

# IOWA DEPARTMENT OF NATURAL RESOURCES

## ADMINISTRATIVE CONSENT ORDER

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**IN THE MATTER OF:**

**GW Development, L.C.  
Dallas County, Iowa**

**ADMINISTRATIVE  
CONSENT ORDER  
NO. 2020-WW- 09**

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**TO** Thomas Gralias, Registered Agent  
:  
: GW Development, L.C.  
: 1350 NW 138<sup>th</sup> Street Ste 500  
: Clive, IA 50325

### I. SUMMARY

This administrative consent order (order) is entered into between GW Development, L.C. (GW) and the Iowa Department of Natural Resources (Department). The parties hereby agree to the issuance of this order due to violations of GW's storm water National Pollutant Discharge Elimination System (NPDES) permit. GW agrees to pay an administrative penalty of \$8,000.00. In the interest of avoiding litigation, the parties have agreed to resolve the violations alleged herein through entry of this order.

Any questions or responses regarding this order should be directed to:

**Relating to technical requirements:**

Dennis Thielen  
IDNR Field Office No. 5  
Iowa Department of Natural Resources  
502 East 9<sup>th</sup> Street  
Des Moines, Iowa 50319-0034  
712-262-4177

**Relating to legal requirements:**

Carrie Schoenebaum, Attorney  
Iowa Department of Natural Resources  
502 E 9<sup>th</sup> Street  
Des Moines, IA 50319-0034  
Phone: 515-444-8165

**Payment of penalty to:**

Iowa Department of Natural Resources  
502 East 9<sup>th</sup> Street  
Des Moines, Iowa 50319-0034

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**II. JURISDICTION**

This order is issued pursuant to Iowa Code section 455B.175(1), which authorizes the Director to issue any order necessary to secure compliance with or prevent a violation of Iowa Code chapter 455B, Division III, Part I and the rules promulgated or permits issued pursuant thereto; and Iowa Code section 455B.109 and 567 Iowa Administrative Code (IAC) chapter 10, which authorize the Director to assess administrative penalties.

**III. STATEMENT OF FACTS**

1. On December 13, 2019, GW was issued a notice of coverage under NPDES General Permit No. 2 for storm water discharge associated with construction activity at the location of the River Woods Residential Subdivision (site). This site is 68.2 acres and is located at Section 26, Township 78 Range 27W, which is locally known as 28401 360<sup>th</sup> St. Van Meter, IA. The storm water from this site flows to an unnamed tributary of the Raccoon River. This tributary flows approximately .5 miles before discharging directly to the Raccoon River.
2. On March 23, 2020, the Department received a complaint alleging that sediment was migrating outside of the perimeter of the site onto neighboring properties.
3. On March 24, 2020, the Department went to the site to investigate. Once on site, the Department observed the following violations:
  - a. Perimeter controls were lacking and/or deficient;
  - b. Additional controls were needed throughout the site to slow the flow of water and prevent sediment from leaving the site;
  - c. The area west of the site entrance had been recently graded and lacked any erosion and sediment controls;
  - d. A significant amount of fill was moved for grading activities. This created two large areas of fill with steep slopes draining to the west. Both areas failed to have proper sediment and erosion controls. Sediment laden storm water was observed to have flowed from this area into the unnamed tributary that flows directly to the Raccoon River. The sediment in the tributary was yellowish brown in color and matched the color of sediment on the site.
  - e. On the north end of the site, contractors were actively grading the site for a third storm water basin. No sediment and erosion controls were located down slope from this grading activity.
4. Following the onsite inspection, a copy of the Storm Water Pollution Prevention Plan (SWPPP) was sent to the Department.
5. On April 3, 2020, a Notice of Violation (NOV) was sent to GW for the above-discussed violations. This NOV summarized the violations, relevant law, and recommended corrective actions. Included with this NOV was a copy of the inspection report.

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**IV. CONCLUSIONS OF LAW**

The parties hereby agree to the following conclusions of law:

1. Iowa Code section 455B.186 prohibits the discharge of pollutants into a water of the state, except for adequately treated pollutants discharged pursuant to a permit issued by the Department. The above stated facts demonstrate non-compliance with this provision.
2. Iowa Code sections 455B.103(A) and 455B.197 authorize the issuance of permits for storm water discharges. The Environmental Protection Commission (Commission) has adopted federal regulations pertaining to the issuance of NPDES permits for storm water discharge at 567 IAC 60.2 and in 567 IAC chapter 64. Pursuant to subrule 60.2, "[s]torm water discharge associated with industrial activity" means the "discharge from any conveyance which is used for collecting and conveying storm water and which is directly related to manufacturing, processing, or raw materials storage areas at an industrial plant." Subparagraph 10 under this definition includes "construction activity, including clearing, grading, and excavation activities." Excluded are operations that result in the disturbance of less than one acre of total land area that are not part of a larger common plan of development or sale.
3. 567 IAC 61.3(2)"c" states that "[s]uch waters shall be free from materials attributable to wastewater discharges or agricultural practices producing objectionable color, odor or other aesthetically objectionable conditions." The above stated facts demonstrate noncompliance with these provisions.
4. 567 IAC 64.3(1) provides that no person shall operate any wastewater disposal system or part thereof without, or contrary to any condition of, an operation permit issued by the Director. The above stated facts demonstrate noncompliance with this provision.
5. Part IV. C. of NPDES General Permit No. 2 requires that SWPPPs be kept current and shall describe and ensure the implementation of practices which will be used to reduce the pollutants in storm water discharge associated with industrial activity. The above stated facts demonstrate noncompliance with this provision of law.
6. NPDES Part IV. D of NPDES General Permit No. 2 requires that "[q]ualified personnel ... shall inspect disturbed areas of the construction site that have not been stabilized[.]" Qualified personnel is defined in Part V of the NPDES permit as "those individuals capable enough and knowledgeable enough to perform the required functions adequately well to ensure compliance with the relevant permit conditions and requirements of the Iowa Administrative Code." The failure to properly implement the SWPPP and the failure to document this in the inspection records demonstrates that the personnel conducting the inspections were not qualified and therefore shows non-compliance with this provision.



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**V. ORDER**

THEREFORE, the Department orders, and GW consents to do, the following:

1. Comply with all conditions of GW's NPDES permit, which includes the SWPPP; and
2. Pay an administrative penalty of \$8,000.00 within 30 days of the date the Director signs this order.

**VI. PENALTY**

1. Iowa Code section 455B.191 authorizes the assessment of civil penalties of up to \$5,000.00 per day of violation for the violations involved in this matter.
2. Iowa Code section 455B.109 authorizes the Commission to establish by rule a schedule of civil penalties up to \$10,000.00 which may be assessed administratively. The Commission has adopted this schedule with procedures and criteria for assessment of penalties in 567 IAC chapter 10. Pursuant to this chapter, the Department has determined that the most effective and efficient means of addressing the above-cited violations is the issuance of an administrative order with an administrative penalty. The administrative penalty is determined as follows:

a. **Economic Benefit.** 567 IAC chapter 10 requires that the Department consider the costs saved or likely to be saved by noncompliance. 567 IAC 10.2(1) states that "where the violator received an economic benefit through the violation or by not taking timely compliance or corrective measures, the department shall take enforcement action which includes penalties which at least offset the economic benefit." 567 IAC 10.2(1) further states, "reasonable estimates of economic benefit should be made where clear data are not available." An economic benefit was obtained through avoiding the cost of installing and maintaining adequate storm water erosion and sediment control measures throughout the construction site. This avoided several thousand dollars in materials and labor expenses. Thus, it is reasonable to estimate that \$3,000.00 was saved. Therefore, \$3,000.00 is assessed for this factor.

b. **Gravity of the Violation.** One of the factors to be considered in determining the gravity of a violation is the amount of penalty authorized by the Iowa Code for the type of violation. As indicated above, substantial civil penalties are authorized by statute. Failure to properly manage storm water runoff from construction sites degrades surface water quality and deposits excess sediment in water channels. Sedimentation of Iowa's waterways is a serious problem, and regulatory agencies have recognized that uncontrolled runoff is a significant contributor to these problems. Degraded water quality harms aquatic life, prevents the attainment of state water quality goals, and causes a decline in the quality of life generally. The erosion and sediment controls contained in GW's NPDES permit protect Iowa's waterways from sedimentation. Such noncompliance thwarts the integrity of the NPDES permit and water quality programs. Therefore, the amount of \$3,000.00 is assessed for this factor.

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c. **Culpability.** GW is engaged in the business of development and construction. This is a highly regulated activity and therefore GW has an obligation to be aware of the applicable regulations and comply with those regulations. Therefore, the amount of \$2,000.00 is assessed for this factor.

**VII. WAIVER OF APPEAL RIGHTS**

Iowa Code section 455B.175(1) and 561 IAC 7.4(1), as adopted by reference by 567 IAC chapter 7, authorize a written notice of appeal to the Commission. This order is entered into knowingly by and with the consent GW. By signature to this order, all rights to appeal this order are waived by GW.

**III. NONCOMPLIANCE**

Failure to comply with this order may result in the imposition of further administrative penalties or referral to the Attorney General to obtain injunctive relief and civil penalties pursuant to Iowa Code section 455B.191. Compliance with Section V. of this order constitutes full satisfaction of all requirements pertaining to the violations described in this order.

Thomas J. Gulsberg, Jr.  
On behalf of, GW Development, L.C.

Dated this 20th day of  
October, 2020

Kayla Lyon  
Kayla Lyon, DIRECTOR  
IOWA DEPARTMENT OF NATURAL RESOURCES

Dated this 20th day of  
October, 2020

GW Development, L.C. (Copy of Order to Central Office Records File). FO 3, Carrie Schoenebaum- Legal Services Bureau, U.S. E.P.A., I.C.7.b.