

IN THE DISTRICT COURT OF ADAMS COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.,)
MICHAEL J. LINDER, Director)
DEPARTMENT OF ENVIRONMENTAL)
QUALITY,)
)
Plaintiff,)
)
v.)
)
FLOWSERVE US, INC.)
)
)
Defendant.)

Case No. CI 12-198

CONSENT DECREE

ADAMS COUNTY
ENVIRONMENTAL CONTROL

12 APR -3 AM 58

FILED ✓

COMES NOW the parties, Plaintiff, the Nebraska Department of Environmental Quality ("NDEQ"), proceeding on its Complaint filed herein and appearing through its Counsel, Jon Bruning, Attorney General, and the Defendant Flowserve US, Inc., and each party having consented to the making and entering of this Consent Decree without trial, the Court finds that the Consent Decree should be and hereby is entered.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED as follows:

1. The Court has jurisdiction of the parties and the subject matter of this action pursuant to Environmental Protection Act, Neb. Rev. Stat. § 81-1501 *et seq.* (Reissue 2010), and all rules and regulations and orders promulgated thereunder.
2. In its Complaint, the State alleges that Flowserve, Inc. failed to submit an operating permit application a minimum of six months before the expiration of the operating permit. An operating permit application was due October 29, 2008. Flowserve's operating permit expired on March 29, 2009 and Flowserve, Inc. continued to operate in violation of § 81-1506(2). Flowserve did not submit an operating permit application until March 26, 2010.
3. The parties agree that settlement of this matter is in the public interest and that entry of this consent decree is the most appropriate means of resolving their dispute. The parties



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desire to conclude this case without trial or adjudication of any issues of fact or law, without this consent decree constituting an admission by Flowserve, Inc., with respect to such issues.

4. This consent decree shall be in full satisfaction of all claims between the parties alleged in NDEQ's complaint. The parties also agree to release any and all claims or actions arising out of the same transaction or occurrences referenced above and in NDEQ's complaint, provided that such claims were known to NDEQ, or were reasonably ascertainable from information in NDEQ's possession, as of the date of the filing of the consent decree.

5. IT IS THEREFORE ORDERED that Flowserve, Inc., shall pay a civil penalty, under Neb. Rev. Stat. § 81-1508.02 (Reissue 2010), in the amount of \$34,000.00 as well as court costs in the amount of \$82.00, to the Adams County District Court. The civil penalty shall be handled as provided in Article VII, Section V, of the Nebraska Constitution.

A. \$17,000.00 of said civil penalty amount will be paid within ten days of entry of this Consent Decree by the Court, and is payable to the Clerk of this Court.

B. \$17,000.00 of the civil penalty shall be paid to this Court no more than 180 days from the entry of this Consent Decree by the Court. However, if Flowserve, Inc., maintains compliance with and does not violate the Nebraska Environmental Protection Act, Neb. Rev. Stat. § 81-1501 *et. seq.* or any rules and regulations promulgated under the Act during the 180 days following the entry of this Consent Decree, then payment of this \$17,000.00 of civil penalties will be waived.

C. To qualify for the \$17,000.00 waiver of civil penalties as stated in paragraph 5(B), Flowserve, Inc. will file with the Court, and serve on NDEQ, a showing within fifteen (15) days prior to the due date of the civil penalties. The showing will certify that Flowserve, Inc. has maintained compliance with all requirements listed in paragraph 5(B). NDEQ will file a

satisfaction of judgment within ten (10) days of receipt of Flowserve, Inc.'s showing. If Flowserve, Inc. violates the requirements in paragraph 5(B) during the 180 days following the entry of this Consent Decree, NDEQ, in its sole discretion, may file an objection to Flowserve, Inc.'s showing. If NDEQ files an objection to Flowserve, Inc.'s showing, the determination of this waiver provision will be stayed pending ongoing enforcement proceedings.

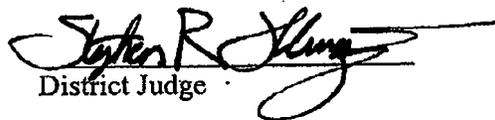
6. IT IS FURTHER ORDERED that the Flowserve, Inc. shall pay, as a voluntary supplemental environmental project, \$34,000.00 to the City of Hastings, Nebraska, to be used for solar powered lighting for illumination upon the City of Hastings' hiking and biking trails. This payment shall be paid as a lump-sum payment within ten (10) days of the entry of the Consent Decree by this Court.

7. This Consent Decree will have no effect on any enforcement action brought by NDEQ against Flowserve, Inc., for future violations of any statutes or regulations.

8. The undersigned consent without further notice to the form and entry of this consent decree.

DATED THIS 3 day of April, 2012, in Adams County, Nebraska.

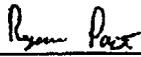
BY THE COURT:


District Judge

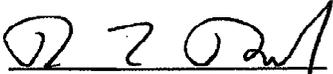
STATE OF NEBRASKA, ex rel.,
MICHAEL J. LINDER, Director

NEBRASKA DEPARTMENT OF
ENVIRONMENTAL QUALITY, Plaintiff

By JON C. BRUNING, #20351
Attorney General

By: 
Ryan S. Post, #24714
Assistant Attorney General
2115 State Capitol Building
P.O. Box 98920
Lincoln, Nebraska 68509-8920
(402) 471-1814
ryan.post@nebraska.gov
Attorneys for Plaintiff.

FLOWSERVE, INC.,
Defendant

By: 
Robert L. Roberts, Jr.
Vice President, Global Litigation Counsel
Flowserve Corporation
5215 N. O'Connor Blvd., Suite 2300
Irving, Texas 75039
(972) 443-6537
rroberts@flowserve.com
Attorney for Defendant

IN THE DISTRICT COURT OF Adams COUNTY, NEBRASKA

NOTICE OF JUDGMENT

State of Nebr Dept of Environmental v. Flowserve US, Inc

Case ID: CI 12 198

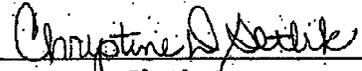
Judgment has been entered.

Judgment Date: 04/03/2012

If a money judgment other than child support is owed to the court, payment may be made directly to the court or on-line at: ne.gov/go/paycourts. For information regarding child support payments contact 1-877-631-9973.

Date: APRIL 3, 2012

BY THE COURT:


Clerk



Ryan S Post
2115 State Capitol
Lincoln, NE 68509-8920