

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS

FILED
23 MAR 26 AM 10:15
REGIONAL HEARING CLERK
EPA REGION 6

In the Matter of	§	
	§	
GWR Webster, LLC	§	Docket No. CAA-06-2026-3510
Webster, Texas	§	
	§	
Respondent	§	

CONSENT AGREEMENT AND FINAL ORDER

A. PRELIMINARY STATEMENT

1. This is an administrative penalty assessment proceeding brought under Section 113(d) of the Clean Air Act, (the "CAA" or the "Act"), 42 U.S.C. § 7413(d), and Sections 22.13, 22.18, and 22.34 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permit ("Consolidated Rules"), as codified at 40 C.F.R. Part 22.

2. Complainant is the United States Environmental Protection Agency, Region 6 ("EPA"). On EPA's behalf, the Director of the Enforcement and Compliance Assurance Division, EPA Region 6, has been delegated the authority to settle civil administrative penalty and compliance proceedings under Section 113(d) of the Act, 42 U.S.C. § 7413(d).

3. GWR Webster, LLC d/b/a Great Wolf Lodge Water Park, Webster ("Great Wolf" or "Respondent") is a limited liability company doing business in the State of Texas. Respondent is a "person" as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).

4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this Consent Agreement along with the corresponding Final Order hereinafter known together as the "CAFO" without the adjudication of any issues of law or fact herein and without the admission, imposition, or adjudication of liability.

5. Respondent consents to the assessment of the civil penalty specified in this CAFO and to the terms of this CAFO.

B. JURISDICTION

6. This CAFO is entered into under Section 113(d) of the CAA, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules, 40 C.F.R. Part 22. The alleged violations in this CAFO are pursuant to Section 113 (a)(3)(A) of the Act, 42 U.S.C. § 7413 (a)(3)(A).

7. On June 10, 2025, EPA issued to Respondent a Notice letter, extending Respondent the opportunity to confer with EPA with respect to alleged violations of Section 112(r) of the CAA, 42 U.S.C. § 7412. On July 7, 2025, and on various other occasions, representatives of Respondent and EPA conferred regarding the June 10, 2025, Notice letter.

8. The Regional Judicial Officer is authorized to ratify this CAFO which memorializes a settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b).

9. The issuance of this CAFO simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

C. STATUTORY AND REGULATORY BACKGROUND

Clean Air Act, Section 112(R)

10. The objective of Section 112(r)(1) of the Act, 42 U.S.C. § 7412(r)(1), is to prevent the accidental release and to minimize the consequences of any such release of any substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance.

11. Pursuant to Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), commonly referred to as the "General Duty Clause," owners and operators of stationary sources producing, processing, handling or storing substances listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance, have a general duty, in the same manner and the same extent as the Occupational Safety and Health Act (OSHA), 29 U.S.C. § 654 *et. seq.*, to (a) identify hazards which may result from accidental releases of such substances, using appropriate hazard assessment techniques; (b) design and maintain a safe facility, taking such steps as are necessary to prevent releases; and (c) minimize the consequences of accidental releases which do occur.

12. Pursuant to Sections 113(a)(3)(A) and (d) of the CAA, 42 U.S.C. §§ 7413(a) and (d), whenever the Administrator finds that any person has violated or is violating any requirement or prohibition of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and its implementing regulations, the Administrator may issue an administrative order and a civil administrative penalty.

13. The Administrator may assess a civil administrative penalty of up to \$59,114 per day of violation up to a total of \$472,901 for each violation. Section 113(d)(1) of the Act, 42 U.S.C. § 7413(d)(1), and 40 C.F.R. Part 19.

Definitions

14. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines “person” to include any individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency department, or instrumentality of the United States and any officer, agent, or employee thereof.

15. Section 112(r)(2)(A) of the CAA, 42 U.S.C. § 7412(r)(2)(A), and the regulation at 40 C.F.R. § 68.3 defines “accidental release” as an unanticipated emission of a regulated substance or other extremely hazardous substance into the ambient air from a stationary source.

16. Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C), and the regulation at 40 C.F.R. § 68.3 defines “stationary source,” in part, as any buildings, structures, equipment, installations or substance-emitting stationary activities which belong to the same industrial group, which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control), and from which an accidental release may occur.

17. Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), and the regulation at 40 C.F.R. § 68.3 defines “regulated substance” as any substance listed pursuant to Section 112(r)(3) of the CAA, as amended, in 40 C.F.R. § 68.130.

18. The term “extremely hazardous substance” means an extremely hazardous substance within the meaning of Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1). Such substances include any chemical which may, as a result of short-term exposures associated with releases to the air, cause death, injury, or property damage due to its toxicity, reactivity, flammability or corrosivity.¹ The term includes, but is not limited to, regulated substances listed in Section 112(r)(3), 42 U.S.C. § 7412(r)(3), and 40 C.F.R. 68.130. Also, the release of any substance that causes death or serious injury because of its acute toxic effect or as a result of an explosion or fire or that causes substantial property damage by blast, fire, corrosion, or other reaction would create a presumption that such substance is extremely hazardous.²

D. FINDINGS OF FACT AND CONCLUSIONS OF LAW

19. Respondent is, and at all times referred to herein was, a “person” as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

20. Respondent is the owner and operator of a facility located at 1000 Great Wolf Way, Webster, TX 77598 (the “Facility”).

21. On August 7, 2024, there was an incident at the Facility that resulted in an accidental release (the “Incident”) of chlorine gas. On February 3, 2025, EPA began an investigation of the Incident and requested information from Respondent. On February 17 and March 4, 2025, Respondent provided documentation and information concerning the Incident and Respondent’s compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and 40 C.F.R. Part 68.

¹ Senate Committee on Environment and Public Works, Clean Air Act Amendments of 1989, Sen. Report No. 228, 101st Congress, 1st Session 211 (1989).

² *Id.*

22. On June 10, 2025, EPA sent Respondent a Notice letter extending Respondent the opportunity to confer and submit further information or materials regarding Respondent's compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r). Respondent provided a written response to the Notice letter on July 7, 2025. Also on July 7, 2025, and on various other occasions, EPA conferred with Respondent regarding the violations alleged herein and provided an opportunity for Respondent to submit additional information or materials. EPA responded to the documentation and information received from Respondent as a result of the opportunity to confer and articulated EPA's position concerning Respondent's compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

23. Respondent stores bulk chemicals, specifically sodium hypochlorite and sulfuric acid, for use in its waterpark pools. These chemicals are stored in separate tanks, located in separate chemical storage rooms, within a mechanical building.

24. The root cause of the Incident was the accidental filling of sulfuric acid into a tank designated for, and already containing, sodium hypochlorite, by a third-party chemical supplier.

25. The mixture of sulfuric acid and sodium hypochlorite creates chlorine gas, an extremely hazardous substance.

26. From the time Respondent first produced, processed, handled, or stored EHS/listed substances at the Facility, Respondent was subject to the requirements of the General Duty Clause in Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

27. Based upon the information gathered during the Investigation, EPA alleges that Respondent violated the General Duty Clause in Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

E. ALLEGED VIOLATIONS

28. The facts stated in EPA Findings of Fact and Conclusions of Law above are herein incorporated.

29. Complainant hereby states and alleges that Respondent has violated the CAA and federal regulations promulgated thereunder as stated below.

Count 1 – General Duty Clause

30. Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), the Prevention of Accidental Releases, states that the owners and operators of stationary sources processing, handling or storing such substances [i.e., a chemical in 40 C.F.R. Part 68 or any other extremely hazardous substance] have a general duty [in the same manner and to the same extent as the general duty clause in the Occupational Safety and Health Act (OSHA)] to identify hazards which may result from (such) releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are necessary to prevent releases, and to minimize the consequences of accidental releases which do occur.

31. The cause of the Incident was an employee of a third-party chemical supplier accidentally filling the sodium hypochlorite storage tank with one gallon of sulfuric acid during a delivery. At the time of the Incident, there was an absence of labeling on the chemical tanks, which allegedly was contractually the third-party chemical supplier's responsibility. However, as

the owner/operator of the Facility, Respondent was overall responsible for ensuring the contracted labeling took place.

32. Complainant alleges that Respondent failed to design and maintain a safe facility in violation of the General Duty Clause, at Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

33. Neither Respondent's execution of this CAFO nor payment pursuant to Paragraph 38 shall constitute an admission of the facts alleged or violations of law asserted in this CAFO, or an adjudication of liability or fact with regard to the alleged violations of Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), all of which Respondent disputes, or a waiver of defenses by Respondent in any subsequent proceeding.

F. CONSENT AGREEMENT AND CIVIL PENALTY

General

34. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- a. admits the jurisdictional allegations set forth herein;
- b. neither admits nor denies the specific factual allegations stated herein;
- c. consents to the assessment of a civil penalty, as stated herein;
- d. consents to the issuance of any specified compliance or corrective action order;
- e. consents to any conditions specified herein;
- f. consents to any stated Permit Action;
- g. waives any right to contest the allegations set forth herein; and
- h. waives its rights to appeal the Final Order accompanying this CAFO.

35. For the purpose of this proceeding, Respondent:
- a. agrees that this CAFO states a claim upon which relief may be granted against Respondent;
 - b. acknowledges that this CAFO constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement action;
 - c. waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1);
 - d. consents to personal jurisdiction in any action to enforce this CAFO in the United States District Court for the Western District of Texas;
 - e. waives any right it may possess at law or in equity to challenge the authority of EPA to bring a civil action in a United States District Court to compel compliance with this CAFO and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action;
 - f. consents to the issuance of this CAFO and consents for the purposes of settlement to the payment of the civil penalty specified herein; and
 - g. agrees that in any subsequent administrative or judicial proceeding initiated by the Complainant or the United States for injunctive relief, civil penalties, or other relief relating to the Facility, Respondent shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral

estoppel, issue preclusion, claim preclusion, claim splitting, or other defenses based on any contention that the claims raised by the Complainant or the United States were or should have been brought in the instant case, except with respect to claims that have been specifically resolved pursuant to this CAFO.

36. By signing this CAFO, Respondent waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying this CAFO.

37. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

Penalty Assessment and Collection

38. Upon consideration of the entire record herein, including the Findings of Fact and Conclusions of Law, which are hereby adopted and made a part hereof, and upon consideration of the size of the business, the economic impact of the penalty on the business, Respondent's full compliance history and good faith efforts to comply, the duration of the violation, payment by the violator of any penalties previously assessed for the same violation, the economic benefit of noncompliance, the seriousness of the violation, and other factors as justice may require, EPA has assessed a civil penalty in the amount of **\$27,193** (the "EPA Penalty").³ The EPA Penalty has been determined in accordance with Section 113 of the CAA, 42, U.S.C. § 7413, and at no time exceeded EPA's statutory authority.

³ The Occupational Safety and Health Review Commission (OSHA) assessed a \$14,187 penalty against Respondent for the incident described in this CAFO. Consistent with the CAA 112(r) penalty policy, the EPA's penalty was lowered from its original amount to the listed amount by the total of the OSHA penalty.

39. Respondent agrees to pay the EPA Penalty within 30 days of the Effective Date of this CAFO. Respondent shall pay the EPA Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: <https://www.epa.gov/financial/makepayment>. For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

40. When making a payment, Respondent shall:

a. Identify every payment with Respondent's name and the docket number of this Order, Docket No. CAA-06-2026-3510. The payment shall also be accompanied by a transmittal letter that shall reference Respondent's name and address, the case name, and docket number CAA-06-2026-3510. Respondent's adherence to this request will ensure proper credit is given when penalties are received for Region 6.

b. Concurrently with any payment, email proof of such payment and the transmittal letter to the following email addresses:

Carlos Flores
U.S. EPA Region 6
Flores.Carlos@epa.gov

Region 6 Hearing Clerk
U.S. EPA Region 6
Vaughn.Lorena@epa.gov

and

U.S. Environmental Protection Agency
Cincinnati Finance Center
Via electronic mail to:
CINWD_AcctsReceivable@epa.gov

"Proof of payment" means, as applicable, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer and any other

information required to demonstrate that payment has been made according to EPA requirements, in the amount due.

41. Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay any portion of the EPA Penalty per this CAFO, the entire unpaid balance of the EPA Penalty and all accrued interest shall become immediately due and owing, and EPA is authorized to recover the following amounts.

a. Interest. Interest begins to accrue from the Effective Date. If the EPA Penalty is paid in full within 30 days, interest accrued is waived. If the EPA Penalty is not paid in full within 30 days, interest will continue to accrue until any unpaid portion of the EPA Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7413(d)(5), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.

b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of handling collection.

c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

42. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the EPA Penalty per this CAFO, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following.:

a. refer the debt to a credit reporting agency, a collection agency, or request that the Attorney General bring civil action in the appropriate United States District Court (in which the validity, amount, and appropriateness of the EPA Penalty and of this CAFO shall not be subject to review) to secure payment of the debt, which may include the original penalty, enforcement and collection expenses, nonpayment penalty and interest, 42 U.S.C. § 7413(d)(5) and 40 C.F.R. §§ 13.13 and 13.14;

b. collect the above-referenced debt by administrative offset (*i.e.*, the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. Part 13, Subparts C and H; and

c. suspend or revoke Respondent's licenses or other privileges or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, 40 C.F.R. § 13.17.

Additional Terms of Settlement

43. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors and assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this CAFO.

44. Any change in the legal status of the Respondent, or change in ownership, partnership, corporate or legal status relating to the Facility, will not in any way alter Respondent's obligations and responsibilities under this CAFO.

45. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information. See 40 C.F.R. Part 2, Subpart B (Confidentiality of Business Information).

46. By signing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and is, truthful, accurate, and complete for each submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

47. By signing this CAFO, Respondent certifies that it is presently in compliance with all requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

48. By signing this CAFO, the undersigned representative of Respondent certifies that it is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party it represents to this CAFO.

49. Respondent and EPA agree to the use of electronic signatures for this matter. EPA and Respondent consent to service of a final order by email at the following valid email addresses: Sharma.Ravi@epa.gov (for EPA) and KGraves@greatwolf.com (for Respondent).

50. Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under 5 U.S.C. § 504 and 40 C.F.R. Part 17. Except as qualified by Paragraph 42.b

of this CAFO, each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

G. EFFECT OF CONSENT AGREEMENT AND RESERVATION OF RIGHTS

51. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts alleged in Sections D and E above.

52. The terms, conditions and requirements of this CAFO may not be modified or amended except upon the written agreement of both parties, and approval of the Regional Judicial Officer.

53. Penalties paid pursuant to this CAFO shall not be deductible for purposes of Federal, State, and local taxes.

54. Any violation of the included Final Order may result in a civil judicial action for an injunction or civil penalties as provided in Section 113(b) of the Act, 42 U.S.C. § 7413(b) and adjusted for inflation pursuant to 40 C.F.R. Part 19, as well as criminal sanctions as provided in Section 113(c) of the Act, 42 U.S.C. § 7413(c). EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

55. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or a determination of, any issue related to any federal, state, or local permit. EPA does not, by its consent to the entry of this CAFO, warrant or aver in any manner that Respondent's compliance with any aspect of this CAFO will result in compliance

with provisions of the Clean Air Act, 42 U.S.C. § 7401, *et seq.*, or with any other provisions of federal, state, or local laws, regulations, or permits.

56. Nothing herein shall be construed to limit the power of EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

57. If and to the extent EPA finds, after signing this CAFO, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to EPA, EPA reserves any and all of its legal and equitable rights.

H. EFFECTIVE DATE

58. Respondent and Complainant agree to the issuance of the included Final Order. Upon filing, EPA will transmit a copy of the filed CAFO to Respondent. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

The foregoing Consent Agreement In the Matter of GWR Webster, LLC, Docket No. CAA-06-2026-3510, is Hereby Stipulated, Agreed, and Approved for Entry.

FOR RESPONDENT:

GWR WEBSTER, LLC

Date: 03/19/2026

**Craig
Johnson**

Digitally signed by Craig
Johnson
Date: 2026.03.19
12:25:25 -05'00'

Signature

Craig Johnson

Print Name

Secretary

Title

FOR COMPLAINANT:

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: _____

Cheryl T. Seager

Digitally signed by
CHERYL SEAGER
Date: 2026.03.19
13:37:01 -05'00'

Cheryl T. Seager
Director
Enforcement and
Compliance Assurance Division
U.S. EPA, Region 6

FINAL ORDER

Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

GWR Webster, LLC is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), this Final Order shall become effective upon filing with the Regional Hearing Clerk.

This Final Order shall resolve only those causes of action alleged in the Consent Agreement. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action.

IT IS SO ORDERED.

Dated _____

ELIZABETH RYLAND Digitally signed by
ELIZABETH RYLAND
Date: 2026.03.23
09:43:41 -05'00'

Renea Ryland
Acting Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was filed with me, the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that I sent a true and correct copy on this day in the following manner to the email addresses:

Copy via Email to EPA:

Sharma.Ravi@epa.gov
Flores.Carlos@epa.gov

Copy via Email to Respondent:

DMKrevor@venable.com
KGraves@greatwolf.com
Kate Graves
Great Wolf Resorts
350 N. Orleans St. Ste. 10000B
Chicago, IL 60654

LORENA
VAUGHN

Digitally signed by
LORENA VAUGHN
Date: 2026.03.23
10:16:14 -05'00'

Regional Hearing Clerk
U.S. EPA, Region 6