant to said Agreement.

STATE OF RHODE ISLAND
COUNTY OF _____

In _____, in said County and State, on this _____ day of _____, 2022, before me personally appeared _____, the owner of Leon Petroleum, LLC, a Rhode Island corporation, to me known and known by me to be the party executing the foregoing instrument on behalf of Leon Petroleum, LLC, and he/she/they acknowledged said instrument by him/her/they executed, to be his/her/their free act and deed in said capacity and the free act and deed of Leon Petroleum, LLC.

Notary Public
My Commission Expires: _____

For Riverside Gas & Cstore, Inc.

Mehtab Akhtar

Dated: _____

In my capacity, as _____ of Riverside Gas & Cstore, Inc., I hereby aver that I am authorized to enter into this Agreement and thereby bind Riverside Gas & Cstore, Inc. to satisfy any obligation imposed upon it pursuant to said Agreement.

STATE OF RHODE ISLAND
COUNTY OF _____

In _____, in said County and State, on this _____ day of _____, 2022, before me personally appeared _____, the owner of Riverside Gas & Cstore, Inc., a Rhode Island corporation, to me known and known by me to be the party executing the foregoing instrument on behalf of Riverside Gas & Cstore, Inc., and he/she/they acknowledged said instrument by him/her/they executed, to be his/her/their free act and deed in said capacity and the free act and deed of Riverside Gas & Cstore, Inc.

Notary Public
My Commission Expires: _____

State of Rhode Island, Department of Environmental
Management

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

Dated: _____