

**STATE OF RHODE ISLAND  
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

**OFFICE OF COMPLIANCE AND INSPECTION**

**In Re:     The Estate of Souhail Khoury**

**File No.:   OCI-UST-17-64-00456**

**CONSENT AGREEMENT**

**A. INTENT & PURPOSE**

This Consent Agreement (“Agreement”) is entered by and between the Rhode Island Department of Environmental Management (“RIDEM”) and Lancellotta Holdings II, LLC (“Respondent”). The Agreement is entered in accordance with Section 42-17.1-2 et seq. of the Rhode Island General Laws (“R.I. Gen. Laws”) for the purpose of resolving the alleged violations set forth in a Notice of Violation (“NOV”) issued to The Estate of Souhail Khoury (“Khoury”) by RIDEM on 14 March 2019.

**B. STIPULATED FACTS**

- (1) WHEREAS the facility is located at 676 Putnam Pike, Smithfield Rhode Island (“Facility”).
- (2) WHEREAS the Facility is located on property owned by Respondent, Assessor’s Plat 4, Lot 7 in Smithfield, Rhode Island (“Property”).
- (3) WHEREAS on 14 March 2019, RIDEM issued a NOV to Khoury alleging certain violations of Rhode Island's *Rules and Regulations for Underground Storage Facilities Used for Regulated Substances and Hazardous Materials* (250-RICR-140-25-1) (“UST Rules”).
- (4) WHEREAS on 18 March 2019 the NOV was recorded in the Town of Smithfield land evidence records.
- (5) WHEREAS Khoury failed to request an administrative hearing with the Administrative Adjudication Division (“AAD”) to contest the NOV.
- (6) WHEREAS AAD is a division of RIDEM.
- (7) WHEREAS on 21 December 2020 Respondent acquired the Property.
- (8) WHEREAS Respondent complied with the Order section of the NOV.

- (9) WHEREAS to effect a timely and amicable resolution of the NOV, RIDEM and Respondent hereby agree that it is in the best interest of the parties and in the public interest to resolve the issues raised in the NOV.
- (10) WHEREAS RIDEM finds that the Agreement is a reasonable and fair settlement and adequately protects the public interest in accordance with the UST Rules.
- (11) WHEREAS Respondent finds that the Agreement is reasonable and fair and enters into the Agreement with full knowledge and understanding of its terms.

### C. AGREEMENT

- (1) RIDEM has jurisdiction over the subject matter of the Agreement and has personal jurisdiction over Respondent.
- (2) The Agreement shall have the full force and effect of a final compliance order issued after a full hearing on the merits pursuant to the Administrative Procedures Act, R.I. Gen. Laws Section 42-35-1 et seq. and R.I. Gen. Laws Section 42-17.7-1 et seq. from which no timely appeal was taken, and which is enforceable in Superior Court in accordance with R.I. Gen. Laws Section 42-17.1-2(21)(vi).
- (3) The provisions of the Agreement shall apply to and be binding upon RIDEM, Respondent and its agents, servants, employees, successors, assigns and all persons, firms and corporations acting under, through and for Respondent in the performance of work relating to or impacting the requirements of the Agreement.
- (4) Respondent shall pay to RIDEM **\$8,000** in administrative penalties assessed as follows:
  - (a) **Upon execution of the Agreement by Respondent**, Respondent shall pay to RIDEM **\$1,000**.
  - (b) The remainder of the penalty, **\$7,000**, shall be paid to RIDEM in seven equal and consecutive monthly installments of **\$1,000**. The remaining payments shall be made starting on 1 August 2023 and continue the first of each consecutive month until 1 February 2024. The entire penalty shall be paid in full on or before 1 February 2024.
  - (c) Penalties that Respondent agrees to pay in the Agreement are penalties payable to and for the benefit of the State of Rhode Island and are not compensation for actual pecuniary loss.
  - (d) If Respondent fails to remit to RIDEM a payment on or before its due date, that payment will be considered late and Respondent will be in default. If the payment is not received within 30 days of its due date, interest shall begin to accrue on the entire unpaid balance at the rate of 12 percent per annum. Interest will accrue at this rate beginning with the day after the due date specified in the

Agreement until such date all past due installment payments and interest owed are remitted. Interest shall be calculated using the following generally established accounting principle:

Interest due = (number of days late/365) x (0.12) x (amount of unpaid balance)

(e) Penalty payments shall be by one of two methods:

1. By certified check, cashier's check, or money order made payable to the **General Treasury – Water and Air Protection Program** and forwarded to:

Administrator, RIDEM Office of Compliance and Inspection  
235 Promenade Street, Suite 220  
Providence, RI 02908-5767

2. By wire transfer in accordance with instructions provided by RIDEM.

#### **D. COMPLIANCE**

- (1) Compliance with and fulfillment of the Agreement shall be deemed to resolve all issues raised in the NOV. Upon Respondent's successful completion of the requirements set forth in the Agreement, RIDEM shall issue a Release and Discharge of the NOV to Respondent for recording. The recording shall be at the sole expense of Respondent.
- (2) Compliance with the terms of the Agreement does not relieve Respondent of any obligation to comply with any other applicable laws or regulations administered by, through or for RIDEM or any other governmental entity.
- (3) Upon a determination by the Director that there is a threat to the public health or the environment, or upon discovery of any new information, RIDEM reserves the right to take additional enforcement actions as provided by statute or regulation, including, but not limited to, the issuance of "Immediate Compliance Orders" as authorized by R.I. Gen. Laws Section 42-17.1-2(21). The Agreement shall not restrict any right to hearing or other right available by statute or regulation that Respondent may have regarding any new enforcement action commenced by RIDEM after the execution of the Agreement.
- (4) The Agreement shall not operate to shield Respondent from liability arising from future activities, as of the date of execution of the Agreement.
- (5) The scope of the Agreement is limited to violations alleged in the NOV.
- (6) Communications regarding the Agreement shall be directed to:

**Tracey D'Amadio Tyrrell**  
RIDEM Office of Compliance and Inspection

235 Promenade Street  
Providence, RI 02908-5767  
(401) 222-1360 ext. 2777407  
[tracey.tyrrell@dem.ri.gov](mailto:tracey.tyrrell@dem.ri.gov)

**Christina Hoefsmit**  
RIDEM Office of Compliance and Inspection  
235 Promenade Street  
Providence, RI 02908-5767  
(401) 222-1360  
[christina.hoefsmit@dem.ri.gov](mailto:christina.hoefsmit@dem.ri.gov)

**Lancellotta Holdings II, LLC**  
29 Aspen Lane  
Smithfield, RI 02917

**Domenic Lancellotta**  
46 Elmgrove Avenue  
Smithfield, RI 02917  
(401) 487-3834  
[dom711@yahoo.com](mailto:dom711@yahoo.com)

All communications regarding compliance with the Agreement shall be forwarded to the above-referenced addressees by certified mail.

- (7) The Director may, for good cause shown, defer any of the compliance dates prescribed herein. Good cause for deferral of any compliance date shall be forwarded to RIDEM in writing at least 15 days prior to the prescribed deadline.
- (8) The Agreement may be amended by agreement of the parties in writing.
- (9) The Agreement shall be deemed entered as of the date of execution by all parties.

[SIGNATURES ON FOLLOWING PAGES]

**IN WITNESS WHEREOF, the undersigned consent to the Agreement in substance and in form.**

Lancellotta Holdings II, LLC

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

Dated: \_\_\_\_\_

In my capacity, as \_\_\_\_\_ of Lancellotta Holdings II, LLC, I hereby aver that I am authorized to enter into the Agreement and thereby bind Lancellotta Holdings II, LLC to satisfy any obligation imposed upon it pursuant to said Agreement

**STATE OF RHODE ISLAND**  
**COUNTY OF \_\_\_\_\_**

In \_\_\_\_\_, in said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, 2023, before me personally appeared \_\_\_\_\_, the \_\_\_\_\_ of Lancellotta Holdings II, LLC, a Rhode Island corporation, to me known and known by me to be the party executing the foregoing instrument on behalf of Lancellotta Holdings II, LLC, and he/she/they acknowledged said instrument by him/her/them executed, to be his/her/their free act and deed in said capacity and the free act and deed of Lancellotta Holdings II, LLC.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

State of Rhode Island, Department of Environmental  
Management

By: \_\_\_\_\_  
David E. Chopy, Administrator  
Office of Compliance and Inspection

Dated: \_\_\_\_\_