

**BEFORE THE BOARD OF COMMISSIONERS OF THE
METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO**

METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO,)	
)	
Complainant,)	Case No. 24B-002
)	
v.)	
)	Show Cause Proceedings Under
CFC, INC., d/b/a COLUMBUS VEGETABLE OILS,)	Sewage & Waste Control Ordinance
)	
Respondent.)	Hearing Officer: Lesley D. Gool, Esq.

AGREED ORDER OF SETTLEMENT

This matter comes before the assigned Hearing Officer, Lesley D. Gool, by agreement of Complainant Metropolitan Water Reclamation District of Greater Chicago ("District"), through its General Counsel Susan T. Morakalis, and Respondent CFC, Inc., doing business as Columbus Vegetable Oils ("Columbus Vegetable"), through its attorneys Christopher A. Cali and Tejal S. Desai (collectively, the "Parties"), with due notice having been given and Hearing Officer Gool being fully advised in the premises.

I. STIPULATION OF FACTS

This stipulation of facts and jurisdiction is made and agreed upon for purposes of providing factual and jurisdictional bases for entry of this Agreed Order of Settlement ("Agreed Order").

A. Parties and Background

1. The District is a body corporate and politic organized and existing under the laws of the State of Illinois for the purpose of collecting and treating sewage and industrial wastes, protecting the waterways, and reducing instances of flooding for its service area covering most of Cook County, Illinois. *See* 70 ILCS 2605/1, et seq.

2. At all relevant times, Columbus Vegetable was:

- a) An Illinois corporation, organized and existing under the laws of the State of Illinois, engaged in the business of being a large-scale processor and packager of commodity and exotic specialty cooking oils, non-food oils, shortenings, salad dressings, and food sauces at its facility located at 30 East Oakton Street, Des Plaines, Illinois ("Facility"). The Facility is located within the District's service area.
- b) Subject to Appendix B, Section 1 of the SWCO (Pollutant Concentration Limits ("Local Limits")) for discharges of process wastewater from the Facility to a sewerage system tributary to the District's water reclamation facilities.

The Local Limits are set forth in Appendix B, Section 1 of the SWCO, including the local limit pertaining to Fats, Oils and Greases ("FOG") of 250.0 mg/L.

B. Jurisdiction over Show Cause Proceedings

3. Jurisdiction over these proceedings exists pursuant to Article VI, Section 3 of the SWCO (Administrative Proceedings, Proceedings for Show Cause).

4. Each NON, C&D or amended C&D referenced below was served by the District via U.S. certified mail on Columbus Vegetable at the Facility on or about the date of issuance.

5. On June 28, 2024, the District filed with the District's Clerk a one-count Show Cause Complaint against Columbus Vegetable for violations of Appendix B, Section 1 of the SWCO (Pollutant Concentration Limits) by discharging process wastewater from the Facility to a sewerage system under the District's jurisdiction and tributary to water reclamation facilities of the District that exceeded the SWCO's pollutant concentration limit for FOG between February 2022 and December 2023.

6. The Show Cause Complaint notified and ordered Columbus Vegetable to show cause before a Board of Commissioners ("Board") appointed Hearing Officer on why it has failed or refused to comply with the C&Ds issued by the District.

C. Columbus Vegetable's Violations of the SWCO

7. The Show Cause Complaint alleges violations of the SWCO based on the following one (1) NON, four (4) C&Ds and four (4) amended C&Ds:

- a) NON No. 96656 issued on or about February 18, 2022, for effluent violations of excessive concentrations of FOG based on the analytical results collected by the District in January 2022
- b) C&D No. 96807 issued on or about April 25, 2022, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by the District in March 2022
- c) Amended C&D No. 96807, known as EA No. 96953, issued on or about June 24, 2022, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by Columbus Vegetable in June 2022
- d) Amended C&D No. 96807, known as EA No. 97047, issued on or about August 3, 2022, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by Columbus Vegetable in July 2022
- e) C&D No. 97115, issued on or about August 31, 2022, for effluent violations of excessive concentrations of FOG based upon analytical results of samples collected by Columbus Vegetable in August 2022
- f) Amended C&D No. 97115, known as EA No. 97228, issued on or about October 10, 2022, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by Columbus Vegetable in September 2022
- g) C&D No. 97534, issued on or about February 28, 2023, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by the District in December 2022
- h) C&D No. 98190, issued on or about October 2, 2023, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by the District in August 2023
- i) Amended C&D No. 98190, known as EA No. 98403, issued on or about December 26, 2023, for effluent violations of excessive concentrations of FOG based upon analytical results of samples collected by Columbus Vegetable in December 2023

8. Additional sampling and testing of the Facility's process wastewater occurring after the District filed the Show Cause Complaint has resulted in the issuance of the following C&D and amended C&D:

- a) C&D No. 98630 issued on or about April 17, 2024, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by the District in March 2024
- b) Amended C&D 98630, known as EA 98830, issued on or about August 8, 2024, for effluent violations of excessive concentrations of FOG based upon the analytical results of samples collected by Columbus Vegetable in July 2024

9. Each of the effluent violations for FOG referenced in Paragraphs I(C)(7) and (8) above was based upon samples of process wastewater taken from the Facility's sampling point by the District and/or Columbus Vegetable, and subsequently tested in an accredited lab.

10. Columbus Vegetable neither disputes, nor contests, the analytical results memorialized in each NON, C&D and amended C&D attached to the Show Cause Complaint and the C&D and amended C&D stated in Paragraph I(C)(8) above indicating that the Facility's discharged process wastewater did in each instance exceed the daily maximum effluent limit for FOG of 250.0 mg/L where indicated.

II. HEARING OFFICER'S FINDINGS AND ORDERS

Hearing Officer Gool has jurisdiction over the subject matter herein and over the Parties and having considered the stipulated facts set forth above and being otherwise fully advised in the premises, finds the following relief appropriate.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

A. Payment of Civil Penalties and Outstanding Noncompliance Enforcement Charges

- 1. Subject to Board approval of the Agreed Order and pursuant to Article VI, Sections 3(e) and 5 of the SWCO, Columbus Vegetable shall pay \$28,000.00 to the District in satisfaction

of all civil penalties sought by the District in these proceedings for the SWCO violations listed above. Nothing contained in this Paragraph shall excuse, diminish or offset any amounts owed by Columbus Vegetable, whether currently or in the future, for assessed User Charges (including penalties and interest) under the District's User Charge Ordinance, and Noncompliance Enforcement Charges ("NCEs") and Late Filing Fees under the SWCO.

2. Columbus Vegetable shall also pay all outstanding NCEs, if any, assessed by the District against Columbus Vegetable.

3. Columbus Vegetable shall also pay up to a maximum of \$3,000.00 for court reporter costs and hearing officer fees as allowed under Article VI, Section 5 of the SWCO ("Reimbursable Costs").

4. Payment of the \$28,000.00, plus Reimbursable Costs, shall be made no later than five (5) business days after the date that the Agreed Order is approved by the Board ("Date of Board Approval").

5. Payment can be submitted by one of the following methods:

a) Via paper checks mailed to:

MWRD
PO Box 95089
Chicago, IL 60694-5089

b) Online through the following link:

<https://mwrld.org/form/user-charge-payment?fnm=&lnm=&email=&dtl=>

c) Direct ACH:

Bank Name: BMO Harris Bank NA
ABA Routing #: 0710 0028 8
Account Title: Metropolitan Water Reclamation District of Greater Chicago
Account Subtitle: Lockbox
Account #: 3306719

B. Compliance Period

6. Columbus Vegetable shall have a full-time designated person possessing a valid IEPA Class K Operators License onsite during regular business hours who will provide direct and active field supervision of all pretreatment facilities to ensure they are functioning properly and that all necessary chemicals are being supplied. Additional Columbus Vegetable staff shall be trained on the operation of the Facility's wastewater treatment system for operational redundancy during Columbus Vegetable's regular business hours.

7. Columbus Vegetable shall complete all necessary upgrades to the Facility's pretreatment system no later than March 14, 2025, and provide the District with monthly progress reports during this compliance period ("Compliance Period") due on the first Friday of each month clearly showing the milestones achieved in the pretreatment system upgrades with an ultimate objective of bringing Columbus Vegetable into compliance with the SWCO.

8. The Compliance Period shall consist of two stages, whereby Columbus Vegetable will be subject to NCE's and additional civil penalties for effluent violations as follows.

9. From the Date of Board Approval until October 20, 2024, Columbus Vegetable will not be liable for any additional civil penalties for exceedances of Local Limits occurring during this time frame, but will be responsible for paying to the District all assessed NCEs for newly issued amendments to C&D No. 96830, the compliance period of which is being extended to October 20, 2024. Should the analytical results of sampling performed by either party during this period show any discharge of Facility process wastewater exceeding the pollution concentration limits for FOG of 250.0 mg/L, Columbus Vegetable shall promptly pay to the District any assessed NCE, which is currently \$500.00 for each Amendment to a C&D under the SWCO. For purposes

of this paragraph, promptly means no later than 30 calendar days after the date of issuance of each such amended C&D.

10. From October 21, 2024, until March 14, 2025, should the analytical results of sampling performed during this time frame by either party show any discharge of Facility process wastewater exceeding the pollution concentration limits for FOG of 250.0 mg/L, Columbus Vegetable shall promptly pay to the District: a) any assessed NCE, which is currently \$5,000.00 for each newly issued C&D (Initial), \$10,000.00 for each newly issued C&D (Recurring) and \$500.00 for each Amendment to a C&D under the SWCO; and b) a civil penalty in the amount of \$1,000.00 for each documented day of an exceedance, with a regulatory multiple day average that exceeds acceptable limits constituting a separate day of offense. For purposes of this Paragraph, promptly means no later than 30 calendar days after the date of issuance of each such C&D or amended C&D.

11. Columbus Vegetable shall provide District staff with access to the Facility upon request during regular business hours for purposes of inspecting the Facility's process wastewater and pretreatment facilities and determining compliance with the Agreed Order.

C. Post-Compliance Period Effluent Violations

12. After the Compliance Period has lapsed, should the analytical results of sampling performed by either party on March 15, 2025 or thereafter show any discharge of Facility process wastewater exceeding the pollution concentration limits for FOG of 250.0 mg/L, Columbus Vegetable shall promptly pay to the District: a) any assessed NCE, which is currently \$5,000.00 for each newly issued C&D (Initial), \$10,000.00 for each newly issued C&D (Recurring) and \$500.00 for each Amendment to a C&D under the SWCO; and b) a civil penalty in the amount of \$2,000.00 for each documented day of an exceedance, with a regulatory multiple day average that

exceeds acceptable limits constituting a separate day of offense. For purposes of this Paragraph, promptly means no later than 30 calendar days after the date of issuance of each such C&D or Amended C&D.

D. Board Review and Approval of the Agreed Order

13. If the Board does not approve the Agreed Order, the District shall promptly file a motion to reinstate the Show Cause Complaint, which shall include a date agreed to by the Parties for the Formal Show Cause Hearing, with proper notice to Columbus Vegetable. Upon reinstatement and approval of such new date by Hearing Officer Gool, the District shall promptly file and serve a Notice of Formal Show Cause Hearing specifying the date of the hearing. Nothing in this Agreed Order shall constitute an admission or statement against interest by either Party in the event the Board does not approve this Agreed Order.

14. If the Board approves the Agreed Order, it will automatically become a binding and enforceable final order, with Hearing Officer Gool, or her successor, retaining jurisdiction of this matter to consider any motion by any party for the purposes of enforcing the terms of this Agreed Order.

E. Reinstatement after Board Approval of the Agreed Order

15. Hearing Officer Gool, or her successor, shall retain jurisdiction to enforce the terms of the Agreed Order for a period of two (2) years following the Date of Board Approval.

16. During such time, the terms of this Agreed Order shall remain in full force and effect.

17. In the event this case is reinstated to enforce any of these terms, or enforcement is otherwise sought by the District before any court with jurisdiction including by the Circuit Court of Cook County, Columbus Vegetable forever waives all rights to contest the underlying effluent

violations memorialized in each NON, C&D and amended C&D attached to the Show Cause Complaint and the C&D and amended C&D stated in Paragraph I(C)(8) above indicating that the Facility's discharged process wastewater did in each instance exceed the pollution concentration for FOG of 250.0 mg/L where indicated.

18. Reinstatement or other enforcement of this case shall under no circumstances excuse Columbus Vegetable from performing all its obligations under the Agreed Order, including payment of \$28,000.00 in civil penalties, outstanding NCEs and Reimbursable Costs in the time period provided in Paragraph II(A) above, the NCEs provided in Paragraph II(B)(9) above, the NCEs and civil penalties provided in Paragraph II(B)(10), and the NCEs and civil penalties provided in Paragraph II(C)(12) above.

19. Columbus Vegetable shall have leave to file a motion in this case to contest any sampling and testing data from the District that form the basis of any effluent violation resulting in the imposition of any new NCEs and/or civil penalties assessed by the District pursuant to Paragraphs II(B)(9), II(B)(10) and II(C)(12) above. There is a rebuttable presumption that such data is valid and accurately reflects the effluent violations detected. No legal challenge of any effluent violation will be considered, and is forever waived, unless the motion to contest is filed with the District's Clerk within thirty (30) calendar days of Columbus Vegetable's receipt of written notice of the violation from the District, whether by issuance of a C&D, Amended C&D, or other written notice from the District.

F. Notice and Submittals

20. Except for payments, service of any notice or other documentation as required or otherwise provided under the Agreed Order shall be upon the following designated representatives by First Class U.S. Mail and by email if an email address is provided below:

As to the District:

Alexander J. O'Connor
Senior Attorney
Metropolitan Water Reclamation District of Greater Chicago
100 East Erie Street, 3rd Floor
Chicago, IL 60611
ooconnora@mwrdr.org

As to Columbus Vegetable:

Paulette Gagliardo, President
CFC, Inc., d/b/a Columbus Vegetable Oils
30 E. Oakton St.
Des Plaines, IL 60018
pgaglia@cvoils.com

With a copy to:

Christopher A. Cali
Howard & Howard
200 South Michigan Ave, STE 1100
Chicago, IL 60604
cac@h2law.com

G. Failure to Insist on Performance Shall Not Constitute Waiver

21. If the District fails to insist on the performance or partial performance by Columbus Vegetable of any act or requirement contained in the Agreed Order, it shall not constitute a waiver by the District of any kind, nor shall it release Columbus Vegetable from its duty to satisfy all present and future obligations arising under the Agreed Order in their entirety. Any such instance shall be construed strictly in the District's favor and shall not estop the District from enforcing any provisions of the Agreed Order. Columbus Vegetable agrees that if it violates any terms of the Agreed Order, no waiver by the District of its right to take advantage of such violation shall constitute a waiver of any other obligations under the Agreed Order.

H. Execution of the Agreed Order

22. The Agreed Order may be executed by the Parties and Hearing Officer Gool in one or more counterparts, all of which taken together shall constitute the same instrument. The Agreed Order may also be executed and accepted by facsimile signature and any such signature shall be of the same force and effect as an original signature. The undersigned representatives for each of the Parties certify that they are fully authorized by the party whom they represent to enter the terms and conditions of the Agreed Order and to legally bind them to it.

WHEREFORE, the Parties, by their undersigned representatives, enter this Agreed Order of Settlement and submit it to Hearing Officer Gool so that it may be signed by her, then submitted to the District's Board of Commissioners for approval.

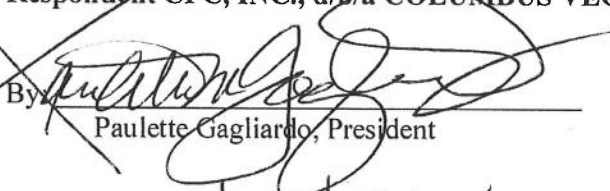
AGREED BY:

Complainant METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO, a body corporate and politic

By: Susan T. Morakalis / gma
Susan T. Morakalis, General Counsel

DATE: 8/29/24

Respondent CFC, INC., d/b/a COLUMBUS VEGETABLE OILS, an Illinois corporation

By: 
Paulette Gagliardo, President

DATE: 8/28/2024

Approved By: Christopher A. Cali
Christopher A. Cali, Esq.

DATE: 8/28/2024

ENTERED:


Lesley D. Gool, Hearing Officer

DATE: 8/30/2024

Susan T. Morakalis, General Counsel
Christopher M. Murray/Alexander J. O'Connor
100 East Erie Street, 3rd Floor
Chicago, Illinois 60611
Phone: 312-751-6563 (Direct)
Attorney Code: 28138
morakaliss@mwr.org; murrayc@mwr.org; oconnora@mwr.org