

**FILED**

JUN 09 2005

Terri A. Lorenzon, Director  
Environmental Quality Council

**SETTLEMENT AGREEMENT**

85-3447  
**RECEIVED**

MAY 23 2005

WATER QUALITY DIVISION

WYOMING

The Wyoming Department of Environmental Quality, Water Quality Division (DEQ/WQD), and Paul Reed Construction & Supply, Inc. (Paul Reed), a company authorized to do business in Wyoming, enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in **Notice of Violation Docket (NOV) Numbers 3683-05 (NOV and Order) and 3737-05 dated February 4, 2005 and April 4, 2005, respectively.**

W.S. §35-11-901(a)(ii) authorizes the DEQ to negotiate a stipulated settlement, including payment of a penalty, in lieu of litigation. To that end, Paul Reed and the DEQ/WQD hereby stipulate and agree as follows:

1. The DEQ, pursuant to W.S. §35-11-104, is a department in the executive branch of the state government of Wyoming and is principally situated in Cheyenne, Wyoming. DEQ is the agency with the responsibility for administering the Wyoming Environmental Quality Act (Act) including all provisions of the Wyoming Water Quality Rules and Regulations (WWQRR).
2. Paul Reed accepts responsibility for the violations alleged in NOV and Order Docket Number 3683-05 and NOV 3737-05.
3. Paul Reed has paid a total permit fee of one hundred dollars and no cents (\$100.00) for the one (1) active storm water authorization (WYR101613) for the 2004 fiscal year.
4. With the submittal of the permit fee payment of \$100.00 by Paul Reed for the storm water authorization in Campbell County listed in paragraph 3 above, all requirements of NOV and Order 3683-05 have been met and the NOV and Order is now resolved.
5. Paul Reed has paid a total penalty of one thousand five hundred dollars and no cents (\$1,500.00) as a stipulated settlement to resolve NOV 3737-05 in lieu of litigation under W.S. §35-11-901(a)(ii). With the payment of the \$1,500.00 penalty by Paul Reed, the NOV is now resolved.
6. Except as provided in paragraph 5 above, this signed Settlement Agreement and payment by Paul Reed as specified above shall constitute full satisfaction for and resolution of all claims by the DEQ/WQD against Paul Reed based on the violations alleged in Notice of Violation Docket Numbers 3683-05 and 3737-05. With Paul Reed's compliance with the terms of this Settlement Agreement, the DEQ/WQD will refrain from taking further enforcement action against Paul Reed for these particular violations. By this Settlement Agreement, the parties intend to resolve with prejudice all allegations that were asserted in NOV Docket Numbers 3683-05 and 3737-05.
7. Nothing in this agreement precludes DEQ/WQD from taking additional enforcement action, including the issuance of a Notice of Violation, Order, and/or pursuing additional penalties, should Paul Reed violate the Act or applicable rules and regulation in the future.
8. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties.
9. Notwithstanding any other language in this Settlement Agreement, the State of Wyoming and DEQ do not waive sovereign immunity by entering into this Settlement Agreement with Paul Reed and specifically retain all immunity and all defenses available as sovereigns under state and federal law.
10. Each party shall bear its own attorney fees and costs, if any incurred, through the date this Settlement Agreement is signed by both parties.
11. **This Settlement Agreement is binding upon Paul Reed Construction & Supply, Inc., its successors and assigns, and upon the DEQ.**
12. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.

13. Full execution of this Settlement Agreement shall be determined by the latest date when signed by all parties.

**FOR: Paul Reed Construction & Supply, Inc.**

Signed: Gerald M. Murphy

Typed: GERALD M. MURPHY

Title: Controller

Date: 5/18/05

**FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:**

John V. Corra  
John V. Corra  
Director  
Department of Environmental Quality

Date: 5/12/05

John F. Wagner  
John F. Wagner  
Administrator  
DEQ/Water Quality Division

Date: 5/12/05

JVC/JFW/BRB/bb/5-0583.ltr

cc: Brian R. Bohlmann, P.E.  
NOV and Order Docket Number 3683-05  
NOV Docket Number 3737-05  
Environmental Quality Council