

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS**

UNITED STATES OF AMERICA,

Plaintiff,

v.

MPG INDUSTRIES, INC.,

MILLRIDGE INDUSTRIES, LLC,

MILLRIDGE IV, LLC,

Defendants.

Civil Action No.

COMPLAINT

Plaintiff, the United States of America, by the authority of the Attorney General of the United States of America, on behalf of the Administrator of the United States Environmental Protection Agency (“EPA”), and by and through its undersigned attorneys, alleges:

NATURE OF THE ACTION

1. On August 3, 2019, a specialty chemical manufacturing facility in New Lennox, Illinois, that was owned and operated by MPG Industries, Inc., Millridge Industries, LLC, and Millridge IV, LLC, (collectively, “Defendants”) caught fire and released several hundred drums of hazardous substances at the Joliet Chemical Fire Site (“Site”). Four days later, EPA initiated an emergency response action to stabilize the Site and minimize the migration of chemicals and firefighting liquids.

2. On October 9, 2019, EPA and the Defendants entered into an Administrative Settlement Agreement and Order on Consent (ASAOC), in which Defendants agreed to perform a removal action under EPA oversight and to pay EPA’s future response costs.

3. Between its initial emergency response actions and its oversight of Defendants' performance of the removal action, EPA has incurred \$674,701.87 in response costs at the Site.

4. This is a civil action brought against Defendants to recover the United States' unreimbursed costs from the Defendants, pursuant to Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), for activities taken in response to the release and threatened release of hazardous substances at the Site. 42 U.S.C. § 9607.

JURISDICTION AND VENUE

5. This Court has jurisdiction over the subject matter of this action pursuant to Section 113(b) of CERCLA, 42 U.S.C. § 9613(b), and 28 U.S.C. §§ 1331, 1345, and 1330.

6. Venue is proper in this district pursuant to Section 113(b) of CERCLA, 42 U.S.C. § 9613(b), and 28 U.S.C. Section 1391(b) because the Defendants reside in this district, and the cause of action alleged in this Complaint arose in this district.

DEFENDANTS

7. Defendant MPG Industries, Inc. ("MPG") is an Illinois corporation with its principal place of business in Illinois.

8. At all times relevant to this complaint, MPG operated a specialty chemicals manufacturing facility at the Site.

9. Defendant Millridge Industries, LLC ("Millridge Industries") is an Illinois limited liability company with its principal place of business in Illinois.

10. At all times relevant to this complaint, Millridge Industries operated a specialty chemicals manufacturing facility at the Site.

11. Defendant Millridge IV, LLC (“Millridge IV”) is an Illinois limited liability company with its principal place of business in Illinois.

12. At all times relevant to this complaint, Millridge IV owned the Site property and leased that property to MPG.

13. Each Defendant is a “person” within the meaning of 42 U.S.C. § 9601(21) and 28 U.S.C. § 3002(10).

STATUTORY AND REGULATORY BACKGROUND

A. The Comprehensive Environmental Response, Compensation, and Liability Act

14. CERCLA governs the response to the release of hazardous substances and ensures that responsible parties pay for the costs of cleanup. 42 U.S.C. § 9601 *et seq.*

15. Where there has been a release of hazardous substances at a facility, the current owner or operator of that facility is liable for all response costs that the United States incurs that are not inconsistent with the National Contingency Plan (“NCP”). 42 U.S.C. § 9607(a)(1).

16. Any person who owned or operated the facility at the time the hazardous substances were disposed of is also for all response costs not inconsistent with the NCP. 42 U.S.C. § 9607(a)(2).

17. The amount recoverable under CERCLA includes interest on the recoverable costs. 42 U.S.C. § 9607(a).

18. “Disposal” includes the discharge, spilling, leaking, or placing of any hazardous waste on any land such that it may enter the environment. 42 U.S.C. § 9601(29); 42 U.S.C. § 6903(3).

19. “Environment” includes surface water, ground water, drinking water supply, land surface or subsurface strata, or ambient air within the United States. 42 U.S.C. § 9601(8).

20. “Facility” includes any structure, installation, equipment, ditch, storage container, rolling stock, or any site or area where a hazardous substance has been deposited, stored, disposed of, or placed or otherwise come to be located. 42 U.S.C. § 9601(9).

21. “Hazardous substances” include substances designated under the Clean Water Act, Clean Air Act, or Solid Waste Disposal Act. 42 U.S.C. § 9601(14). A compilation of listed hazardous substances can be found at 40 C.F.R. 302.4(a).

22. Solid wastes that are not exempt under 40 C.F.R. 261.4(b) and exhibit the hazardous characteristics identified in 40 C.F.R. 261.20-24 (ignitability, corrosivity, reactivity, or toxicity) are also hazardous substances. 40 C.F.R. 302.4(b).

23. “Owner or operator” means any person owning or operating a facility. 42 U.S.C. § 9601(20).

24. The definition of “person” includes a corporation. 42 U.S.C. § 9601(21).

25. “Release” means any “spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.” 42 U.S.C. § 9601(22).

26. “Remove” or “removal” includes actions taken in response to the release or threat of release of hazardous substances into the environment. 42 U.S.C. § 9601(23).

GENERAL ALLEGATIONS

A. Ownership of Defendants

27. Joseph F. Miller (“Mr. Miller”) is the President and sole owner and corporate officer of MPG.

28. Mr. Miller is the sole owner and corporate officer of Millridge Industries.

29. Phyllis J. Etheridge (“Ms. Etheridge”) is also a Member of Millridge Industries.

30. Ms. Etheridge is sole Member, owner, and employee of Millridge IV.

31. Mr. Miller and Ms. Etheridge are husband and wife.

B. The Site

32. The Site is located at located at 20604 and 20610 Amherst Court, New Lenox Township, Illinois.

33. The Site is in an industrial area, bordered by commercial and industrial buildings to the east, south, and west, and by Interstate 80 to the north. The Site also includes neighboring properties that were affected by the release of hazardous substances, including approximately two acres of a farm field to the north of Interstate 80.

34. At the time of the fire, MPG and Millridge Industries operated a chemical manufacturing facility (“Facility”) at the Site that prepared specialty chemical products for a variety of industries, including metalworking, mortuary, railroad, and construction.

35. At the time of the fire, Millridge IV owned the portion of the Site where MPG and Millridge Industries operated the Facility.

36. The Facility consisted of two structures: (1) the main process building and (2) the finished product and chemical storage building.

37. On February 14, 2022, Millridge IV sold the Facility and the real property on which it was located to MGA Real Estate, LLC.

38. The Site was never placed on the National Priorities List.

C. Release of Hazardous Substances at the Site

39. Between August 3-5, 2019, the fire fully consumed the main processing building and partially damaged the finished product and chemical storage building at the Site.

40. As a result of the fire, several hundred drums, vats, tanks, totes, boilers and blending units released chemicals to the environment. These chemicals entered storm drains, ditches, and culverts and discharged onto properties surrounding the Facility.

41. Chemicals from ruptured, leaking, and exploding containers, along with firefighting water, ran off the Site through a storm sewer line located along the eastern edge of property.

42. The storm sewer flows north to the property line at Interstate-80, then east to a drainage ditch that flows under the interstate and ultimately discharges into a farm field.

43. The full suite of chemicals released from the Facility is unknown.

44. Soil and liquid samples collected by EPA indicate that at a minimum the fire released benzene, ethylbenzene, fluorene, naphthalene, pyrene, and styrene.

45. Benzene, ethylbenzene, fluorene, naphthalene, pyrene, and styrene are all listed hazardous substances under 40 C.F.R. 302.4.

46. MPG's plant manager indicated that significant amounts of amines, corrosive and flammable liquids, plasticizers, petroleum-based fluids, embalming fluids, and other lubrication or wax-based products were stored in the buildings consumed by the fire.

47. Dozens of these chemicals display hazardous characteristics (corrosivity, ignitability, toxicity, or reactivity).

48. MPG also reported that the following listed hazardous substances were present in the structures consumed or damaged by the fire: 1,4-dichlorobenzene, aluminum sulfate, ammonium hydroxide, formaldehyde, paraformaldehyde, isopropanol, and xylene.

49. On August 27, 2019, EPA sent general notice letters to all Defendants, informing them of their potential liability for response costs under CERCLA.

D. Actions prior to EPA response

50. Between August 3-5, 2019, several fire departments responded to the Fire, including New Lenox Township and Will County.

51. MPG initially contracted with SET Environmental (“SET”) to clean up discharges from the Fire under the direction of Illinois EPA.

52. SET conducted initial actions to contain the migration of chemicals released from the Fire.

53. SET demobilized from the Site on August 7, 2019, when MPG indicated it lacked the funds to pay SET for the cleanup efforts.

E. EPA Response Actions

54. EPA was formally notified of the Fire on August 5, 2019 through a National Response Center report.

55. On August 7, 2019, Illinois EPA (IEPA) and the Will County Emergency Management Agency requested EPA’s assistance in stabilizing the Site.

56. On August 7, 2019, conducted an initial assessment of the Site and observed a discolored oily substance in the street, storm drains, catch basin, and drainage ditches adjacent to the Facility.

57. On August 8, 2019, EPA mobilized its Emergency and Rapid Response Services (ERRS) and Superfund Technical Assessment and Response Team (START) contractors to begin an emergency response action to stabilize the Site and prevent the release of additional contaminated materials.

58. Between August 8, 2019 and September 30, 2019, EPA took the following actions to stabilize the Site:

- a. Established collection points to contain and collect rainwater runoff;
- b. Staged contaminated run-off in on-Site tanks for treatment and disposal;
- c. Constructed sand berms around the footprint of the destroyed buildings;
- d. Cleaned a process room containing formaldehyde-laden materials;
- e. Conducted air monitoring in and around the remaining structures to ensure worker safety;
- f. Removed oily liquids from the farm field and surrounding storm drains;
- g. Sampled soil and liquid run-off;
- h. Installed temporary fencing along the Site perimeter and posted a security guard at the Site entrance;
- i. Oversaw removal of chemical products from a storage area not impacted by the Fire.

59. EPA documented these stabilization activities in an Enforcement Action Memorandum dated September 30, 2019 (“Action Memorandum”), which determined that the Site presented a substantial threat to public health and the environment and met the criteria for an emergency removal action provided in 40 C.F.R. § 300.415(b)(2).

60. The Action Memorandum proposed 11 additional removal activities to further monitor and clean up the Site.

F. Administrative Order on Consent

61. Throughout the Site stabilization process, Mr. Miller repeatedly expressed a desire to perform the removal action after the Site was stabilized.

62. On October 9, 2019, EPA and the Defendants entered into an Administrative Settlement Agreement and Order on Consent (“ASAOC”) in which Defendants agreed to perform clean-up activities under EPA oversight and reimburse EPA’s “Future Response Costs.”

63. These clean-up activities included the remaining requirements of the removal action that EPA selected in the Action Memorandum.

64. The ASAOC stated that the removal action required by the ASAOC would be consistent with the NCP if it were carried out in accordance with the terms of the settlement.

65. The ASAOC defined “Future Response Costs” to include “all costs, including, but not limited to, direct and indirect costs, that the United States incurs in reviewing or developing deliverables submitted pursuant to this Settlement, in overseeing implementation of the work or otherwise implementing, overseeing, or enforcing this Settlement...”

66. The ASAOC provided that payment of response costs was due 30 days after defendants received a bill requiring payment.

67. Defendants contracted with Schrack Environmental Consulting, Inc. (“Schrack”) to perform the work under the ASAOC.

68. The removal work required under the ASAOC was completed on or around December 20, 2019.

69. Schrack submitted its final report to EPA on April 15, 2020.

G. EPA Requests for Payment

70. On January 15, 2021, EPA sent Mr. Miller a \$501,688.06 bill for Future Response Costs incurred between October 14, 2019 and October 9, 2020 (“January 2021 Bill”).

71. The January 2021 Bill noted that response costs incurred prior to October 14, 2019, (i.e., those for which the Defendants are liable under CERCLA, but which are not covered by the ASAOC) would be addressed by a forthcoming Demand for Reimbursement of Costs.

72. The Defendants' failed to pay the January 2021 Bill within 30-days of receiving it, in violation of the ASAOC.

73. Defendants subsequently communicated to EPA that they disputed whether some of the costs in the January 2021 Bill were properly classified as Future Response Costs.

74. On February 10, 2022, EPA issued a revised bill for \$452,077.74 for Future Response Costs incurred between October 14, 2019 and December 31, 2021 ("February 2022 Bill").

75. The February 2022 Bill reflected a lower indirect cost multiplier for 2020 and waived interest that had accrued on the debt up to the date the bill was issued.

76. The Defendants' failed to pay the February 2022 Bill within 30-days of receiving it, in violation of the ASAOC.

77. On November 2, 2022, Defendants attempted to invoke formal dispute resolution under the ASAOC by submitting a Statement of Position to EPA.

78. Defendants failed to comply with the formal dispute resolution procedure defined in the ASAOC, which requires defendants to pay all uncontested Future Response Costs and remit funds equal to the contested amount into an interest-bearing escrow account.

79. On November 29, 2022, counsel for the EPA formal dispute resolution decisionmaker informed Defendants that they had not properly invoked formal dispute resolution and directed them to do so in accordance with the requirements of the ASAOC.

80. Having received no response from Defendants, counsel for the EPA decisionmaker again contacted Defendants on January 3, 2023 to request that Defendants comply with the formal dispute resolution requirements.

81. Counsel for the Defendants replied on January 4, 2023 to say that the Defendants lacked the assets to comply with the formal dispute resolution requirements.

82. On January 5, 2023, counsel for the EPA decisionmaker closed out formal dispute resolution based on the Defendant's failure to comply with the formal dispute resolution procedures in the ASAO.

83. On March 2, 2023, EPA issued Defendants a letter demanding reimbursement for all response costs ("Demand Letter") – those due under the ASAO and those associated with EPA's emergency response work prior to the execution of the ASAO.

84. The Demand Letter noted that interest would begin to accrue as of the date of the letter if payment was not received within 30 calendar days.

85. To date, the Defendants have not reimbursed EPA for any response costs associated with the Site.

H. EPA Costs

86. As of May 28, 2024, EPA had incurred \$674,701.87 in response costs at the Site.

87. This total includes the cost of emergency response actions taken prior to the effective date of the ASAO, as well as oversight and enforcement costs for activities following that date.

88. The Defendants' debt has accrued at least \$27,371.67 in interest since EPA sent the Demand Letter to Defendants.

89. Defendants currently owe EPA a total of \$702,073.54.

I. Financial Transfers

90. Financial records that Defendants produced to the United States indicate that between 2021 and 2023, Defendant MPG distributed a total of \$1,029,488 to Mr. Miller and Ms. Etheridge.

91. MPG distributed \$635,657, \$252,297, and \$141,534 to Mr. Miller and Ms. Etheridge in 2021, 2022, and 2023, respectively.

92. Mr. Miller and Ms. Etheridge received \$635,657, \$252,297, and \$141,534 from MPG in 2021, 2022, and 2023, respectively.

93. Mr. Miller and Ms. Etheridge did not receive anything from MPG in exchange for these distributions.

94. The distributions described above occurred after October 9, 2019.

95. As of October 9, 2019, MPG was aware of its potential liability for EPA's past response costs and affirmatively agreed to pay for EPA's Future Response Costs by signing the ASAOC.

96. MPG's liabilities exceeded its assets in 2021, 2022, and 2023 – each year that it made distributions to Mr. Miller and Ms. Etheridge.

FIRST CLAIM FOR RELIEF
(asserted against all Defendants)
Cost Recovery Under 42 U.S.C. § 9607(a)

97. Paragraphs 1 through 96 are realleged and incorporated herein by reference.

98. Between August 3-5, 2019, there was a release of hazardous substances from the Facility to the environment.

99. Defendants MPG and Millridge Industries operated the Facility at the time of disposal of hazardous substances.

100. Defendant Millridge IV owned the Facility at the time of disposal of hazardous substances.

101. In responding to the release of hazardous substances from the Facility, EPA incurred response costs that were not inconsistent with the NCP.

102. Pursuant to CERCLA, Defendants are jointly and severally liable for all unreimbursed response costs incurred by the United States in connection with the Site. 42 U.S.C. 9607(a).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, the United States of America, respectfully requests that this Court:

1. Enter judgment in favor of the United States and against the above-named Defendants, jointly and severally, for all response costs incurred by the United States, as well as prejudgment interest, for response actions in connection with the Site.
2. Grant such other and further relief as the Court deems just and proper.

Respectfully submitted,

Adam R.F. Gustafson
Acting Assistant Attorney General
Environment and Natural Resources Division
United States Department of Justice

Date: September 8, 2025

/s/Matthew Indrisano
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