

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

OFFICE OF THE SECRETARY

RICHARDSON & ROBBINS BUILDING 89 KINGS HIGHWAY DOVER, DELAWARE 19901

PHONE (302) 739-9000

NOTICE OF ADMINISTRATIVE PENALTY ASSESSMENT AND SECRETARY'S ORDER

Pursuant to 7 Del. C. §§ 6005(b)(2) and (b)(3) Order No. 2024-WH-0040

Issued To:

Via Personal Service:

Jack Church Head of Corporate Operations Adesis, Inc. 27 McCullough Drive New Castle, DE 19720 **Registered Agent:**

Via Certified Mail, Return Receipt: The Corporation Trust Company Corporation Trust Center 1209 Orange Street Wilmington, DE 19801

Dear Mr. Church:

The Secretary of the Department of Natural Resources and Environmental Control ("Department") has found Adesis, Inc. ("Respondent" or "Adesis") in violation of 7 *Del. C.* Chapters 60 and 63, and 7 DE Admin. Code § 1302, Delaware's *Regulations Governing Hazardous Waste* ("DRGHW"). Accordingly, the Department is issuing this Notice of Administrative Penalty Assessment and Secretary's Order ("Secretary's Order"), pursuant to 7 *Del. C.* § 6005.

BACKGROUND

Adesis, Inc. operates a research and development and small-scale manufacturing facility focusing on biotechnology, pharmaceuticals, and specialty chemicals located at 27 McCullough Drive, New Castle, Delaware 19720 ("Facility"). During the operation of its Facility, Respondent generates hazardous waste. As such, Respondent is subject to compliance inspections conducted by the Department's Compliance and Permitting Section ("CAPS"), pursuant to 7 DE Admin. Code § 1302.

On November 28, 2023, the Department conducted a compliance inspection at the Facility. At the time of the inspection, Respondent was classified as a large quantity generator ("LQG")¹ of hazardous waste. The Facility is assigned EPA ID number DER000002980. Based on the information gathered during the inspection, the Department found Respondent to be in violation of applicable state statutes and regulations governing the generation and management of hazardous waste.

The Department notified Respondent of the violations identified during the inspection by issuing Notice of Violation No. 24-HW-02 ("NOV"), dated January 19, 2024. The NOV documented 13 violations of DRGHW and was received by the Respondent on January 30, 2024.

Respondent corrected 10 of the 13 violations prior to issuance of the NOV. On February 2, 2024, Respondent submitted documentation to the Department demonstrating that it corrected the remaining violations.

¹ Generators of more than 1,000 kilograms (2,200 pounds) of hazardous waste in any calendar month are large quantity generators (DRGHW, Section 260.10, 2021).

FINDINGS OF FACT AND VIOLATION INCLUDING REGULATORY REQUIREMENTS

1. DRGHW Section 262.15(a)(5)(i) states in part:

"(5) A generator must mark or label its container with the following: (i) The words 'Hazardous Waste'..."

On November 28, 2023, Department representatives observed the following containers of hazardous waste in a satellite accumulation area (SAA)² not labeled with the words "Hazardous Waste."

SAA	Containers
Lab 2 – Lab Hoods #2-10	5-gallon plastic carboy ³ of hazardous waste
	dichloroethane (x2)
	3-gallon glass container of hazardous waste
	halogenated solvents (x2)
Lab 3	1-gallon plastic bag accumulating a Biotage
	Chromatography Machine cartridge containing
	hazardous waste solvents (x2)
Lab 6	1-gallon plastic bag accumulating a Biotage
	Chromatography Machine cartridge containing
	hazardous waste solvents
Prep Lab Room 131	2.5-gallon plastic container of hazardous waste
	solvents
QC Lab Room 148B	5-gallon plastic carboy of hazardous waste
	solvents

Failure to label an SAA container the words "Hazardous Waste" violates DRGHW Section 262.15(a)(5)(i).

² Satellite accumulation areas are locations where a hazardous waste generator can accumulate up to 55 gallons of hazardous waste at or near the point of generation with reduced regulatory requirements. (DRGHW Section 262.15, 2021).

³ A carboy is a rigid container used to transport liquids.

Adesis, Inc. Notice of Administrative Penalty and Secretary's Order Page 4 of 19

During the inspection on November 28, 2023, Respondent corrected this violation to the Department's satisfaction.

2. DRGHW Section 262.15(a)(5)(ii) states:

"(5) A generator must mark or label its container with the following:...

(ii) An indication of the hazards of the contents (examples include, but are not limited to, the applicable hazardous waste characteristic(s) (i.e., ignitable, corrosive, reactive, toxic); hazard communication consistent with the Department of Transportation requirements at 49 CFR Part 172 Subpart E (labeling) or Subpart F (placarding); a hazard statement or pictogram consistent with the Occupational Safety and Health Administration Hazard Communication Standard at 29 CFR 1910.1200; or a chemical hazard label consistent with the National Fire Protection Association code 704)."

On November 28, 2023, Department representatives observed the following containers of hazardous waste in an SAA not labeled with an indication of the hazards of the contents:

SAA	Containers
Lab 2 – Lab Hoods #2-10	5-gallon plastic carboy of hazardous waste
	dichloroethane (x2)
	3-gallon glass container of hazardous waste
	halogenated solvents (x2)
	10-gallon metal can of hazardous waste general
	trash
Lab 3	1-gallon plastic sharps container of sharps ⁴
	contaminated with hazardous waste solvents
	4L amber glass container of hazardous waste
	solvents (x2)
	1-gallon plastic bag accumulating Biotage
	Chromatography Machine cartridge containing
	hazardous waste solvents (x2)
Area C – Buchi Rotavapor	5-gallon plastic carboy of hazardous waste
Lab	solvents
Lab 6	1-gallon plastic bag accumulating Biotage
	Chromatography Machine cartridge containing

⁴ Sharps means any discarded article that may cause puncture or cuts. Such wastes include, but are not limited to, needles, intravenous (IV) tubing with needles attached, scalpel blades, glassware and syringes that have been removed from their original sterile containers. (7 DE Admin. Code 1301, Delaware's *Regulations Governing Solid Waste*, Section 11.3, 2020)

	hazardous waste solvents
	1-gallon plastic sharps container of sharps
	contaminated with hazardous waste solvents (x6) 4L amber glass container of hazardous waste solvents (x2)
Lab 7	1-gallon plastic sharps container of sharps contaminated with hazardous waste solvents (x3)
Analytical Lab Room 148A	2.5-gallon plastic container of hazardous waste solvents
	1-gallon plastic container of hazardous waste solvents
QC Lab Room 148B	5-gallon plastic carboy of hazardous waste solvents
	2.5-gallon plastic container of hazardous waste solvents

Failure to label an SAA container with an indication of the hazards of the contents violates DRGHW Section 262.15(a)(5)(ii).

During the inspection on November 28, 2023, Respondent corrected this violation to the Department's satisfaction.

3. DRGHW Section 262.15(a) states in part:

"(a) A generator may accumulate as much as 55 gallons of non-acute hazardous waste and/or either one quart of liquid acute hazardous waste listed in §261.31 or §261.33(e) of these regulations or 1 kilogram (≈2.2 pounds) of solid acute hazardous waste listed in §261.31 or §261.33(e) of these regulations in containers at or near any point of generation where wastes initially accumulate which is under the control of the operator(s) of the process generating the waste, without a permit or interim status and without complying with the requirements of Parts 124, 264 through 266, and 122 of these regulations, provided that all of the conditions for exemption in this section are met..."

On November 28, 2023, Department representatives observed hazardous waste in Lab 2. Respondent stated that each individual hazardous waste generated in the lab was considered its own SAA and thus it was allowable to accumulate up to 55 gallons of each individual hazardous waste generated in Lab 2. However, SAAs are not determined by the number of individual wastes generated, but rather by the number of distinct points of waste generation and collection. Department representatives observed ten lab hoods in Lab 2. Hood #1, which generates a corrosive waste stream is considered a single SAA, as it has a distinct point of waste generation and the only waste accumulated in the Hood #1 SAA is generated in Hood #1. The remaining hazardous waste containers observed in Lab 2 were used to collect combined waste generated from the other nine lab hoods (i.e., Hoods #2 – 10). Because the hazardous wastes generated in Hoods #2 – 10 are commingled in centralized containers in Lab #2, the remaining hazardous waste generated in Lab 2 is considered a second SAA. Department representatives observed the following containers accumulating hazardous waste generated from activities in Hoods #2 – 10:

Container	Contents
55-gallon plastic	Hazardous waste Sealite, silica
	gel, soiled personal protective
	equipment
5-gallon plastic carboy	Spent dichloroethane hazardous
(x2)	waste
5-gallon plastic carboy	Spent dichloroethane hazardous
	waste
3-gallon glass (x2)	Halogenated solvent hazardous
	waste
10-gallon metal can	Hazardous waste general trash

The amount of hazardous waste observed in this area was greater than 55 gallons. Accumulating more than 55 gallons of hazardous waste in an SAA violates DRGHW Section 262.15(a).

On February 2, 2024, Respondent submitted photographs via email showing there is less than 55 gallons of hazardous waste in the area collecting waste from the remaining nine hoods in Lab 2. As such, Respondent corrected the violation to the Department's satisfaction.

4. DRGHW Section 262.15(a)(4) states:

- "(4) A container holding hazardous waste must be closed at all times during accumulation, except:
 - (i) When adding, removing, or consolidating waste; or
 - (ii) When temporary venting of a container is necessary
 - (A) For the proper operation of equipment, or
 - (B) To prevent dangerous situations, such as build-up of extreme pressure."

On November 28, 2023, Department representatives observed an acetone sink, which is a large metal sink with a flip-top lid. The sink is connected to a 55-gallon container to collect waste acetone when glassware is washed with acetone in the sink. At the time of the inspection the sink was not in use; however, the lid to the sink was open, also causing the 55-gallon container of hazardous waste acetone to also be open. Failure to close an SAA container when not adding or removing waste violates DRGHW Section 262.15(a)(4).

On December 5, 2023, Respondent submitted a photograph showing the lid of the acetone sink closed and a statement that staff had been reminded to close the lid of the acetone sink when not in use. As such, Respondent corrected this violation to the Department's satisfaction.

5. DRGHW Section 262.17(a)(1)(vii)(B) states in part:

"(B)... 'No Smoking' signs must be conspicuously placed wherever there is a hazard from ignitable or reactive waste."

On November 28, 2023, Department representatives observed ignitable hazardous waste in the Facility's central accumulation area (CAA)⁵. However, a "No Smoking" sign was not displayed in the area. Failure to place a "No Smoking" sign wherever there is a hazard from ignitable or reactive waste in a CAA violates DRGHW Section 262.17(a)(1)(vii)(B).

During the inspection on November 28, 2023, Respondent corrected this violation to the Department's satisfaction.

6. DRGHW Section 262.17(a)(5)(i)(C) states:

"(i) Containers. A large quantity generator must mark or label its containers with the following:...

(C) The date upon which each period of accumulation begins clearly visible for inspection on each container."

On November 28, 2023, Department representatives observed a 55-gallon container accumulating hazardous waste dimethyl sulfoxide in the facility's CAA. Said 55-gallon container was not labeled with an accumulation start date. Failure to label a container accumulating hazardous waste in a CAA with the accumulation start date violates DRGHW Section 262.17(a)(5)(i)(C).

During the inspection, Respondent wrote the date of the Department's inspection — "November 28, 2023" on the container instead of identifying the actual date the waste began accumulation. Since the Respondent failed to identify the actual date, the violation remained outstanding at the time the NOV was issued. On February 2, 2024, Respondent submitted documentation explaining how they determined November 28, 2023, was the actual accumulation start date, thereby correcting this violation to the Department's satisfaction.

⁵ "Central accumulation area" means any on-site hazardous waste accumulation area with hazardous waste accumulating in units subject to either §262.16 (for small quantity generators) or §262.17 (for large quantity generators) of these regulations. (DRGHW Section 260.10, 2021).

7. DRGHW Section 262.17(a)(1)(iv)(A):

"(A) A container holding hazardous waste must always be closed during accumulation, except when it is necessary to add or remove waste."

On November 28, 2023, Department representatives observed two 55-gallon container of hazardous waste with lidded-funnels snuggly attached to the containers in the facility's CAA. Each of the funnels had a gasket and a locking mechanism; however, neither locking mechanism was fully engaged. Because the funnels' lids were ajar, the containers were open. Failure to close a container accumulating hazardous waste in a CAA, unless adding or removing waste, violates DRGHW Section 262.17(a)(1)(iv)(A).

On December 12, 2023, Respondent submitted documentation demonstrating this violation was corrected to the Department's satisfaction.

8. DRGHW Section 262.17(a) states:

"A large quantity generator may accumulate hazardous waste on site without a permit or interim status, and without complying with the requirements of Parts 124, 264 through 266, and 122 of these regulations, or the notification requirements of 7 Del.C. §6304(a), provided that all of the following conditions for exemption are met:

(a) Accumulation. A large quantity generator accumulates hazardous waste on site for no more than 90 days, unless in compliance with the accumulation time limit extension or F006 accumulation conditions for exemption in paragraphs (b) through (e) of this section. The following accumulation conditions also apply:..."

DRGHW Section 122.1(c) states:

"(c) Scope of the hazardous waste permit requirement. DNREC requires a permit for the 'treatment', 'storage', and 'disposal' of any 'hazardous waste' as identified or listed in Part 261. The terms 'treatment', 'storage', 'disposal', and "hazardous waste" are defined in Section 122.2..."

On November 28, 2023, a Department representative observed a 35-gallon container accumulating spent aerosol cans in the facility's CAA. The container was labeled "Hazardous Waste" and was marked with an accumulation start date of April 20, 2023. At the time of the inspection, the container of hazardous waste aerosol cans had been on-site for 223 days. Per DRGHW Section 262.17(a), LQGs are afforded 90 days to accumulate hazardous waste on-site. As described in DRGHW Section 262.17, accumulating hazardous waste for less than 90 days is a condition for exemption from the requirement to obtain a hazardous waste facility permit in accordance with DRGHW Section 122.1(c). Because Respondent failed to comply with the condition for exemption, Respondent was operating a hazardous waste storage facility without a permit, which violates DRGHW Section 122.1(c).

On December 5, 2023, Respondent submitted a hazardous waste manifest demonstrating the hazardous waste aerosol cans had been shipped off-site to a permitted hazardous waste treatment, storage, or disposal facility. This corrected the violation to the Department's satisfaction.

9. DRGHW Section 262.17(a)(8)(i) states:

- "(8) Closure. A large quantity generator accumulating hazardous wastes in containers, tanks, drip pads, and containment buildings, prior to closing a unit at the facility, or prior to closing the facility, must meet the following conditions:
 - (i) Notification for closure of a waste accumulation unit. A large quantity generator must perform one of the following when closing a waste accumulation unit:
 - (A) Place a notice in the operating record within 30 days after closure identifying the location of the unit within the facility; or (B) Meet the closure performance standards of paragraph (a)(8)(iii) of this section for container, tank, and containment building waste accumulation units or paragraph (a)(8)(iv) of this section for drip pads and notify DNREC following the procedures in paragraph (a)(8)(ii)(B) of this section for the waste accumulation unit. If the waste accumulation unit is subsequently reopened, the generator may remove the notice from the operating record."

Adesis, Inc.
Notice of Administrative Penalty and Secretary's Order
Page 11 of 19

During prior inspections at the Facility, Department representatives observed a CAA in the Analytical Prep Area. During the inspection on November 28, 2023, said Analytical Prep Area was no longer being used as a CAA. As a result of the inspection, Department representatives requested additional information identifying the date the hazardous waste CAA had been closed. In an email dated December 5, 2023, Respondent indicated that the CAA was closed around June or July 2021. DNREC was not notified of the closure, nor did Respondent note the closure in the site's operating records. Failure to comply with the CAA closure notification requirements violates DRGHW Section 262.17(a)(8)(i).

In an email dated January 17, 2024, Respondent submitted the required notification indicating that the CAA had been closed and decontaminated in accordance with the requirements of DRGHW Section 262.17(a)(8)(iii). As such, this violation has been corrected to the Department's satisfaction.

10. DRGHW Section 262.40(a) states:

"(a) A generator must keep a copy of each manifest signed in accordance with §262.23(a) for three years or until he receives a signed copy from the designated facility which received the waste. This signed copy must be retained as a record for at least three years from the date the waste was accepted by the initial transporter."

On November 28, 2023, Respondent did not have designated facility signed copies of the following 10 manifests: 002281571VES, 002253835VES, 002249729VES, 002265751VES, 002282337VES, 002282362VES, 002282360VES, 002126344VES, 002154284VES, and 002189392VES. Failure to maintain designated facility signed copies of the manifest violates DRGHW Section 262.40(a).

On December 5, 2023, Respondent submitted the missing manifests demonstrating this violation was corrected to the Department's satisfaction.

Adesis, Inc.
Notice of Administrative Penalty and Secretary's Order
Page 12 of 19

11. DRGHW Section 262.262 states:

"A printed copy of the contingency plan and all revisions to the plan must be maintained at the large quantity generator's facility and—..."

On November 28, 2023, Respondent did not have a printed copy of the contingency plan on-site. Failure to maintain a printed copy of the contingency plan violates DRGHW Section 262.262.

During the inspection, Respondent printed a copy of the contingency plan, correcting the violation to the Department's satisfaction.

12. DRGHW Section 262.262(b) states:

- "(b) A large quantity generator that first becomes subject to these provisions after January 21, 2021 or a large quantity generator that is otherwise amending its contingency plan must at that time submit a quick reference guide of the contingency plan to the local emergency responders identified in paragraph (a) of this section or, as appropriate, the Local Emergency Planning Committee. The quick reference guide must include the following elements:
 - (1) The types/names of hazardous wastes in layman's terms and the associated hazard associated with each hazardous waste present at any one time (e.g., toxic paint wastes, spent ignitable solvent, corrosive acid);
 - (2) The estimated maximum amount of each hazardous waste that may be present at any one time;
 - (3) The identification of any hazardous wastes where exposure would require unique or special treatment by medical or hospital staff;
 - (4) A map of the facility showing where hazardous wastes are generated, accumulated, and treated and routes for accessing these wastes;
 - (5) A street map of the facility in relation to surrounding businesses, schools, and residential areas to understand how best to get to the facility and also evacuate residents and workers;
 - (6) The locations of water supply (e.g., fire hydrant and its flow rate);
 - (7) The identification of on-site notification systems (e.g., a fire alarm that rings off site, smoke alarms); and
 - (8) The name of the emergency coordinator(s) and 24-hour/7-day emergency telephone number(s) or, in the case of a facility where an emergency coordinator is continuously on duty, the emergency telephone number for the emergency coordinator."

Adesis, Inc.
Notice of Administrative Penalty and Secretary's Order
Page 13 of 19

On November 28, 2023, Department representatives reviewed the Facility's quick reference guide dated May 2021 and determined it lacked elements identified in DRGHW Section 262.262(b)(1) through (6). Failing to develop a complete quick reference guide violates DRGHW Section 262.262(b).

In an email dated December 5, 2023, Respondent submitted an updated quick reference guide, correcting the violation to the Department's satisfaction.

13. DRGHW Section 262.17(a)(7)(v) states:

"(v) Training records on current personnel must be kept until closure of the facility. Training records on former employees must be kept for at least three years from the date the employee last worked at the facility. Personnel training records may accompany personnel transferred within the same company."

On November 28, 2023, Respondent was unable to provide training records for C. Howard, a former employee who signed manifests in the prior three years, and D. Price, a former employee who completed weekly inspections of the CAA in the prior three years. Failure to maintain training records for former employees for three years following the date the employee last worked at the facility violates DRGHW Section 262.17(a)(7)(v).

In an email dated December 5, 2023, Respondent submitted documentation correcting the violation to the Department's satisfaction.

CONCLUSIONS

Based on the foregoing, the Department has concluded that Respondent has violated the above-cited statutory and regulatory provisions.

ASSESSMENT OF PENALTY

Pursuant to 7 *Del. C.* § 6005(b)(3), the Secretary may impose an administrative penalty of not more than \$10,000.00 for each day of violation detailed in this Secretary's Order. This Secretary's Order is written notice to Respondent, that, based upon its findings, the Department is assessing Respondent an administrative penalty for the violations identified in this Secretary's Order. In assessing the administrative penalty, 7 *Del. C.* § 6005(b)(3) instructs the Secretary to consider the following factors: (1) the nature, circumstances, extent, and gravity of the violation, or violations; (2) the ability of the violator to pay; (3) any prior history of such violations; (4) the degree of culpability; (5) the economic benefit or savings (if any) resulting from each violation; and (6) such other matters as justice may require. A brief discussion of these factors is set forth below.

1. The Nature, Circumstances, Extent, and Gravity of the Violation, or Violations:

The nature, circumstances, extent, and gravity of the violations are significant. This Secretary's Order identifies and describes 13 separate regulatory violations. Failing to ensure compliance with the regulatory requirements, including operating a hazardous waste storage facility without a permit, are significant deviations from the statutory and regulatory requirements cited herein.

2. Respondents' Ability to Pay:

The record contains no information that Respondent lacks the ability to pay the administrative penalty assessed.

3. Prior History of Violations:

While Respondent incurred hazardous waste regulatory violations in 2008, 2009, and 2012, this was not a factor in the administrative penalty assessment.

Adesis, Inc.
Notice of Administrative Penalty and Secretary's Order
Page 15 of 19

4. Degree of Culpability:

The degree of culpability is significant. Had Respondent employed reasonable oversight measures as DRGHW requires, these violations would not have occurred.

5. Economic Benefit or Savings Resulting from the Violation(s):

With respect to the economic benefit, the record contains no information that Respondent incurred any meaningful economic benefit from these violations, and thus this was not a factor in the administrative penalty assessment.

6. Such Other Matters as Justice May Require:

Lastly, considering such other matters as justice may require, the Secretary has determined that the penalty assessed is proportional to the violations cited herein and has been calculated to deter Respondent, and those similarly situated, from engaging in future violations.

Pursuant to 7 *Del. C.* § 6005(b)(3), this is written notice to Respondent that on the basis of the above findings and factors, an administrative penalty of \$10,000.00 is assessed for the violations identified in this Secretary's Order.

Respondent shall submit one check to the Department in the amount of \$10,000.00 to pay the administrative penalty within 30 days from the receipt of this Secretary's Order. The check shall be made payable to the "State of Delaware" and shall be directed to: Leslie Reese, 89 Kings Hwy SW, Dover, Delaware 19901.

PUBLIC HEARING AND APPEAL RIGHTS

This Secretary's Order affects Respondent's legal rights and is effective and final upon receipt by Respondent. Pursuant to Section 6008 of Title 7 of the Delaware Code, any person whose interest is substantially affected by this action of the Secretary may appeal to the Environmental Appeals Board within **20 days** of the receipt of the Secretary's Order. In the alternative, Respondent may, pursuant to 7 *Del. C.* § 6005(b)(3), request a public hearing on the Secretary's Order within **30 days** of receipt of the Secretary's Order. A public hearing pursuant to 7 *Del. C.* § 6005(b)(3) would be conducted pursuant to 7 *Del. C.* § 6006, and the Secretary's order following the hearing would be subject to appeal, pursuant to 7 *Del. C.* § 6008, by any person substantially affected.

Respondent is further advised that the above assessed administrative penalty shall be due and owing within 30 days of Respondent's receipt of this Secretary's Order. In the event of nonpayment of the administrative penalty assessed above, and after Respondent has exhausted all legal appeals, if any, a civil action may be brought by the Secretary in Superior Court for collection of the administrative penalty, including interest, attorneys' fees and costs, and the validity, amount and appropriateness of such administrative penalty and/or costs shall not be subject to review pursuant to 7 *Del. C.* §§ 6005(b)(3) and (c).

To request a public hearing pursuant to 7 *Del. C.* § 6005(b)(3), please submit your request, in writing, to:

Department of Natural Resources and Environmental Control Office of the Secretary 89 Kings Highway Dover, DE 19901

Telephone: (302) 739-9000

To submit an appeal to the Environmental Appeals Board pursuant to 7 *Del. C.* § 6008, you must file your written statement of appeal and submit a check, made payable to: "Environmental Appeals Board," for the \$50.00 filing fee, to:

Adesis, Inc. Notice of Administrative Penalty and Secretary's Order Page 17 of 19

Department of Natural Resources and Environmental Control Office of the Secretary
Attn: Assistant to the Environmental Appeals Board

89 Kings Highway Dover, DE 19901

Telephone: (302) 739-9000

For additional information on filing an appeal with the Environmental Appeals Board and what information you must include in your written statement of appeal, please refer to the Environmental Appeals Board Regulations, codified at 7 DE Admin. Code § 105.

The Department, to the extent necessary, reserves the right to take additional enforcement actions regarding these and other violations by Respondent, including but not limited to one or more of the following: an action under 7 *Del. C.* § 6005(b)(1) seeking penalties for past violations, an action under 7 *Del. C.* § 6005(b)(2) seeking penalties for continuing violations, an action in the Court of Chancery pursuant to 7 *Del. C.* § 6005(b)(2) seeking a temporary restraining order or an injunction, and the imposition of civil penalties and recovery of the Department's costs and attorney's fees pursuant to 7 *Del. C.* §§ 6005(b)(3) & (c)(1). Nothing in this document shall be deemed to estop, or in any way preclude any additional enforcement action for these or any other violations, including administrative and civil penalties for each day of violation, or an action for the recovery of Department costs expended in abating these violations.

SECRETARY'S ORDER FOR COST RECOVERY

Pursuant to 7 *Del. C.* § 6005(c), Respondent is liable for all expenses incurred by the Department in abating the violations detailed in this Secretary's Order. "Such expenses shall include, but not be limited to, the costs of investigation, legal fees and assistance, public hearings, materials, equipment, human resources, contractual assistance and appropriate salary and overtime pay for all state employees involved in the effort notwithstanding merit system laws, regulations or rules to the contrary." (7 *Del. C.* § 6005(c)(1)).

Adesis, Inc.

Notice of Administrative Penalty and Secretary's Order

Page 18 of 19

Respondent is liable for \$3,303.00 in costs, which costs the Department has incurred to

date in abating the violations detailed in this Secretary's Order. The Department has attached to

this Secretary's Order a detailed billing of expenses detailing these costs. Respondent shall remit

a check payable to the State of Delaware in the amount of \$3,303.00 within thirty (30) days of

receipt of this Secretary's Order, to Leslie Reese, 89 Kings Hwy SW, Dover, Delaware 19901.

In the event that Respondent appeals this Secretary's Order pursuant to 7 Del. C. § 6008

or requests a public hearing pursuant to 7 Del. C. § 6005(b)(3), or in the event Respondent fails

to comply with this Secretary's Order, the Department will rescind the detailed billing attached

to this Secretary's Order. The Department will issue Respondent a new detailed billing and Cost

Recovery Order following exhaustion of Respondent's appeal rights that will include all

additional recoverable costs incurred by the Department. Respondent is further advised that

Respondent may challenge the Department's final detailed billing in accordance with 7 Del. C. §

6005(c)(2).

PAYMENT

If Respondents do not wish to exercise their legal rights to a hearing or appeal,

Respondents may pay the administrative penalty of \$10,000.00 prior to the end of the appeal

period, in the manner described in the attached "Waiver of Statutory Right to A Hearing." By

doing so, Respondents waive the right to a hearing and the opportunity to appeal or contest

this Secretary's Order.

If you have any questions, please contact, or have your attorney contact Matthew Ferrer,

Esq., Deputy Attorney General, at (302) 739-4636.

October 1, 2024

Date

For Shawn M. Garvin, Secretary

cc: Matthew Ferrer, Deputy Attorney General Timothy Ratsep, Division Director Adesis, Inc. Notice of Administrative Penalty and Secretary's Order Page 19 of 19

WAIVER OF STATUTORY RIGHT TO A HEARING

Adesis, Inc. hereby waives its right to a public hearing and its opportunity to appeal or contest this Secretary's Order, and agrees to the following:

- 1. **Adesis, Inc.** will pay the administrative penalty in the amount of \$10,000.00 by sending a check payable to the "State of Delaware" within 30 days of receipt of this Secretary's Order. The check shall be directed to Leslie Reese, 89 Kings Hwy SW, Dover, Delaware 19901.
- Adesis, Inc. will pay the Department's costs in the amount of \$3,303.00 by sending a
 check payable to the "State of Delaware" within 30 days of receipt of this Secretary's
 Order. The check shall be directed to Leslie Reese, 89 Kings Hwy SW, Dover, Delaware
 19901.

Adesis, Inc.

Date:	By:(Signature)
Title:	Name: (Print)