



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

By Certified Mail, Return Receipt: 7014 2120 0003 0493 2280

Thomas H. Mangold
Mangold Property Management, Inc.
575 Calle Principal
Monterey, CA 93940

DEC 08 2015

Re: In the Matter of Mangold Property Management, Inc.
Consent Agreement and Final Order

Docket No. TSCA-09-2016-0004
Date:

Dear Mr. Mangold:

Enclosed please find your copy of the fully executed Consent Agreement and Final Order which contains the terms of the settlement reached with EPA Region 9. Your completion of all actions enumerated in the Consent Agreement and Final Order will close this case.

If you have any questions, please contact Max Weintraub at 415-947-4163.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas K. McDaniel".

Douglas K. McDaniel
Manager
Waste and Chemical Section
Enforcement Division

Enclosures

1 SYLVIA A. QUAST
Regional Counsel
2
3 EDGAR P. CORAL
Assistant Regional Counsel
U.S. Environmental Protection Agency
4 Region IX
75 Hawthorne Street
5 San Francisco, CA 94105
(415) 972-3898
6

** FILED **
08DEC2015 - 04:25PM
U.S.EPA - Region 09

7 UNITED STATES
8 ENVIRONMENTAL PROTECTION AGENCY
9 REGION IX

10 In the matter of:

) Docket No. TSCA-09-2016- 0004

11)
12 Mangold Property Management, Inc.,)

) CONSENT AGREEMENT
) AND FINAL ORDER
) pursuant to 40 C.F.R. §§ 22.13(b),
) 22.18(b)(2), and 22.18(b)(3)
)

13 Respondent.
14

15 I. CONSENT AGREEMENT

16 The United States Environmental Protection Agency, Region IX (“EPA”), and Mangold
17 Property Management, Inc. (the “Respondent”) agree to settle this matter and consent to the entry
18 of this Consent Agreement and Final Order (“CAFO”). This CAFO simultaneously initiates and
19 concludes this proceeding in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b).
20

21 A. AUTHORITY AND PARTIES

22 1. This is a civil administrative penalty action instituted against Respondent pursuant to
23 Section 16(a) of the Toxic Substances Control Act (“TSCA”), 15 U.S.C. § 2615(a), for violation
24 of Section 1018 of Title X of the Residential Lead-Based Paint Hazard Reduction Act of 1992
25 (“Section 1018”), 42 U.S.C. § 4852d, and federal regulations promulgated to implement Section
26 1018 at 40 C.F.R. Part 745, Subpart F. Violation of Section 1018 through its implementing
27 regulations at 40 C.F.R. Part 745, Subpart F constitutes violation of Section 409 of TSCA, 15
28 U.S.C. § 2689.

1 2. Complainant is the Chief of the Waste and Chemical Section in the Air, Waste, and
2 Toxics Branch of the Enforcement Division in EPA Region IX, who has been duly delegated the
3 authority to bring this action and to sign a consent agreement settling this action.

4 3. Respondent owns and/or manages residential properties located in Salinas and
5 Monterey, California.

6 B. STATUTORY AND REGULATORY BASIS

7 4. 40 C.F.R. Part 745, Subpart F implements the provisions of Section 1018 that impose
8 certain disclosure requirements concerning lead-based paint and/or lead-based paint hazards
9 upon the sale or lease of target housing.

10 5. "Target housing" means any housing constructed prior to 1978, except housing for the
11 elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is
12 expected to reside in such housing) or any 0-bedroom dwelling. 40 C.F.R. § 745.103.

13 6. "Lessor" means any entity that offers target housing for lease, rent or sublease,
14 including but not limited to individuals, partnerships, corporations, trusts, government agencies,
15 housing agencies, Indian tribes, and nonprofit organizations. 40 C.F.R. § 745.103.

16 7. "Lessee" means any entity that enters into an agreement to lease, rent, or sublease
17 target housing, including but not limited to individuals, partnerships, corporations, trusts,
18 government agencies, housing agencies, Indian tribes, and nonprofit organizations. 40 C.F.R. §
19 745.103.

20 8. Before a lessee is obligated under any contract to lease target housing, the lessor shall
21 provide the lessee with an EPA-approved lead hazard information pamphlet. 40 C.F.R. §
22 745.107(a)(1).

23 9. Each contract to lease target housing shall include, as an attachment or within the
24 contract, a Lead Warning Statement containing language provided in 40 C.F.R. § 745.113(b)(1).
25 40 C.F.R. § 745.113(b)(1).

26 10. Each contract to lease target housing shall include a statement by the lessor
27 disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target
28

1 housing being leased or indicating no knowledge of the presence of lead-based paint and/or lead-
2 based paint hazards. 40 C.F.R. § 745.113(b)(2).

3 11. Each contract to lease target housing shall include a list of any records or reports
4 available to the lessor pertaining to lead-based paint and/or lead-based paint hazards in the target
5 housing that have been provided to the lessee or indicate that no such records or reports are
6 available. 40 C.F.R. § 745.113(b)(3).

7 12. Each contract to lease target housing shall include a statement by the lessee affirming
8 receipt of the information set forth in 40 C.F.R. §§ 745.113(b)(2) and (3) and the lead hazard
9 information pamphlet required under 15 U.S.C. § 2686. 40 C.F.R. § 745.113(b)(4).

10 13. Each contract to lease target housing shall include the signatures of the lessors,
11 agents, and lessees certifying to the accuracy of their statements, to the best of their knowledge,
12 along with the dates of signature. 40 C.F.R. § 745.113(b)(6).

13 14. As provided at 40 C.F.R. § 745.118(e), failure to comply with 40 C.F.R. §§ 745.107
14 or 745.113 is a violation of Section 409 of TSCA, 15 U.S.C. § 2689, and the penalty for each
15 such violation shall not be more than \$16,000 for violations occurring after January 12, 2009,
16 pursuant to the Civil Monetary Penalty Inflation Adjustment Rule at 40 C.F.R. Part 19, which
17 implements the Federal Civil Penalties Inflation Adjustment Act of 1990, Pub. L. 101-410.

18 C. ALLEGED VIOLATIONS

19 15. EPA has jurisdiction over this matter pursuant to Section 1018.

20 16. At all times relevant to this matter, Respondent was a “lessor” of residential
21 properties located at 333 West Laurel Drive in Salinas, California and 555 Ocean Avenue in
22 Monterey, California, as that term is defined at 40 C.F.R. § 745.103.

23 17. At all times relevant to this matter, the residential properties located at 333 West
24 Laurel Drive in Salinas, California and 555 Ocean Avenue in Monterey, California were “target
25 housing,” as that term is defined at 40 C.F.R. § 745.103.

26 18. Respondent entered into three leases of the residential properties referenced in
27 Paragraphs 16 and 17 for occupancies greater than 100 days or 100 days or less where lease
28 renewals or extensions could occur on or around the dates listed below:

<u>Address</u>	<u>Date of Lease</u>
1) 333 West Laurel Drive, Unit #6, Salinas, CA	October 8, 2010
2) 333 West Laurel Drive, Unit #15, Salinas, CA	November 15, 2011
3) 555 Ocean Avenue, Unit #3, Monterey, CA	July 5, 2011

19. At the time that Respondent entered into the first lease referenced in Paragraph 18, Respondent failed to provide the lessee with an EPA-approved lead hazard information pamphlet, as required by 40 C.F.R. § 745.107(a)(1).

20. At the time that Respondent entered into the first lease referenced in Paragraph 18, Respondent failed to include, as an attachment to the lease or within the lease, a Lead Warning Statement containing language provided in 40 C.F.R. § 745.113(b)(1), as required by 40 C.F.R. § 745.113(b)(1).

21. At the time that Respondent entered into the first lease referenced in Paragraph 18, Respondent failed to include in the lease a statement by Respondent disclosing the presence of known lead-based paint and/or lead-based paint hazards in the unit being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards, as required by 40 C.F.R. § 745.113(b)(2).

22. At the time that Respondent entered into the first lease referenced in Paragraph 18, Respondent failed to include in the lease a list of any records or reports available to Respondent pertaining to lead-based paint and/or lead-based paint hazards in the unit that had been provided to the lessee or indicate that no such records or reports are available, as required by 40 C.F.R. § 745.113(b)(3).

23. At the time that Respondent entered into the first lease referenced in Paragraph 18, Respondent failed to include in the lease a statement by the lessee affirming receipt of the information set forth in 40 C.F.R. §§ 745.113(b)(2) and (3) and the lead hazard information pamphlet required under 15 U.S.C. § 2686, as required by 40 C.F.R. § 745.113(b)(4).

24. At the time that Respondent entered into the three leases referenced in Paragraph 18, Respondent failed to include the signature of Respondent and the lessees certifying to the accuracy of their statements, to the best of their knowledge, along with the dates of signature, as required by 40 C.F.R. § 745.113(b)(6).

1 25. Each of Respondent's failures to comply with 40 C.F.R. §§ 745.107 and 745.113, as
2 set forth in Paragraphs 19 through 24, constitutes a separate violation of Section 409 of TSCA,
3 15 U.S.C. § 2689, which can be assessed a penalty of up to \$16,000 per violation for violations
4 occurring after January 12, 2009.

5 **D. RESPONDENT'S ADMISSIONS**

6 26. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding,
7 Respondent: (i) admits that EPA has jurisdiction over the subject matter of this CAFO and over
8 Respondent; (ii) neither admits nor denies the specific factual allegations contained in Section
9 I.C of this CAFO; (iii) consents to any and all conditions specified in this CAFO and to the
10 assessment of the civil administrative penalty under Section I.E of this CAFO; (iv) waives any
11 right to contest the allegations contained in this CAFO; and (v) waives the right to appeal the
12 proposed Final Order contained in this CAFO.

13 **E. CIVIL ADMINISTRATIVE PENALTY**

14 27. In settlement of the violations specifically alleged in Section I.C of this CAFO,
15 Respondent shall pay a civil administrative penalty of NINETEEN THOUSAND, SEVEN
16 HUNDRED, AND FORTY DOLLARS (\$19,740). Respondent shall pay this civil penalty
17 within thirty (30) days of the effective date of this CAFO. The civil penalty shall be paid by
18 remitting a certified or cashier's check, including the name and docket number of this case, for
19 the amount, payable to "Treasurer, United States of America," (or be paid by one of the other
20 methods listed below) and sent as follows:

21 Regular Mail:
22 U.S. Environmental Protection Agency
23 Fines and Penalties
24 Cincinnati Finance Center
25 PO Box 979077
26 St. Louis, MO 63197-9000

27 Wire Transfers:
28 Wire transfers must be sent directly to the Federal Reserve Bank in New
York City with the following information:
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street

1 New York, NY 10045
2 Field Tag 4200 of the Fedwire message should read "D 68010727
3 Environmental Protection Agency"

4 Overnight Mail:
5 U.S. Bank
6 1005 Convention Plaza
7 Mail Station SL-MO-C2GL
8 ATTN Box 979077
9 St. Louis, MO 63101

10 ACH (also known as REX or remittance express):
11 Automated Clearinghouse (ACH) for receiving U.S. currency
12 PNC Bank
13 808 17th Street, NW
14 Washington, DC 20074 ABA = 051036706
15 Transaction Code 22 – checking
16 Environmental Protection Agency
17 Account 31006
18 CTX Format

19 On Line Payment:
20 This payment option can be accessed from the information below:
21 www.pay.gov
22 Enter "sfo1.1" in the search field
23 Open form and complete required fields

24 If clarification regarding a particular method of payment remittance is
25 needed, contact the EPA's Cincinnati Finance Center at (513) 487-2091.

26 A copy of each check, or notification that the payment has been made by one of the other
27 methods listed above, including proof of the date payment was made, shall be sent with a
28 transmittal letter, indicating Respondent's name, the case title, and docket number, to the
following addresses:

29 Regional Hearing Clerk
30 Office of Regional Counsel (ORC-1)
31 U.S. Environmental Protection Agency, Region IX
32 75 Hawthorne Street
33 San Francisco, CA 94105

34 Max Weintraub
35 Waste and Chemical Section
36 Enforcement Division (ENF-2-2)
37 U.S. Environmental Protection Agency, Region IX
38 75 Hawthorne Street
39 San Francisco, CA 94105

1 28. Respondent shall not use payment of any penalty under this CAFO as a tax deduction
2 from Respondent's federal, state, or local taxes, nor shall Respondent allow any other person to
3 use such payment as a tax deduction.

4 29. If Respondent fails to pay the assessed civil administrative penalty of NINETEEN
5 THOUSAND, SEVEN HUNDRED, AND FORTY DOLLARS (\$19,740), as identified in
6 Paragraph 27, by the deadline specified in that Paragraph, then Respondent shall pay a stipulated
7 penalty to EPA of \$150 per day in addition to the assessed penalty. Stipulated penalties shall
8 accrue until such time as the assessed penalty and all accrued stipulated penalties are paid and
9 shall become due and payable upon EPA's written request. Failure to pay the civil administrative
10 penalty specified in Paragraph 27 by the deadline specified in that Paragraph may also lead to any
11 or all of the following actions:

12 (1) EPA may refer the debt to a credit reporting agency, a collection
13 agency, or to the Department of Justice for filing of a collection action in the appropriate United
14 States District Court. 40 C.F.R. §§ 13.13, 13.14 and 13.33. The validity, amount, and
15 appropriateness of the assessed penalty or of this CAFO is not subject to review in any such
16 collection proceeding.

17 (2) The U.S. Government may collect the debt by administrative offset
18 (*i.e.*, the withholding of money payable by the United States to, or held by the United States for, a
19 person to satisfy the debt the person owes the U.S. Government), which includes, but is not
20 limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40
21 C.F.R. §§ 13(C) and 13(H).

22 (3) Pursuant to 40 C.F.R. § 13.17, EPA may either: (i) suspend or revoke
23 Respondent's licenses or other privileges, or (ii) suspend or disqualify Respondent from doing
24 business with EPA or engaging in programs EPA sponsors or funds.

25 (4) Pursuant to 31 U.S.C. § 3701 *et seq.* and 40 C.F.R. Part 13, the U.S.
26 Government may assess interest, administrative handling charges, and nonpayment penalties
27 against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the
28 civil administrative penalty specified in Paragraph 27 by the deadline specified in that Paragraph.

1 (a) Interest. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R.
2 §13.11(a)(1), any unpaid portion of the assessed penalty shall bear interest at the rate established
3 according to 26 U.S.C. § 6621(a)(2) from the effective date of this CAFO, provided, however,
4 that no interest shall be payable on any portion of the assessed penalty that is paid within thirty
5 (30) days of the effective date of this CAFO.

6 (b) Administrative Handling Charges. Pursuant to 31 U.S.C.
7 Section 3717(e)(1) and 40 C.F.R. § 13.11(b), Respondent shall pay a monthly handling charge,
8 based on either actual or average cost incurred (including both direct and indirect costs), for
9 every month in which any portion of the assessed penalty is more than thirty (30) days past due.

10 (c) Nonpayment Penalties. Pursuant to 31 U.S.C. § 3717(e)(2)
11 and 40 C.F.R. § 13.11(c), a monthly penalty charge, not to exceed six percent (6%) annually,
12 may be assessed on all debts more than ninety (90) days delinquent.

13 F. CERTIFICATION OF COMPLIANCE

14 30. In executing this CAFO, Respondent certifies that it is now fully in compliance with
15 Section 1018 and federal regulations promulgated to implement Section 1018 at 40 C.F.R. Part
16 745, Subpart F.

17 G. RETENTION OF RIGHTS

18 31. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's
19 liabilities for federal civil penalties for the violation and facts specifically alleged in Section I.C
20 of this CAFO. Nothing in this CAFO is intended to or shall be construed to resolve: (i) any civil
21 liability for violations of any provision of any federal, state, or local law, statute, regulation, rule,
22 ordinance, or permit not specifically alleged in Section I.C of this CAFO; or (ii) any criminal
23 liability. EPA specifically reserves any and all authorities, rights, and remedies available to it
24 (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address
25 any violation of this CAFO or any violation not specifically alleged in Section I.C of this CAFO.

26 32. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's
27 duties to comply with all applicable federal, state, and local laws, regulations, rules, ordinances,
28 and permits.

1 H. ATTORNEYS' FEES AND COSTS

2 33. Each party shall bear its own attorneys' fees, costs, and disbursements incurred in
3 this proceeding.

4 I. EFFECTIVE DATE

5 34. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CAFO shall be
6 effective on the date that the Final Order contained in this CAFO, having been approved and
7 issued by either the Regional Judicial Officer or Regional Administrator, is filed.


8 J. BINDING EFFECT

9 35. The undersigned representative of Complainant and the undersigned representative of
10 Respondent each certifies that he or she is fully authorized to enter into the terms and conditions
11 of this CAFO and to bind the party he or she represents to this CAFO.

12 36. The provisions of this CAFO shall apply to and be binding upon Respondent and its
13 officers, directors, employees, agents, trustees, servants, authorized representatives, successors,
14 and assigns.


15
16
17 FOR RESPONDENT MANGOLD PROPERTY MANAGEMENT, INC.:

18
19 11/17/15
DATE

20 
THOMAS H. MANGOLD
Owner
Mangold Property Management, Inc.

21
22 FOR COMPLAINANT EPA:

23
24 12/7/15
DATE

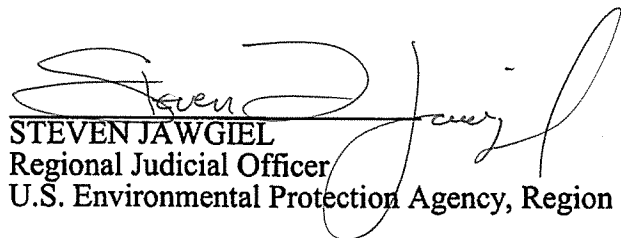
25 
DOUGLAS K. MCDANIEL
Chief, Waste and Chemical Section
Enforcement Division
U.S. Environmental Protection Agency, Region IX

1 II. FINAL ORDER

2 EPA and Mangold Property Management, Inc. having entered into the foregoing Consent
3 Agreement,

4 IT IS HEREBY ORDERED that this CAFO (Docket No. TSCA-09-2016-0004) be
5 entered, and Respondent shall pay a civil administrative penalty in the amount of NINETEEN
6 THOUSAND, SEVEN HUNDRED, AND FORTY DOLLARS (\$19,740), and comply with the
7 terms and conditions set forth in the Consent Agreement.

8
9
10 12/08/15
11 DATE

12 
13 STEVEN JAWGIEL
14 Regional Judicial Officer
15 U.S. Environmental Protection Agency, Region IX
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CERTIFICATE OF SERVICE

I hereby certify that the original ~~and a copy~~ of the foregoing Consent Agreement and Final Order in the matter of Mangold Property Management, Inc. with Docket # TSCA-09-2016-0004 has been filed with the Regional Hearing Clerk, Region IX and copies were sent:

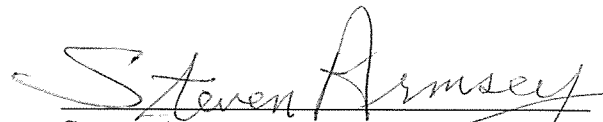
By Certified Mail, Return Receipt Requested to Respondent:

Thomas H. Mangold
Mangold Property Management, Inc.
575 Calle Principal
Monterey, CA 93940
Certified Mail Receipt #: 7014 2120 0003 0493 2280

Hand Delivered to:

Edgar Coral
Office of Regional Counsel
U.S. EPA, Region 9, ORC-2
75 Hawthorne Street
San Francisco, CA 94105

Dec. 8, 2015
Date


Steven Armsey
Acting Regional Hearing Clerk