Sarah Huckabee Sanders GOVERNOR Shane E. Khoury SECRETARY

March 15, 2024

Mr. Rick Ferguson, Managing Member Lakeview West, LLC P.O. 23670 Little Rock, AR 72221 EMAIL: Ferguson.office@gmail.com

RE: NPDES Permit Number ARR157962, AFIN 60-06256 PROPOSED CONSENT ADMINISTRATIVE ORDER

Dear Mr. Ferguson:

Attached is a proposed Consent Administrative Order (CAO) for violations of the Arkansas Water and Air Pollution Control Act, Ark. Code Ann. § 8-4-201 *et seq.*, at Lakeview West Subdivision located on Highway 113 in Roland, Arkansas. The Division of Environmental Quality (DEQ) has determined that this CAO is necessary to ensure compliance with the Act.

The enclosed CAO enumerates the violations in the "Findings of Fact" section, and outlines the steps required to achieve compliance in the "Order and Agreement" section of the CAO. Additionally, a civil penalty in the amount of \$11,200.00 is proposed by DEQ to settle the violations outlined in this CAO. If you choose to accept the terms of the CAO, please sign, date, and <u>return the signed copy</u> to the address below within twenty (20) calendar days of receipt of this letter. Subsequently, the Chief Administrator of DEQ will sign the CAO and you will be provided a copy, including information on the public notice process and the effective date of the CAO.

In an effort to expedite the resolution of these issues, DEQ will accept in settlement a civil penalty assessment of eighty percent (80%) of the full civil penalty amount determined pursuant to APC&EC Regulation No. 7 if the CAO is signed and returned to DEQ within **twenty (20)** calendar days of receipt of this letter. After this date, and until any administrative hearing or similar action is held on this matter, DEQ will continue to entertain the possibility of a settlement by entering into a CAO. However, the penalty reduction incentive for expedited settlement will be withdrawn and not available after the date the initial offer for penalty reduction has expired.

In addition, you may have the option of directing a portion of your penalty toward a Supplemental Environmental Project (SEP) to advance environmental interests. Generally a SEP will not reduce the recommended administrative civil penalty by more than thirty-five percent (35%); however, the DEQ Director has the final authority to establish the level of mitigation of a penalty. If you are interested in a SEP as part of your negotiated settlement, please refer to DEQ's SEP Policy and Proposal Guidelines at https://www.adeq.state.ar.us/legal/sep.aspx for additional information.

Failure to contact the DEQ's Office of Water Quality, Enforcement Branch in response to this CAO within **twenty (20) calendar days** of receipt of this letter will constitute rejection of the settlement offer and unilateral enforcement action may proceed through a Notice of Violation (NOV). Should you wish to discuss this matter further, or schedule a meeting, you may contact me at (501) 682-0635, or you may e-mail me at alan.anderson@adeq.state.ar.us.

Sincerely,

Alan Anderson, MPA

al Anderson

Pretreatment and Enforcement Coordinator

Division of Environmental Quality |

Office of Water Quality