



Jeb Bush
Governor

Department of Environmental Protection

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

David B. Struhs
Secretary

CERTIFIED MAIL
7001 0360 0000 6784 8055

OCD-HW-C-E-03-0176

Mr. Brian S. McCully
General Manager
Atlantic Industrial Services
359 Cypress Road
Ocala, FL 34472-3101

**RE: PROPOSED SETTLEMENT BY SHORT FORM CONSENT ORDER
ATLANTIC INDUSTRIAL SERVICES
MARION COUNTY-UO FLR 000060301
OGC FILE NO. 03-1309**

Dear Mr. McCully:

The purpose of this letter is to complete the resolution of the matter previously identified by the Department in the Warning Letter dated November 7, 2002, a copy of which is attached. The corrective actions required to bring your facility into compliance have been performed. The Department finds that you are in violation of the rules and statutes cited in the attached Warning Letter. In order to resolve the matters identified in the attached Warning Letter, you are assessed civil penalties in the amount of \$2,000 along with \$100 to reimburse the Department costs, for a total of \$2,100. In lieu of making monetary payment of the civil penalties, the Department determined that \$1,600 of the civil penalty may be offset through the implementation of a Supplemental Environmental Project (SEP). The SEP consisted of the printing of the 2,300 decals bearing the inscription "Warning—Used Oil Only—Do Not Mix." This SEP was completed June 25, 2003. Payment of the remaining \$400 in civil penalties and \$100 in Department costs, for a total of \$500, shall be made within 15 days of signing this letter, and mailed to the letterhead address. This payment must be made payable to the Department of Environmental Protection by cashier's check or money order and shall include the OGC File Number assigned above and the notation "Ecosystems Management and Restoration Trust Fund."

The Department acknowledges that the payment of these civil penalties by you does not constitute an admission of liability.

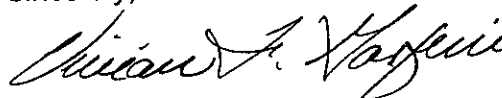
Your signing this letter constitutes your acceptance of the Department's offer to resolve this matter on these terms. If you elect to sign this letter, please return it to the Department at the address indicated above. The Department will then countersign the letter and file it with the Clerk of the Department. When the signed letter is filed with the Clerk, the letter shall constitute final agency action of the Department which shall be enforceable pursuant to Sections 120.69 and 403.121, Florida Statutes.

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If you do not sign and return this letter to the Department at the District address within 15 days of receipt, the Department will assume that you are not interested in settling this matter on the above described terms, and will proceed accordingly. None of your rights or substantial interests are determined by this letter unless you sign it and it is filed with the Department Clerk.

Sincerely,



Vivian F. Garfein
Director, Central District

Date: July 8, 2013

FOR THE RESPONDENTS:

I, _____ on behalf of _____, HEREBY
ACCEPT THE TERMS OF THE SETTLEMENT OFFER IDENTIFIED ABOVE.

By: _____
Date: _____

.....
FOR DEPARTMENT USE ONLY

DONE AND ENTERED this _____ day of _____, 200__.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION

Director, Central District

FILING AND ACKNOWLEDGMENT

FILED, on this date, pursuant to
§120.52, Florida Statutes,
With the designated Department
Clerk, receipt of which is hereby
Acknowledged.

Clerk

Date

Copies furnished to: Mike Redig, FDEP, Tallahassee, RCRA
Laurie DiGaetano, EPA Region 4

NOTICE OF RIGHTS

Persons who are not parties to this Consent Order but whose substantial interests are affected by this Consent Order have a right, pursuant to Sections 120.569 and 120.57, Florida Statutes, to petition for an administrative hearing on it. The Petition must contain the information set forth below and must be filed (received) at the Department's Office of General Counsel, 3900 Commonwealth Boulevard, MS-35, Tallahassee, Florida 32399-3000, within 21 days of receipt of this notice. A copy of the Petition must also be mailed at the time of filing to the District Office named above at the address indicated. Failure to file a petition within the 21 days constitutes a waiver of any right such person has to an administrative hearing pursuant to Sections 120.569 and 120.57, Florida Statutes.

The petition shall contain the following information:

(a) The name, address, and telephone number of each petitioner; the Department's Consent Order identification number and the county in which the subject matter or activity is located; (b) A statement of how and when each petitioner received notice of the Consent Order; (c) A statement of how each petitioner's substantial interests are affected by the Consent Order; (d) A statement of the material facts disputed by petitioner, if any; (e) A statement of facts which petitioner contends warrant reversal or modification of the Consent Order; (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Consent Order; (g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Consent Order.

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this Notice. Persons whose substantial interests will be affected by any decision of the Department with regard to the subject Consent Order have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 21 days of receipt of this notice in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Sections 120.569 and 120.57, Florida Statutes, and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-106.205, Florida Administrative Code.

Mediation under Section 120.573, Florida Statutes, is not available in this proceeding.



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David B. Struhs
Secretary

CERTIFIED MAIL

7001 0360 0000 6784 9779

Mr. Brian S. McCully
General Manager
Atlantic Industrial Services, Inc.
359 Cypress Road
Ocala, Florida 34472

OWL-HW-C-E-02-032

Marion County – UO/HW
FLR 000060301
Atlantic Industrial Services

Dear Mr. McCully:

A hazardous waste and used oil inspection was conducted at your facility referenced above on September 25, 2002. The inspection was conducted under the authority of Section 403.091, Florida Statutes, and Chapter 403, Part IV, Florida Statutes, in order to determine the compliance status of your facilities with Title 40 Code of Federal Regulations (CFR) Parts 260 through 268, as adopted in Florida Administrative Code Chapter 62-730, and Part 279, adopted in Florida Administrative Code 62-710.

During the inspection, possible violations of rules regarding hazardous waste and used oil management were noted. These possible violations are set forth in the "Summary of Potential Noncompliance Items" section of the attached inspection report.

Any activity at your facility that may be contributing to violations of the above described statutes and rules should be ceased immediately. Operation of a facility in violation of state statutes or rules may result in liability for damages and restoration, and the judicial imposition of civil penalties pursuant to Sections 403.727, Florida Statutes.

This Warning Letter is part of an agency investigation preliminary to agency action in accordance with Section 120.57(4), Florida Statutes. The purpose of this letter is to advise you of potential violations and to set up a meeting to discuss possible resolutions to any potential violations and/or civil penalties for which you may be responsible. If, after further investigation, the Department determines that the violations occurred, you may resolve them through immediate correction, or in some cases, by providing an acceptable, short-term schedule within which the violations will be corrected.

In cases where immediate or short-term correction is not possible, violations may be resolved through the entry of a Consent Order, which includes a compliance schedule and possibly an appropriate penalty. Under the Department's agreement with the United States Environmental Protection Agency (EPA), a formal administrative complaint or "Notice of Violation" (NOV) must be issued within 180 days of the date of the inspection report. In order to avoid the issuance of a NOV a Consent Order must be entered well in advance of that date.

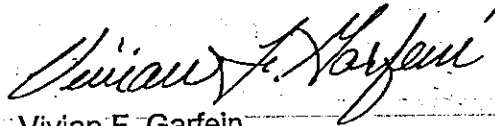
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In cases involving violations of RCRA hazardous waste rules, the Department is required to seek civil penalties in accordance with the EPA RCRA Civil Penalty Policy, dated October 26, 1990 and the Department's Guidelines for Characterizing RCRA Violations. A copy of the documents is available upon request.

Please contact Leah Proffitt (regarding AIS, Ocala) or John White (regarding AFS, Reddick) in the Hazardous Waste Section, at (407) 893-3323 within 10 days of your receipt of this letter to schedule an informal conference concerning resolution of this matter.

Sincerely,



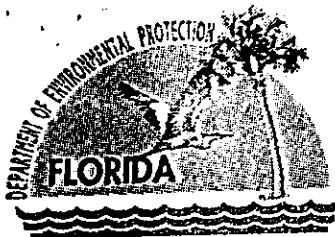
Vivian F. Garfein
Director of District Management

Date Nov. 7, 2008

VFG/wmb/mlb/lp

Enclosures: RCRA Inspection Report

cc: FDEP, Tallahassee
EPA Region IV



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Department of Environmental Protection

Central District
3319 Maguire Boulevard, Suite 232
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David B. Struhs
Secretary

HAZARDOUS WASTE INSPECTION REPORT

1. INSPECTION TYPE: ☒ Routine ☐ Complaint ☐ Follow-Up ☐ Permitting ☐ Pre-Arranged

FACILITY NAME		Atlantic Industrial Services		EPA ID #		FLR 000060301	
STREET ADDRESS		359 Cypress Road, Ocala, FL 34472					
MAILING ADDRESS							
COUNTY	Marion	PHONE	(352) 687-0688	DATE	September 25, 2002	TIME	9:45-12:30

NOTIFIED AS: ☐ N/A

<input type="checkbox"/> Non Notifier
<input checked="" type="checkbox"/> CESQG (<100 kg/mo.)
<input type="checkbox"/> SQG (100-1000 kg/mo.)
<input type="checkbox"/> Generator (>1000 kg/mo.)
<input checked="" type="checkbox"/> Transporter
<input type="checkbox"/> Transfer Facility
<input type="checkbox"/> Interim Status TSD Facility
<input type="checkbox"/> TSD Facility
Unit Type(s):
<input type="checkbox"/> Exempt Treatment Facility
<input checked="" type="checkbox"/> Used Oil/Filter: Transporter, Transfer Facility, Processor

CURRENT STATUS:

<input type="checkbox"/> Non Handler
<input checked="" type="checkbox"/> CESQG (<100 kg/mo.)
<input type="checkbox"/> SQG (100-1000 kg/mo.)
<input type="checkbox"/> Generator (>1000 kg/mo.)
<input checked="" type="checkbox"/> Transporter
<input type="checkbox"/> Transfer Facility
<input type="checkbox"/> Interim Status TSD Facility
<input type="checkbox"/> TSD Facility
Unit Type(s):
<input type="checkbox"/> Exempt Treatment Facility
<input checked="" type="checkbox"/> Used Oil/Filter: Transporter, Transfer Facility, Processor

2. APPLICABLE REGULATIONS:

- | | | | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|
| <input type="checkbox"/> 40 CFR 261.5 | <input type="checkbox"/> 40 CFR 262 | <input type="checkbox"/> 40 CFR 263 | <input type="checkbox"/> 403.087 FS |
| <input checked="" type="checkbox"/> 40 CFR 265 | <input type="checkbox"/> 40 CFR 266 | <input type="checkbox"/> 40 CFR 268 | <input type="checkbox"/> 62-4, FAC |
| <input checked="" type="checkbox"/> 40 CFR 279 | <input type="checkbox"/> 62-710, FAC | <input type="checkbox"/> 62-730, FAC | <input type="checkbox"/> 62-701, FAC |

3. RESPONSIBLE OFFICIAL(S):

Jack McCully - General Manager

4. INSPECTION PARTICIPANTS:

Leah Proffitt, FDEP
John White, FDEP

Jack McCully, AIS

5. LATITUDE/LONGITUDE: 29:04:51/82:59:28

6. SIC CODE: 5172 - Petroleum Products; 2911 - Petroleum Re-refining

7. TYPE OF OWNERSHIP: Private ☒ Federal ☐ State ☐ County ☐ Municipal ☐

8. PERMIT #: HO06-0161967-001

ISSUE DATE: 7/25/00

EXP. DATE: 7/25/05

"More Protection, Less Process"

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9. INTRODUCTION

On September 25, 2002, Leah Proffitt and John White (inspectors), of the Florida Department of Environmental Protection (FDEP), conducted a routine inspection of Atlantic Industrial Services Inc. (AIS) for compliance with Used Oil and Hazardous Waste regulations. Jack McCully, Vice President, accompanied the inspectors.

AIS is a registered used oil transporter, transfer facility, processor and re-refinery with headquarters located in Pompano Beach, Florida. The Ocala facility is located on approximately 5.88 acres of land owned by AIS, and is also registered as a used oil filter transporter and hazardous waste transporter.

As a result of numerous complaints from neighboring businesses and residents, a thermal oxidizer is being considered as an addition to the facility's air pollution control device to reduce odors.

When picking up used oil from generator locations, drivers use a "sniffer." If the sniffer reports a potential halogen problem, a Clor-D-Test kit can be used to quantify the halogen content.

Current operating plans include closing the Reddick facility in the near future. Currently the Reddick facility is used to store virgin fuel oil and some used oil.

10. INSPECTION/COMPLIANCE HISTORY

AIS was last inspected by DEP on July 13, 2001 and violations of the rebuttable presumption for used oil under 40 CFR 279.44 were discovered. These violations were resolved through a short-form Consent Order executed on February 18, 2001, collecting \$2,250.00 in civil penalties.

11. PROCESS DESCRIPTION & INSPECTION NARRATIVE

I. FACILITY TOUR

AIS is comprised of a main office, containing offices and labs, a two-part process building which houses the drum storage area, re-refinery unit and process control room, and a tank farm consisting of 16 30,000-gallon tanks.

The laboratories are capable of testing oil for halogen content, BTUs, flashpoint, specific gravity and percent water content. The equipment necessary for metals testing is on site, but not yet operational. Currently, Advanced Environmental Laboratories conducts metals testing.

The physical inspection began in the process building. The drum storage area is situated on the East side of the process building. This portion is constructed on an 8" reinforced sealed concrete slab that occupies approximately 13,000 square feet. Drums are staged in labeled rows along the south and east walls of the warehouse. (Figs. 1 & 2). At the time of inspection, there were approximately 250 drums of uncrushed oil filters and 100 drums of

crushed filters. There were also 27 drums of oily absorbent that will be processed in a solid waste solidification pit on site, and disposed of at a solid waste landfill in Valdosta, Georgia.

Located in a corner of the warehouse are a filter crusher and filter-draining tank. Used oil filters are placed on a metal grate over a tank and allowed to drain (Fig. 3). After draining, the filters are crushed and placed in open-top drums. Crushed filter drums are moved by forklift to the solid waste solidification pit where the filters are mixed with fine clay particles purchased from Mid Florida Mining, Reddick, Florida. The clay/filter mix is then shipped to a solid waste landfill in Valdosta, Georgia for disposal.

The west side of the process building houses the process control room and actual thermal processing unit. AIS is no longer thermally "cracking" the used oil to make diesel fuel. The company is currently only dehydrating the used oil and reselling it as fuel oil.

On July 5, 2002, during startup of the processing equipment, the used oil dehydrator was damaged. Two new dehydrators are currently being installed to replace the damaged unit. It was requested that the facility provide Bill Parker, DEP Tallahassee permitting staff, with an updated facility layout once the equipment is in place.

After exiting the process building, inspectors proceeded to the tank farm (Figs. 5 & 6). Some of the tanks are currently used for biological treatment of oily wastewater, and others for storage of used oil. Water collected in the secondary containment area is processed through the biological treatment tanks and discharged to the sanitary sewer. At the time of the inspection there was oil floating on the water in the secondary containment area (Fig. 16) [40 CFR 279.54(b)]. The oil may have drained into the containment area through a transfer hose that was draped over the wall (Fig. 18); however, the facility can not be sure of this until the oily water is removed and the system checked for leaks. It was suggested that the facility minimize oil contamination of the water so that actual leaks from tanks, ancillary equipment and piping can be more readily recognized and corrected as soon as possible.

Located along the fence-line north of the tank farm is a rail car pump used to transfer oil from rail cars to the tank farm (Fig. 8). The pump sits on a concrete pad that does not have secondary containment, and used oil has contaminated the pad and some of the surrounding soil (Figs. 9 & 10) [40 CFR 279.52(a)(1)]. There was also an open, unlabeled bucket of used oil adjacent to the pump (Fig. 11) [40 CFR 279.22(c)]. Facility representatives indicated that the pad would be replaced. It was requested that the facility clean up the contaminated soil.

II. WASTE MANAGEMENT PRACTICES

As stated above, oily absorbent and crushed filters are mixed with clay in the on-site waste solidification pit and the resultant mixture is then shipped to Valdosta, Georgia for disposal in a solid waste landfill.

III. RECORD REVIEW

Inspectors reviewed records for outgoing loads of used oil shipped as on-specification fuel oil. The records included shipping papers documenting the volume of oil, the receiving party, and laboratory analysis results documenting that the oil meets the specification

requirements. Laboratory results are also documented in a notebook maintained by staff working in the on-site laboratory. No violations were noted during the review of these records.

Inspectors did, however, note several discrepancies on receiving slips for incoming loads. The following receiving slips lacked halogen test results [40 CFR 279.44(a)]:

Slip #	Date	Facility Name	Comments
5219	8/1/02	GaTx (railcar)	
5231	8/2/02	Jan's Oil Service, Inc.	Manifest # 13676
5234	8/2/02	Hobo's Oil	
5235	8/2/02	On-Time Environmental	
5302	8/10/02	Hobo's Oil	
5376	8/21/02	Hobo's Oil	
5380	8/22/02	On-Time Environmental	
5413	8/28/02	Hobo's Oil	
5426	8/29/02	On-Time Environmental	
5431	8/29/02	Jan's Oil Service, Inc.	
5434	8/29/02	Jan's Oil Service, Inc.	Manifest # 13692
5440	8/30/02	On-Time Environmental	Manifest # 13861
5442	8/30/02	On-Time Environmental	
5452	8/31/02	On-Time Environmental	

The facility is in the process of updating the contingency plan with new names and telephone numbers.

12. SUMMARY OF POTENTIAL NON-COMPLIANCE ITEMS

- a) 40 CFR 279.52(a)(1) – Maintenance and Operation of a Facility
"Facilities must be maintained and operated to minimize the possibility of a fire, explosion, or any unplanned sudden or non-sudden release of used oil to air, soil, or surface water which could threaten human health or the environment." Specifically, inspectors noted soil contamination and lack of secondary containment at the railcar pump.

Corrective Action: Within 15 days of receipt of this report, AIS shall submit a sampling and remedial actions plan to the Department, detailing soil sampling procedures and corrective actions for the railcar pump area.

- b) Regulation: 40 CFR 279.22(c) – Used oil labeling
"Containers and aboveground tanks used to store used oil at generator facilities must be labeled or marked clearly with the words 'Used Oil'." Specifically, AIS failed to label a bucket of used oil located adjacent to the railcar pump.

Corrective Action: AIS shall ensure that all containers accumulating used oil are labeled accordingly.

- c) Regulation: 40 CFR 279.44(a) -- Rebuttable presumption for used oil
"To ensure that used oil is not a hazardous waste under the rebuttable presumption of § 279.10(b)(1)(ii), the used oil transporter must determine whether the total halogen content of used oil being transported or stored at a transfer facility is above or below 1,000 ppm." Specifically, AIS failed to conduct halogen screenings on thirteen incoming loads of used oil.

Corrective Action: Within 15 days of receipt of this report, AIS shall submit a written Standard Operating Procedures (SOP) document, describing sampling practices for incoming and outgoing loads. All employees shall be trained in this SOP as is appropriate to their positions.

- d) Regulation: 40 CFR 279.54(b) -- Condition of units
"Containers and aboveground tanks used to store or process used oil at processing and refining facilities must be: (1) In good condition; and (2) Not leaking (no visible leaks)." Specifically, at the time of the inspection, oil was floating on water within the tank secondary containment. It is unknown if the oil came from a transfer hose or if a tank or the ancillary piping may be leaking.

Corrective Action: Within 15 days of receipt of this report, AIS shall submit information regarding the status of the tank system and associated piping. The oily water needs to be drained from the containment area and any signs of visible leaks must be reported to the Department. In the future, it is recommended that AIS minimize releases of used oil to the secondary containment system to ensure quick discovery of leaks.

13. RECOMMENDATIONS

Since two new dehydrators are currently being installed to replace a damaged unit, the Department recommends that AIS provide Bill Parker with an updated facility layout once the equipment is in place. His contact information is as follows:

Division of Waste Management
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400
(850) 254-8766

Please provide a courtesy copy to this office as well.

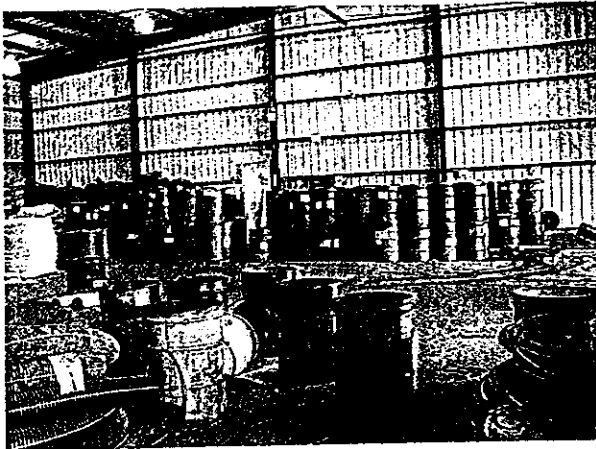
14. CONCLUSION

AIS was inspected as a used oil transporter, transfer facility and processor, and was not in compliance with used oil and hazardous waste regulations at the time of inspection.

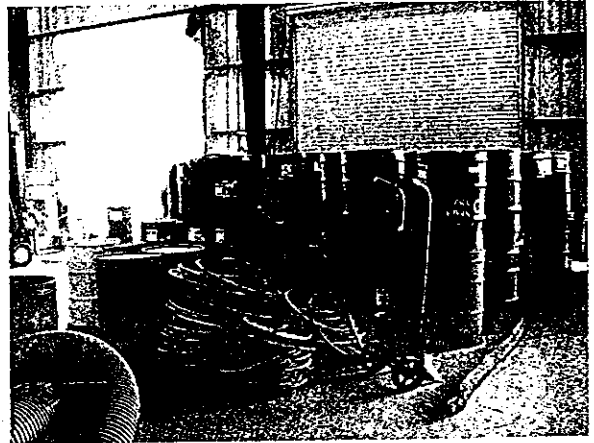
Report Prepared By:


Leah Proffitt
Environmental Specialist II

Attachment: photos



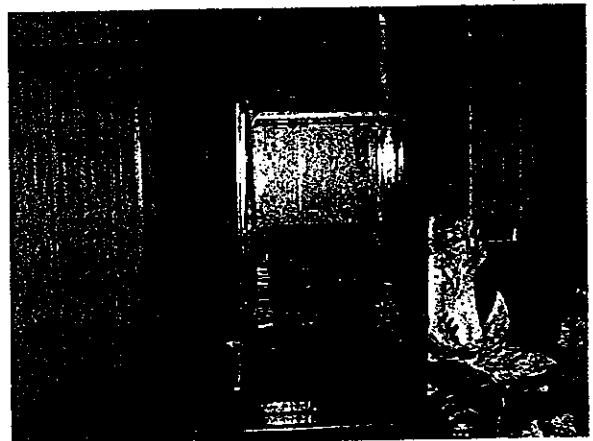
1. View of drums in warehouse



2. More of same



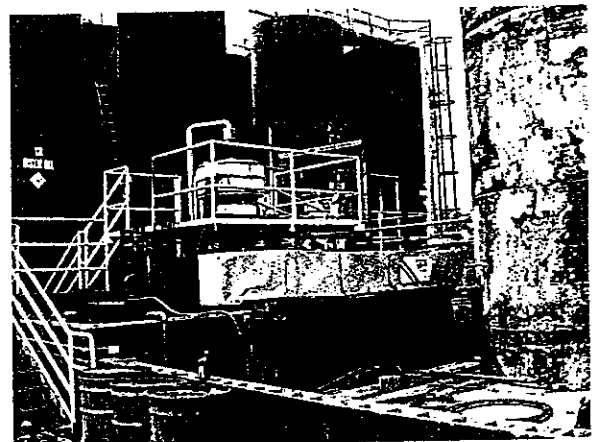
3. Filters draining



4. Crushed filters



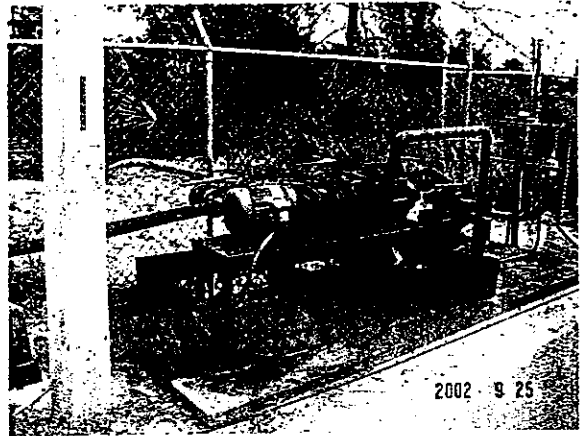
5. East side of tank farm



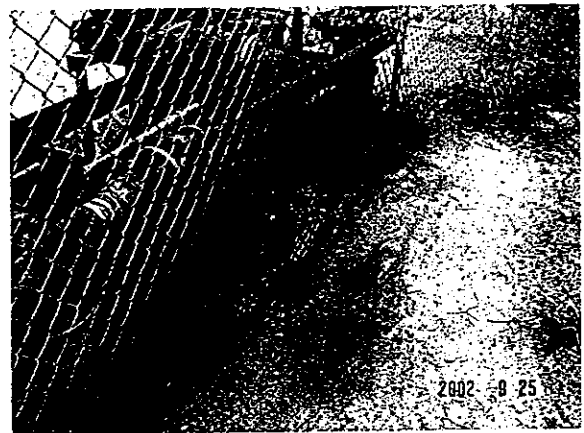
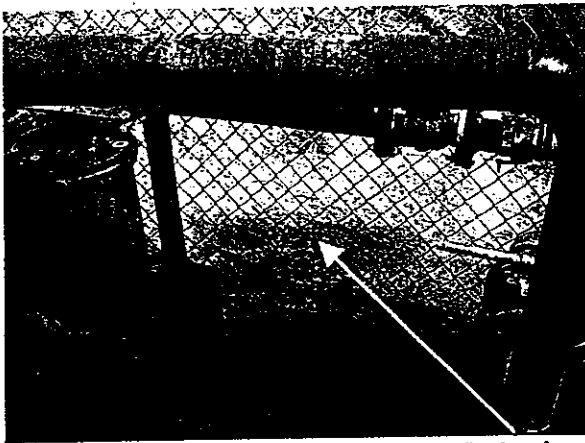
6. North side of tank farm



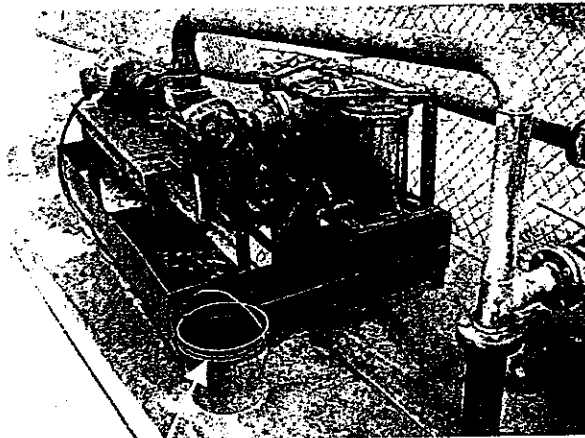
7. New tanks north of tank farm



8. Railcar pump



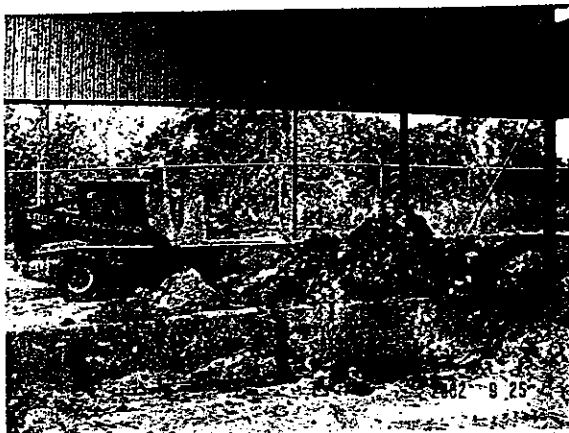
9. & 10. Stained soil off property at railcar pump



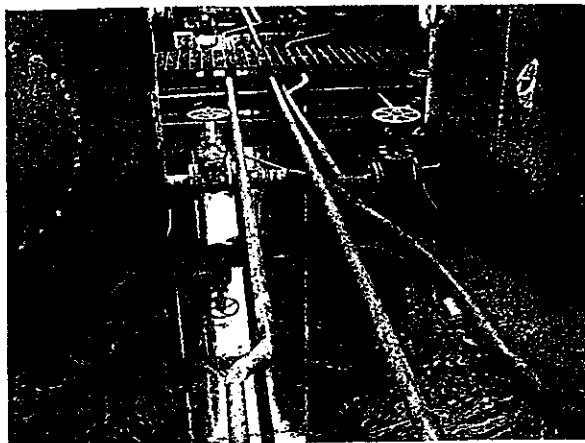
11. Open bucket of oil



12. View of solid waste consolidation area



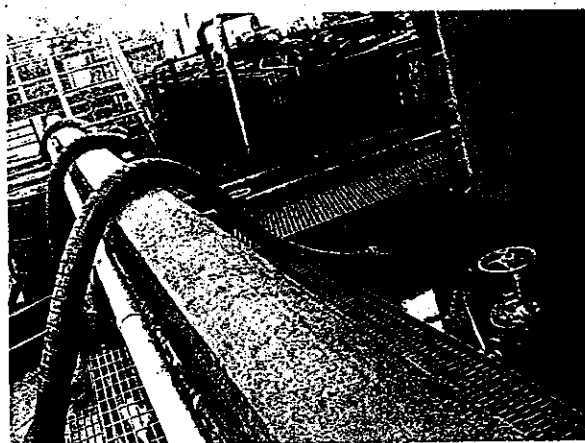
15. Solid waste consolidation area



16. Oily water in secondary containment

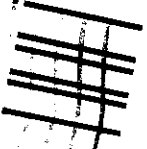
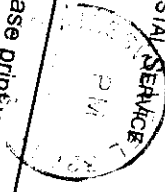


17. Containment sump



18. Quick-disconnect lines

UNITED STATES POSTAL SERVICE



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Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
CENTRAL DISTRICT
3319 MAGUIRE BLVD., SUITE 232
ORLANDO, FL 32803 - 3767

RECEIVED

JUL 14 2003

Central Dist. - DC



32803-3710

COMPLETE THIS SECTION ON DELIVERY

B. Date of Delivery 7/1/03

A. Received by (Please Print Clearly)

C. Signature Ph. R. Taylor
☐ Agent
☐ Addressee

D. delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

OC D-4W-03-0174

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:

Brian P. McCully
Atlantic Industrial Services LP
359 Cypress Road
Ocala FL 34472-3101

2. Article # 7001 0360 0000 6784 8055

3. Service Type ☒ Certified Mail ☐ Express Mail

☒ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ C.O.D. ☐ Yes

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

HAZARDOUS WASTE 102595-99-M-17

JUL - 9 2003

Domestic Return Receipt

PS Form 3811, July 1999