

BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

OHIO E.P.A.

JAN 18 2013

In the Matter of:

ENTERED DIRECTOR'S JOURNAL

RPI of Indiana, Inc. : Director's Final Findings
PO Box 38 : and Orders
8339 County Road 245 :
Holmesville, Ohio 44633 :

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to RPI of Indiana, Inc. ("Respondent") pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") §§ 3704.03 and 3745.01.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of Respondent or of Respondent's Facility (as hereinafter defined) shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 3704 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA makes the following findings:

1. Respondent owns and operates a facility (Facility ID# 0238000060) located at 8339 County Road 245, in Holmesville, Ohio ("Facility"). The Facility manufactures and coats metal bins used as waste containers and clothing receptacles. After the containers are manufactured, they are coated with both primer and enamel, air dried, and shipped to customers. At the Facility a paint booth (K002) is operated.
2. ORC § 3704.05 (G) prohibits any person from violating any rule adopted by the Director of Ohio EPA pursuant to ORC Chapter 3704. All rules referenced in

these Orders were adopted by the Director of Ohio EPA pursuant to ORC Chapter 3704.

3. On January 12, 2011, an inspection the Facility was conducted to determine compliance with all applicable rules and permit terms and conditions. During the inspection, it was discovered that the Respondent was operating the spray booth without a proper permit. The permit on file at DAPC was for a mobile home coating operation, which was shut down in November 1989. The Respondent had submitted a permit application for the new spray booth, but the spray booth was deemed a "like-kind" replacement and a permit-to-install (PTI) was never issued.
4. On January 14, 2011, an inspection follow-up letter was sent to the Respondent, requesting a complete Permit-to-Install and Operate (PTIO) application, including MSDS and emission calculations. The application was received by Ohio EPA on April 26, 2011. During the application review, violations of State and federal laws were discovered for K002. The April 2011 permit application was returned on July 27, 2011 due to technical incompleteness. A revised permit application, specifying the use of non-HAP, VOC compliant coatings, was submitted December 23, 2011, and a PTIO (P0109238) was issued January 20, 2012.

Failure to obtain PTIOs for K002

5. OAC Rule 3745-77-01(W) defines a major source, in part, as any stationary source that emits or has the potential-to-emit, in the aggregate, 10 tons per year (TPY) or more of any Hazardous Air Pollutant (HAP). OAC Rule 3745-77-02(B) also states any major source is subject to the Title V permitting requirements.
6. From the Holmes County compliance deadline for filing an initial Title V permit application, in 1996, Facility HAP emissions exceeded 10 TPY, the major source threshold, and the Facility did not apply for a Title V permit, in violation of OAC Rules 3745-77-02(B) and 3745-77-04(B). Respondent began to use compliant, non-HAP coatings on December 1, 2011.

Failure to employ compliant coatings for K002

7. OAC Rule 3745-21-09(U)(1)(d) prohibits any owner or operator of a coating line for miscellaneous metal parts and products from discharging into the ambient air of any volatile organic compounds ("VOC") from such coating lines in excess of 3.5 pounds of VOC per gallon of coating, excluding water and exempt solvents, unless otherwise specified in such rule, for any coating that is dried at temperatures not exceeding 200 degrees Fahrenheit.
8. From 1988 until December 1, 2011, Respondent failed to employ complying coatings for K002, in violation of OAC Rule 3745-21-09(U)(1)(d) and ORC § 3704.05(G). During this time, Respondent was using coatings with up to 5.08

pounds of HAP per gallon, as reported in a permit application. Respondent began to employ complying coatings on December 1, 2011.

9. 40 CFR Part 63.3890 (Subpart M) for existing general use coating affected sources, limits organic HAP emissions to 2.6 pounds of HAP per gallon coating solids used during each 12-month compliance period.
10. From the MACT compliance deadline in 2007, until December 1, 2011, Respondent exceeded the 2.6 pounds of HAP per gallon of coating solids, in violation of 40 CFR Part 63.3890. During this time, Respondent was using coatings with up to 4.17 pounds of xylene per gallon of coating solids. Respondent began to employ complying, non-HAP coatings on December 1, 2011.
11. On February 8, 2012, the Ohio EPA, Northeast District Office issued a Notice of Violation ("NOV") letter to Respondent addressing the violations described in the above Findings.
12. The Director has given consideration to, and based his determination on, evidence relating to the technical feasibility and economic reasonableness of complying with the following Orders and their relation to benefits to the people of the State to be derived from such compliance.

V. ORDERS

The Director hereby issues the following Orders:

1. Pursuant to ORC § 3704.06, Respondent is assessed a civil penalty in the amount of twenty thousand dollars (\$20,000) in settlement of Ohio EPA's claims for civil penalties. Within thirty (30) days after the effective date of these Orders, payment to Ohio EPA shall be made by an official check made payable to "Treasurer, State of Ohio" for eight thousand dollars (\$8,000) of the total amount. Within one hundred twenty (120) days after the effective date of these Orders, an additional payment to Ohio EPA shall be made by an official check made payable to "Treasurer, State of Ohio" for eight thousand dollars (\$8,000) of the total amount. The official checks shall be submitted to Carol Butler, or her successor, together with a letter identifying the Respondent to:

Ohio EPA
Office of Fiscal Administration
50 West Town Street, Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049

2. In lieu of paying the remaining four thousand dollars (\$4,000) of the civil penalty, Respondent shall, within thirty (30) days of the effective date of these Orders, fund a Supplemental Environmental Project ("SEP") by making a contribution in the amount of \$4,000 to the Ohio EPA's Clean Diesel School Bus Program Fund (Fund 5CD0). Respondent shall tender an official check made payable to "Treasurer, State of Ohio" for \$4,000. The official check shall be submitted to Carol Butler, or her successor, together with a letter identifying the Respondent and Fund 5CD0, to the above-stated address.
3. A copy of each of the above checks shall be sent to Bruce Weinberg, Environmental Manager, Enforcement Section, or his successor, at the following address:

Ohio EPA
Division of Air Pollution Control
50 West Town Street, Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049
4. Should Respondent fail to fund the SEP within the required time frame set forth in Order 2, Respondent shall immediately pay to Ohio EPA \$4,000 of the civil penalty in accordance with the procedures in Order 1.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate upon Ohio EPA's receipt of the official checks required by Section V of these Orders.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to, operations by Respondent.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

Ohio EPA Northeast District Office
2110 East Aurora Road
Twinsburg, Ohio 44087-1924
Attn: Zorica Dejanovic

and to:

Ohio Environmental Protection Agency
Division of Air Pollution Control
50 West Town Street, Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Bruce Weinberg

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

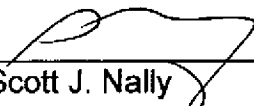
The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

ORDERED AND AGREED:

Ohio Environmental Protection Agency



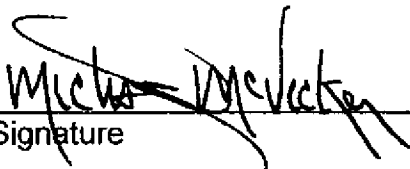
Scott J. Nally
Director

1/7/13

Date

AGREED:

RPI of Indiana, Inc.



Signature

JAN. 7. 2013

Date

MICHAEL McVICKER

Printed or Typed Name

PRESIDENT

Title