



# Florida Department of Environmental Protection

Northwest District  
160 W. Government Street, Suite 308  
Pensacola, Florida 32502-57404

Rick Scott  
Governor

Jennifer Carroll  
Lt. Governor

Herschel T. Vinyard Jr.  
Secretary

October 31, 2011

Sent by e-mail to:  
[drobey@gwrr.com](mailto:drobey@gwrr.com)

## **NON-COMPLIANCE LETTER**

Mr. Donald Robey  
Vice President Mechanical  
Genese-Wyoming, Inc. – Southern Region  
13901 Sutton Park Drive, Suite 175, Building C  
Jacksonville, Florida 32224

Dear Mr. Robey:

This is to inform you of possible violations of law for which you may be responsible, and to seek your cooperation in resolving the matter. A field inspection by Department of Environmental Protection (Department) personnel on September 26, 2011 of Bay Line Railroad Locomotive Shop in Bay County, Florida, indicates that violations of the Resource Conservation and Recovery Act and Chapters 376 and 403, Florida Statutes and Rules may exist at the above-described facility. These possible violations are described in the "Summary of Potential Violations and Areas of Concern" section of the enclosed Inspection Report. (All Title 40 Code of Federal Regulations provisions have been adopted by reference in Florida Administrative Code, Chapter 62-730).

The activities observed during the Department's field inspection and any other activities at your facility that may be contributing to violations of the above-described statutes or rules may involve potential liability for civil penalties and should be ceased. Operation of a facility in violation of state statutes or rule may result in liability for damages and restoration as set forth in Section 403.727, Florida Statutes (F.S.).

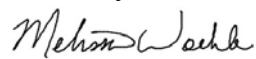
Please be informed that this letter is part of an agency investigation preliminary to agency action within the meaning of Section 120.57(5), F.S. We request that you review the Potential Violations and Areas of Concern noted in the enclosed inspection report and respond in writing within 21 days of receipt of this Non-compliance Letter. The Department is interested in reviewing any facts you may have that will assist in determining whether any violations have occurred. Your written response should either describe what you have done to address the Potential Violations and Areas of Concern of the report, or provide evidence to support a claim that the potential violations did not occur.

Mr. Donald Robey  
Bay Line Railroad Locomotive Shop  
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It is the Department's intention to allow you to document compliance or corrective actions. Your failure to respond promptly in writing may result in the initiation of formal enforcement proceedings. Follow-up inspections may be conducted to determine compliance with other Department rules and regulations.

We look forward to your cooperation in completing the investigation and resolution of this matter. If you have any questions, please contact Thomas Dillard at telephone (850)767-0049 or e-mail at [Thomas.Dillard@dep.state.fl.us](mailto:Thomas.Dillard@dep.state.fl.us).

Sincerely,



for  
Jim Byer  
Hazardous Waste Supervisor

JCB/tdr

Enclosure: Hazardous Waste Inspection Report

c: Thomas Dillard, FDEP, [Thomas.Dillard@dep.state.fl.us](mailto:Thomas.Dillard@dep.state.fl.us)



Florida Department of  
Environmental Protection  
Hazardous Waste Inspection Report

**FACILITY INFORMATION:**

**Facility Name:** Bay Line Railroad LLC

**On-Site Inspection Start Date:** 09/26/2011

**On-Site Inspection End Date:** 09/26/2011

**ME ID#:** 56074

**EPA ID#:** FLD984229906

**Facility Street Address:** 1 Edwards Dr, Panama City, Florida 32405-6097

**Contact Mailing Address:** 2037 Industrial Drive, Panama City, Florida 32405

**County Name:** Bay

**Contact Phone:** (850) 785-4609

**NOTIFIED AS:**

Non-Handler

Transporter

**INSPECTION TYPE:**

Complaint Inspection for Used Oil facility

Complaint Inspection for CESQG (<100 kg/month) facility

**INSPECTION PARTICIPANTS:**

**Principal Inspector:** Thomas Dillard, Inspector

**Other Participants:** Mark Sumner, Environmental Specialist II; Justin Gibson, Mechanical Supervisor; Donald Robey, Vice President Mechanical; Keith Chiles, Manager of Bay Line Locomotives; Rachel Heerman, Mechanical Department Purchasing

**LATITUDE / LONGITUDE:** Lat 30° 10' 58.1222" / Long 85° 38' 36.9654"

**SIC CODE:** 4011 - Trans. & utilities - railroads, line-haul operating

**TYPE OF OWNERSHIP:** Private

**Introduction:**

On 9-26-11, Department personnel inspected Genisse & Wyoming's Bay Line Railroad's (BLR) locomotive service facility at 1 Edwards Drive in Panama City in response to a complaint alleging mismanagement of wastes. The locomotive facility was last inspected on 8-17-06 at which time an in-compliance status was noted. The facility is registered as a CESQG generating less than 220 pounds per month of hazardous waste.

**Process Description:**

The following were observed or noted during the inspection:

In 2007 BLR started to do on-site painting of locomotives. BLR planned to paint twelve locomotives each year. Spray painting is done on 2nd shift and encompasses a three color paint scheme. BLR uses cloth rags for prep wipe up, then solvent containing. Spent solvent rags and gun washing wastes were said to be disposed of in BLR's refuse container for disposal to the local incinerator. Documentation of proper disposal of spray paint gun related wastes was not available for review. BLR uses MS251, a PPG Multi-purpose solvent, which when spent would carry hazardous waste codes for ignitability (D001), toluene (F005), and Acetone/Methanol (F003). Rags wet with this solvent when disposed of would carry the same waste codes. Rags used with this solvent would still be F005 hazardous waste, when disposed of, even if dry. BLR has added a second parts washer to the service area and these are now actively in use and being serviced by Safety Kleen and contain Premium Gold Solvent. One 55-gallon container of unused parts washer solvent from Crystal Clean (noted as non haz) was present in the paint shed and will be either returned or picked up by Safety Kleen.

Inspection Date: 09/26/2011

BLR is now utilizing an aerosol can puncture assembly with an attached drum for accumulation of evacuated waste paint liquids. A Department Guidance document for management of aerosol cans was given to BLR following the inspection. BLR intends to either accumulate Locomotive spray paint wastes in a separate container or transfer wastes to this common container attached to the puncturing device. Punctured cans are stored outside in the scrap metal container destined for a local metal dealer. No shipment of wastes from aerosols has been performed. Proper management options discussed with facility personnel to include current proper management of HW rags, alternative product substitution for solvent on rags or using contracted servicing of solvent bearing rags and ongoing hazardous waste management.

BLR stores used oil filters in a covered dumpster container inside the service facility that is protected from the weather. The container was labeled and inside the secondary containment provided by the building. BLR generates used oil from servicing locomotives and withdrawal operations mostly are done outside at a track station where hoses connect the pup to the locomotive oil sumps and pumps to the used oil tank in the nearby tank farm. Used oil tank was labeled, closed and in secondary containment exceeding requirement. Temporary transfer pans for small used oil jobs lacked labeling as required. BLR since 2006 has added a oil water separator which removes oil from storm water areas and from containment areas to the storage tank and water to the sewer lift station. In the outside paint shed a 5-gallon container of what looked like used oil was present without labeling or secondary containment.

BLR generates used oil, used oil filters and oil contaminated media (rags, oily water, oil dri and oil absorbent pads). Used oil and used oil filters are picked up by Aaron Oil (ALD983180233) and records were reviewed with no deficiencies noted. Used oil pickup has occurred twice so far in 2012 for a total of 6,371 gallons and an average per pickup of 2,125 gallons. Used oil filters are typically picked up every two weeks and seven shipping receipts were reviewed with no deficiencies noted. Crystal Clean (ILR000130062) serviced one System One parts washer twice in 2011. The manifest showed the solvent to be with an estimated generation rate of 19 pounds per month. Safety Kleen services two solvent parts washers that use Premium Gold Solvent (Flash Point 148 deg F).

**New Potential Violations and Areas of Concern:**

**Checklist Independent Potential Violations and Areas of Concern**

Type: Violation  
 Rule: 261.5(g)(3)  
 Explanation: Generator failed to ensure that hazardous wastes (solvent laden rags and spent paint solvent) were properly managed and disposed.  
 Corrective Action: Ensure proper management and disposal.

Type: Violation  
 Rule: 262.11  
 Explanation: Generator failed to identify that solvent laden rags and spent paint solvent wastes were hazardous waste.  
 Corrective Action: Perform a proper hazardous waste determination on all wastes generated.

Type: Violation  
 Rule: 62-710.401(6)

Inspection Date: 09/26/2011

**Explanation:** One five-gallon container of used oil in the paint shed was not labeled or within required secondary containment.

**Corrective Action:** BLR needs to manage used oil in compliance with Chapter 62-710.401(6) which states, "No person may store used oil in tanks or containers unless they are clearly labeled with the words "used oil" and are in good condition (no severe rusting, apparent structural defects or deterioration) with no visible oil leakage. If tanks or containers are not stored inside a structure, the contents shall be closed, covered or otherwise protected from the weather. If tanks or containers are not double-walled, they shall be stored on an oil-impermeable surface such as sealed concrete or asphalt, and must have secondary containment which has the capacity to hold 110% of the volume of the largest tank or container within the containment area."

**Summary of Potential Violations and Areas of Concern:**

Potential Violations

Rule Number	Area	Date Cited	Explanation
Checklist Independent Violations			
261.5(g)(3)		09/26/2011	Generator failed to ensure that hazardous wastes (solvent laden rags and spent paint solvent) were properly managed and disposed.
262.11		09/26/2011	Generator failed to identify that solvent laden rags and spent paint solvent wastes were hazardous waste.
62-710.401(6)		09/26/2011	One five-gallon container of used oil in the paint shed was not labeled or within required secondary containment.

Areas of Concern

No Areas of Concern

**ATTACHMENTS:**

Used oil filter container



Old System 1 Parts washer





Inspection Date: 09/26/2011

New SK Parts washer



New separator & Used oil tank



Aerosol can puncturer



Used oil in paint shed



**Conclusion:**

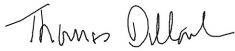
BLR needs to ensure that corrective actions are completed for the Potential Violations listed above.

Inspection Date: 09/26/2011

**Signed:**

A hazardous waste compliance inspection was conducted on this date, to determine your facility's compliance with applicable portions of Chapters 403 & 376, F.S., and Chapters 62-710, 62-730, 62-737, & 62-740 Florida Administrative Code (F.A.C.). Portions of the United States Environmental Protection Agency's Title 40 Code of Federal Regulations (C.F.R.) 260 - 279 have been adopted by reference in the state rules under Chapters 62-730 and 62-710, F.A.C. The above noted potential items of non-compliance were identified by the inspector(s).

This is not a formal enforcement action and may not be a complete listing of all items of non-compliance discovered during the inspection.

Thomas Dillard <b>PRINCIPAL INSPECTOR NAME</b>	Inspector <b>PRINCIPAL INSPECTOR TITLE</b>	
	FDEP <b>ORGANIZATION</b>	10/27/2011 <b>DATE</b>
Mark Sumner <b>INSPECTOR NAME</b>	Environmental Specialist II <b>INSPECTOR TITLE</b>	
NO SIGNATURE <b>INSPECTOR SIGNATURE</b>	FDEP <b>ORGANIZATION</b>	
Justin Gibson <b>REPRESENTATIVE NAME</b>	Mechanical Supervisor <b>REPRESENTATIVE TITLE</b>	
NO SIGNATURE <b>REPRESENTATIVE SIGNATURE</b>	GWRR <b>ORGANIZATION</b>	
Donald Robey <b>REPRESENTATIVE NAME</b>	Vice President Mechanical <b>REPRESENTATIVE TITLE</b>	
NO SIGNATURE <b>REPRESENTATIVE SIGNATURE</b>	GWRR <b>ORGANIZATION</b>	
Keith Chiles <b>REPRESENTATIVE NAME</b>	Manager of Bay Line Locomotives <b>REPRESENTATIVE TITLE</b>	
NO SIGNATURE <b>REPRESENTATIVE SIGNATURE</b>	GWRR <b>ORGANIZATION</b>	

Inspection Date: 09/26/2011

Rachel Heerman  
\_\_\_\_\_  
**REPRESENTATIVE NAME**

Mechanical Department Purchasing  
\_\_\_\_\_  
**REPRESENTATIVE TITLE**

NO SIGNATURE  
\_\_\_\_\_  
**REPRESENTATIVE SIGNATURE**

GWRR  
\_\_\_\_\_  
**ORGANIZATION**

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NOTE: By signing this document, the Site Representative only acknowledges receipt of this Inspection Report and is not admitting to the accuracy of any of the items identified by the Department as "Potential Violations" or areas of concern.