

---

**UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY  
DIVISION OF WATER QUALITY**

---

**IN THE MATTER OF:**

Intermountain Nutrition, LLC  
1851 West Utah Avenue  
Payson, UT 84651

**ADMINISTRATIVE SETTLEMENT  
AGREEMENT**

Docket No. I21-12

---

This Administrative Settlement Agreement (“Settlement”) is entered into voluntarily by and between the Director of the Utah Division of Water Quality (“Director”), under the Director’s legal authorities described below, and Intermountain Nutrition, LLC (“Intermountain”) in its capacity as the owner and operator legally responsible for the operation of the facility located at 1851 West Utah Avenue, Payson, Utah in Utah County (“Facility”), jointly referred to hereafter as “the Parties.” By entering into this Settlement, the Parties wish, without further administrative or judicial proceedings, to stipulate to civil penalties and associated investigative and administrative costs arising out of Intermountain’s violations of the Utah Water Quality Act, Utah Code Section 19-5-101 through 19-5-126 (the “Act”), and corresponding regulations in the Utah Administrative Code (UAC) R317-1-1 through R317-801-6 and R305-7-101 through R305-7-611 (“Water Quality Rules”).

1. The Director has jurisdiction and authority to administer the Act pursuant to Utah Code Section 19-1-105(1)(e), and to enforce the Utah Water Quality Rules in UAC R317 through the issuance of orders, as specified in Utah Code Sections 19-5-106(2)(d) and Section 19-5-111. The Director also has authority to settle any civil action initiated to compel compliance with the Act and implementing regulations pursuant to Utah Code Section 19-5-106(2)(k).
2. Intermountain is a “person” as that term is defined in Utah Code Section 19-1-103(4).
3. Intermountain stipulates to and does not challenge the Director’s jurisdiction to enter and enforce this Settlement.
4. For the purposes of this Settlement only, and subject to the provisions of the Paragraph 22, the Parties stipulate to the findings described in the August 21, 2021 Notice of Violation and Compliance Order (“NOV/CO”), Docket No. I21-12, issued on August 13, 2021, and as described below.

5. Pursuant to the NOV/CO, ¶ E.3, on August 23, 2021, Intermountain submitted a 10-day report stating that the onsite septic system located within the northwest quadrant of the Facility (“northwest septic system”) will be pumped out approximately once per week “until it is determined that Intermountain [] is not part of the contamination or until Intermountain [] is hooked into the city sewer.” *See* Letter from Ryan Gledhill to Erica Brown Gaddis, 10-Day report (August 23, 2021).
6. Pursuant to the NOV/CO, ¶ E.4, on September 15, 2021, Intermountain submitted certain information within 30-days of the issuance of the NOV/CO to the Division stating that the unauthorized discharge of industrial wastewater to the northwest septic system had been discontinued and the wastewater will be “transported offsite for treatment and disposal at a licensed facility.” *See* Letter from Ryan Gledhill to Erica Brown Gaddis, 30-day submittal of information (September 15, 2021).
7. On September 21, 2021, Intermountain submitted its Contaminant Investigation Workplan. *See* Letter from Daryl Hancock to Erica Gaddis, Contaminant Investigation Workplan (September 21, 2021). The Division approved the Contaminant Investigation Workplan but asked that Intermountain clarify how it will remediate the impacted soils to prevent further impacts to groundwater and surface water. *See* Letter from Samantha Heusser to Daryl Hancock (October 15, 2021).
8. Pursuant to the NOV/CO, ¶¶ E.6 and E.7, on October 22, 2021, Intermountain submitted a Contamination Investigation Report, RMEC PJ21E-4168. The Contamination Investigation Report included recommended corrective actions.
9. On October 14, 2021, Intermountain notified the Division that it submitted a Notice of Intent for permit coverage under the UPDES Multi-Sector General Permit for Storm Water Discharges Associated with Industrial Activities for the Facility on October 13, 2021. *See* Email from Ryan Gledhill to Erica Gaddis (October 14, 2021).
10. On December 6, 2021, Intermountain provided waste disposal manifests to document the proper disposal of all industrial process wastewater until the Facility is connected to the Payson City Publicly Owned Treatment Works (“POTW”). The manifests document the first waste shipment date as September 13, 2021.
11. Pursuant to the NOV/CO, ¶ E.5, on November 23, 2021, Intermountain notified the Division that the septic system located within the southeast quadrant of the Facility had been properly permitted and approved by the Utah County Health Department as of November 3, 2021.
12. Based on information collected during the investigation, including information provided by Intermountain and the Utah County Health Department, it was later determined that the northwest septic system was failing to sufficiently treat wastewater and was contributing to unauthorized pollutant discharges to Spring Creek. The northwest septic system was compromised due to the influent of industrial wastewater from Facility operations and because it was undersized.
13. On December 21, 2021, Intermountain notified the Division that Intermountain would

cease using all bathrooms connected to the northwest septic system at the end of the day. Intermountain further stated the northwest septic system would be pumped dry during the week in preparation for removal. *See* Email from Ryan Gledhill to Samantha Heusser (December 21, 2021).

14. On February 14, 2022, RMEC Environmental, Inc., the consultant for Intermountain, notified the Division that the cleanup and removal of impacted soils in the drainage ditch and the detention basin was completed as of February 11, 2022. *See* Email from Jamie Russell to Samantha Heusser (February 14, 2022).
15. On March 23, 2022, the Utah County Health Department approved abandonment of both Intermountain septic systems. Intermountain crushed and filled in place the northwest septic system and removed the “eastside tank” for offsite disposal. *See* Septic Tank Abandonment Application and Permit (inspection date March 23, 2022) attached to Email from Ryan Gledhill to Samantha Heusser (April 28, 2022) (Gledhill email (April 28, 2022)).
16. On April 28, 2022, Intermountain notified the Division that the Facility had been lawfully connected to the Payson City sanitary sewer system and was now discharging domestic waste to the POTW. *See* Gledhill email (April 28, 2022). The Payson City Engineer affirmed that Payson is working with Intermountain to allow the Facility’s process flow to be discharged to Payson’s sewer. *See* Letter from Travis Jockumsen (April 20, 2022) attached to Gledhill email (April 28, 2022). Intermountain has not yet obtained approval from the POTW to discharge industrial wastewater to the sanitary sewer.
17. The Parties voluntarily enter into this Settlement to resolve Notice of Violation and Compliance Order, Docket No. I21-12 without the necessity of further administrative or judicial proceedings as follows:
  - a. Until such time as Payson City provides written authorization to allow Intermountain to discharge its industrial process wastewater to the Payson City POTW, Intermountain shall continue to separately collect and properly dispose of its industrial process waste in accordance with applicable local, state and federal requirements.
  - b. Within fifteen (15) days of receiving written authorization to discharge its industrial process wastewater to the Payson City POTW, Intermountain shall submit the written authorization to the Division.
  - c. Based on the application of Division’s penalty policy contained in Utah Administrative Code R317-1-8, and as applied to the violations under the circumstances specified herein, Intermountain understands and agrees to pay:
    - i. a penalty in the amount of **\$24,796.47** and
    - ii. associated investigative and oversight costs in the amount of **\$22,571.16**;
    - iii. for a total of **\$47,367.63**.

18. This proposed Settlement and penalty is subject to a thirty (30) day public notice and comment period pursuant to Utah Admin. Code R305-7-402. The Parties each reserve the right to withdraw from this Settlement if comments received during the notice period result in a modification to the terms and conditions.
19. This Settlement shall be final after the thirty-day notice and comment period, on the date the Director signs the Settlement. The “Effective Date” shall be the date this Settlement is signed by the Director.
20. Within thirty (30) calendar days of the effective date of this Settlement, Intermountain Nutrition, LLC shall submit payment in the amount specified in paragraph 17.c.iii above, using one of the following methods:
  - a. CHECK – Payable to the Division of Water Quality. The payment shall be sent to:

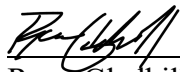
Division of Water Quality  
PO Box 144870  
Salt Lake City, Utah 84114-4870
  - b. OTHER – For other available payment options, please contact the Division of Water Quality Finance staff at [eqwqfinance@utah.gov](mailto:eqwqfinance@utah.gov).
21. The Parties mutually agree that this Settlement is entered in good faith and is an appropriate means to resolve the matters specified herein.
22. The findings contained herein are for the purposes of settlement and shall not be considered an admission by Intermountain and shall not be used by any person related or unrelated to this Settlement for purposes other than determining the basis of this Settlement.
23. The violations described in the NOV/CO will constitute part of Intermountain’s compliance history where such history is relevant, including any subsequent violations. Nothing contained herein shall be deemed to constitute a waiver by the State of Utah of its right to initiate enforcement action, including civil penalties, against Intermountain in the event of future noncompliance with this Settlement, the Act, or the Water Quality rules, nor shall the Division be precluded in any way from taking appropriate action should such a similar situation arise at the Facility. Intermountain understands and agrees that this Settlement is not and cannot be raised as a defense to any other action to enforce any federal, state, or local law. However, entry into this Settlement shall relieve Intermountain of all liability for violations arising from the allegations contained in NOV/CO, Docket No. I21-12.
24. This Settlement, when final, is binding upon the Parties, including any Intermountain corporate subsidiaries or parents, their officers, directors, employees, successors in interest, and assigns. The undersigned warrants that they are authorized to legally bind their respective principals to this Settlement.

FOR THE UTAH DIVISION OF WATER QUALITY

By: \_\_\_\_\_  
John K. Mackey, P.E.  
Director

Date: \_\_\_\_\_ (Effective Date)

FOR INTERMOUNTAIN NUTRITION, LLC

By:  \_\_\_\_\_  
Ryan Gledhill

Title: Chairman

Date: April 4, 2023