Florida Department of Environmental Protection

Northeast District
8800 Baymeadows Way West, Suite 100
Jacksonville, Florida 32256

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Jonathan P. Steverson
Secretary

October 20, 2016

Mr. Greg Reynolds, Vice President/General Manager
Water Recovery, LLC
1819 Albert St.
Jacksonville, Florida 32202
greynolds@wrjax.com

RE: Compliance Assistance Offer
Water Recovery, LLC
Facility ID No.: FLR 000 069 062
Duval County – Hazardous Waste Program

Dear Mr. Reynolds,

An inspection was conducted at your facility on July 28, 2016, under the authority of Section 403.091, Florida Statutes. During this inspection, potential non-compliance was noted. The purpose of this letter is to offer compliance assistance as a means of resolving Choose an item.

Potential non-compliance with the requirements of Chapter 403, Florida Statutes and Chapter 62-730, Florida Administrative Code were observed. Please see the attached inspection report for a full account of Department observations and recommendations.

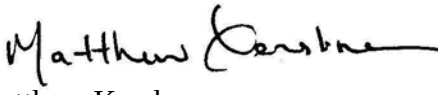
We request you review the 'New Potential Violations and Areas of Concern' and respond within **30 days** of receipt of this Compliance Assistance Offer. Your response should include one of the following:

1. Describe what has been done to resolve the non-compliance issue(s) or provide a time schedule describing how/when the issue(s) will be addressed;
2. Provide the requested information, or information that mitigates the concerns or demonstrates them to be invalid; or
3. Arrange for the case manager to visit your facility to discuss the items of concern.

It is the Department's desire that you are able to adequately address the aforementioned issues so that this matter can be closed. Your failure to respond appropriately may result in the initiation of formal enforcement proceedings.

Please address your response and any questions to Homer Butler of the Northeast District Office at (904) 256-1531 or via e-mail at Homer.Butler@dep.state.fl.us. We look forward to your cooperation with this matter.

Sincerely,



Matthew Kershner
Environmental Manager

Enclosure(s): Inspection Report

Florida Department of

Environmental Protection

Hazardous Waste Inspection Report

FACILITY INFORMATION:

Facility Name: Water Recovery LLC

On-Site Inspection Start Date: 07/28/2016 **On-Site Inspection End Date:** 07/28/2016

ME ID#: 36081 **EPA ID#:** FLR000069062

Facility Street Address: 1819 Albert St, Jacksonville, FL 32202-1103

Contact Mailing Address: 1819 Albert St, Jacksonville, FL 32202-1103

County Name: DUVAL

NOTIFIED AS:

CESQG (<100 kg/month)

Used Oil

INSPECTION TYPE:

Routine Inspection for Used Oil Processor facility

Routine Inspection for Used Oil Generator facility

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

Routine Inspection for Used Oil Transporter facility

Routine Inspection for Used Oil Transfer Facility facility

Routine Inspection for Used Oil Marketer facility

INSPECTION PARTICIPANTS:

Principal Inspector: Pam Fellabaum, Inspector

Other Participants: Homer Butler, Inpsector; Greg Reynolds, Vice President/General Manager

LATITUDE / LONGITUDE: Lat 30° 19' 35.9975" / Long 81° 37' 52.9911"

SIC CODE: 4953 - Trans. & utilities - refuse systems

TYPE OF OWNERSHIP: Private

Introduction:

Water Recovery, LLC (WR) was inspected July 28, 2016, as an unannounced hazardous waste compliance inspection. A follow-up visit was made to the facility on August 29, 2016. WR's last hazardous waste inspection by the Department was on November 14, 2013. The facility is operating as a Conditionally Exempt Small Quantity Generator (CESQG) of hazardous waste. WR has been issued the EPA/DEP identification number: FLR 000 069 062, and a Used Oil Processing Facility Renewal Operating Permit Number: 79677-HO-012. Please use this EPA/DEP identification number on all hazardous waste related correspondence with the Department.

WR is a permitted used oil processing and industrial wastewater treatment facility. The facility is registered as a Used Oil Transporter/Transfer Facility, Processor, Marketer, Used Oil Filter Transporter/Transfer Facility, Filter Processor, and Petroleum Contact Water (PCW) Recovery/ Transporter/Management Facility. The facility has been operating as Water Recovery, LLC at this location since 2008, has 18 employees, and is on city water and sewer.

WR's facility consists of a main office, a laboratory trailer, a maintenance shed, a used oil processing area (black tank farm), a wastewater processing area (green tank farm), a truck clean-out holding pit, a solid waste solidification area, and landfill leachate wastewater tanks. Mr. Edward E. Maylon, Operations Manager, was present throughout the inspection on July 28, 2016. Mr. Gregory Reynolds, Vice President and General Manager was present on August 29, 2016.

Process Description:

Laboratory Trailer

Staff sample all incoming wastes. Personnel pull samples using an upper and lower grab sampler, or a Composite Liquid Waste Sampler (COLIWASA) for fingerprint analysis. The Lab is located in a small trailer next to the Wastewater Processing Area that is described below. A fingerprint analysis checks for total organic halogen, pH, color, odor, quantity, and flashpoint. The facility uses the Dexsil Hydroclor-Q or Dexsil Chlor-D-Tect Q4000 to check for total organic halogens. Other lab analysis may use solvents such as toluene, acetone, hexane, or small prefilled vials. Spent solvent waste may be F005, F003, or D001 hazardous waste. Spent Chemical Oxygen Demand (COD) test vials are D001/D002/D006/D009/D011/ D030/F003/F005 hazardous waste. Spent vials are accumulated in one 5-gallon satellite container that is properly labeled (Photo 1). The facility generates about two 5-gallon containers of this waste stream per year.

Laboratory Record Review

A review of the records for waste acceptance revealed that even though the full fingerprint analysis is performed on each incoming sample, lab personnel do not include on the “WRI Waste Tracking Form” results for “Color and Odor”, as required by the WR permit fingerprint analysis [Permit Condition, Part I #45, and 40 CFR 279.55].

Maintenance Shed

The Maintenance Shed is a small work space where the facility performs small repairs and maintenance. The Maintenance Shed is located adjacent to the Used Oil Processing area. This area does not accumulate or generate any hazardous waste, only small amounts of used oil or used oil filters. There were no containers accumulating in this area.

Used Oil Processing Area

The facility receives shipments of used oil by tanker truck. The Used Oil Processing Area is a tank farm of ten black-painted aboveground storage tanks and a heater. Used oily and oil wastewater is accepted and transferred to black side tanks that store or conduct stationary settling for hours or several days to separate the used oil and wastewater. The 2-P tank uses heat, or chemical additives and heat to aid in the separation process. Separated wastewater and debris are piped to the Wastewater Treatment green side tanks described below for further treatment. The used oil is transferred between tanks as necessary to achieve a marketable “Batch” of used oil product.

The first tank 1-P, is closest to the main office and is aligned in consecutive order with the other tanks, 2-P to 10-P. The estimated capacities for the tanks are as follows; 1-P, 2-P, 3-P, 4-P, 23,000 gallons each, 5-P, 7-P, 8-P, 9-P, 21,000 gallons each, 6-P, 25,000 gallons, and 10-P, 10,00 gallons. Tank 7-P is used for PCW and is described below. The tank system is fully interconnected and able to transfer the total estimated capacity of 211,000 gallons freely between tanks. An inspection of the tanks revealed that the top manhole cover access for tanks 1-P, 2-P, and 3-P were open (Photos 2 and 3) [Permit Condition, Part IV #8, and Rule 62 – 710.401(6), FAC]. On top of tank 3-P, a small metal section was missing (Photo 4), and tank 2-P had missing insulation with visible light surface rust (Photo 5) [Permit Condition, Part IV #5, and 40 CFR 279.54(b)(1)]. Adjacent to the tanks were several small containers that are used for used oil collection. Six 5-gallon containers were not marked clearly with the words “Used Oil” (Photos 6, 7, and 8) [40 CFR 279.22(c)(1)]. They were open [Rule 62-710.401(6), FAC].

All black side tanks were properly labeled “Used Oil” or “PCW” as applicable and located in a secondary containment area capable of containing 110% of the volume capacity of the largest tank. An inspection of the secondary containment area revealed that a small amount of what appeared to be used oil was accumulating around tanks inside the secondary containment area (Photos 9 and 10). The facility is reminded that this should be removed within 24 hours of detection. There were a few cracks in the secondary containment area and small chunks of concrete missing in several places. At the time of the inspection, the facility had not

repaired these areas (Photos 11 and 12) [Permit Condition, Part I #33, and 40 CFR 279.54(d)(2)]. There was adequate safety, spill, and decontamination equipment available. WR tests and maintains all of its required equipment for communications, fire protection, spill control, and decontamination as necessary to ensure proper operation in time of emergency.

Used Oil Processing Records Review

WR markets used oil from the black side tanks (except tanks 2-P and 7-P) in batches of product. All batches of outgoing used oil are checked against a fingerprint analysis unique to the receiving facility. Outgoing shipments to Used Oil Burners are checked for: total halogen, lead, chromium, cadmium, arsenic, flashpoint, and quantity. Outgoing shipments to Used Oil Marketers and Processors are checked for: total halogen, flashpoint, quantity, and % water. Used oil usually only remains on-site for about one week. All sales transactions are recorded on a WR "Retail Oil Sale Tracking Form" and retained on site for three years.

A review of the facility's Used Oil Processor records revealed them to be in order except for the following:

1. The EPA ID number for transporters and customers who deliver incoming oily wastewater or used oil must be correctly recorded on the "Retail Oil Sale Tracking Form" [Permit Condition, Part II #1, Rule 62-710.510(1)(a), FAC, and 40 CFR 279.56(a)(3)].

2. The facility failed to track the "Off-Loaded Tank #" for used oil shipments accepted on completed "Retail Oil Sale Tracking Form" documents [Permit Condition, Part II #1(a)(4), and Rule 403.161(1)(b) FAC].

All other used oil records were in order at the time of inspection.

Petroleum Contact Water (PCW)

The facility receives PCW by tanker truck. PCW is recovered by stationary separation and accumulated only in the above ground 7-P tank. Decanted wastewater and debris are piped to the green side wastewater treatment tanks for further treatment. The black side 7-P tank was properly labeled "PCW" and was located in a secondary containment area capable of containing 110% of the volume capacity of the largest tank.

PCW Records Review

Outgoing shipments of PCW to Marketers and Processors are checked for: total halogen, flashpoint, quantity, and % water. PCW usually only remains on-site for about 2-3 weeks. All sales transactions are recorded on a WR "Retail Oil Sale Tracking Form" and retained on site for three years. The facility is reminded to test and manage all waste residuals after the recovery of product from PCW in accordance with Permit Condition, Part III #6.

A review of the facility's PCW records revealed them to be in order except for the following:

1. The EPA ID number for transporters and customers who deliver incoming PCW must be correctly recorded on all of the "Retail Oil Sale Tracking Form". One PCW transporter had an expired registration with FDEP as a PCW transporter in the state of Florida at the time of shipment. Three PCW transporters had incorrect EPA identification numbers written on WR PWC acceptance manifest [Permit Condition, Part III #1, and Rule 62-740.200(2)].

2. PCW permit conditions require inspections, and that the facility records information on the "Petroleum Contact Water (PCW) Weekly Inspection Record" at least every seven days [Permit Condition, Part III, 7(b), and Rule 62-740.100(2)(e), FAC].

The facility is responsible for maintaining a record of these documents for three years. All other PCW records were in order at the time of the inspection.

Used Oil Filters

WR is a registered Used Oil Filter Transporter, Filter Transfer, and Filter Processor Facility. At the time of the inspection, WR was not accumulating any Used Oil Filters. When on-site, used oil filters are processed at the Used Oil Filter Crusher that is located behind the 10-P black side tank. The crushed used oil filters are then placed into 55-gallon drums and moved across East Bryan Street to the used oil filter storage area adjacent to the solid waste solidification Area described below. There were no drums of filters accumulating in the area. At the time of the inspection there were only empty drums in this area (Photo 13).

Wastewater Processing Area

The Wastewater Processing Area is a tank farm of eleven green-painted cone-bottom batch tanks and a plate-and-frame filter press. The main green tank farm is numbered 1-W to 9-W, and is aligned in consecutive order tank pairs, 1-W/2-W, 3-W/4-W, 5-W/6-W, 7-W/8-W, with 9-W closest to the main office. Green tanks 10-W and 11-W are adjacent to the plate-and-frame filter press. The estimated capacities for the tanks are as follows; 1-W to 9-W, 7,000 gallons each, 10-W and 11-W, 50,000 gallons each. The green tank system is a unilaterally interconnected loop, with wastewater piped to tank 9-W receiving the most treatment (Photo 14).

The green side tanks allow WR to tailor treatment of oily wastewater to a specific batch. Oily wastewater undergoes chemical treatments in the tanks that include emulsion breaking, metals precipitation, chromium reduction, and cyanide destruction. After batch pretreatment, the wastewater can be processed in the continuous loop system as needed, and then collected in the equalization tank 11-W. Tank 11-W adjusts for pH and system equalization for over dosage control.

The treated wastewater is then pumped through an American Petroleum Institute (API) oil/water separator. Separated oil is piped to the black side tank 2-P for heat and chemical treatment. Next, the dissolved air flotation (DAF) unit performs continuous chemical precipitation and solids removal. Finally, treated wastewater is accumulated in tank 10-W, tested and discharged to the city sewer. The city sewer compliance sampling points are located in two places. One is located outside the main security fence at the corner of East Bryan Street and Albert Street (Photo 15), and the other is located in a small building adjacent to the north side of the Used Oil Processing black tank farm (Photo 16).

The sludge, residue, and by-products that are generated from this process are accumulated in a plate-and-frame filter press and dewatered. The generated filter cake is then accumulated in a roll-off container (Photo 17) and sent off-site as non-hazardous waste by Advanced Disposal for disposal to a landfill in Valdosta Georgia. The facility analyzes the sludge quarterly for Toxicity Characteristic Leaching Procedure (TCLP) constituents.

Truck Clean-out Holding Pit

A Truck Clean-out Holding Pit is located across East Bryan Street. Customers can clean-out their trailers of non-hazardous waste into the holding pit for disposal by WR. The facility analyzes the solids quarterly for TCLP constituents. The waste has not been found to be hazardous, and it is sent off-site by Advanced Disposal to a landfill in Valdosta Georgia for disposal. An inspection of the pit revealed three non-empty aerosol cans of “Great Stuff” expanding insulating foam in the pit. The product had been used to seal gaps in the masonry pit wall. The cans were not empty and should not have been in the pit. The facility removed the cans and will use the material (Photo 18).

Solid Waste Solidification Area

A large, two-pit Solid Waste Solidification Area is also located across Bryan Street. Both pits accumulate different types of non-hazardous waste (Photo 19). This solid waste mainly consists of: tobacco, compacted processed housing shingles, emulsifiers, and other non-hazardous solids or sludge. A small bucket loader is used to mix up the solid non-hazardous waste. The facility analyses the solids quarterly for TCLP constituents, and this waste has been found to be non-hazardous. This non-hazardous waste is sent off-site by Advanced Disposal to a landfill in Valdosta Georgia for disposal.

Landfill Leachate Wastewater Tanks

Two Landfill Leachate Wastewater Tanks (Photo 20) are located adjacent to the Truck Clean-out Holding Pit. Recovered leachate wastewater is piped underground to the green side tanks for further processing.

Record Review

WR is currently operating as a CESQG of hazardous waste for small amounts of lab waste. The waste is manifested off-site to EQ Florida (FLD 981 932 494). The facility had on display its current FDEP “USED OIL” registration Form from the Department and has submitted its current certificate of liability insurance. WR has also submitted its 2015 Used Oil and PCW annual report to the Department’s Tallahassee Office.
A review of WR’s other operating records, required inspections, financial assurance records, personnel training, Spill Prevention Control and Countermeasures plan (SPCC), and Contingency Plan were found to be in order.

New Potential Violations and Areas of Concern:

Violations

Type:	Violation
Rule:	279.55
Explanation:	Permit Condition - Part I, #45 The facility failed to record results for "color and odor" on the “WRI Waste Tracking Form”.
Corrective Action:	No further action is required. The facility returned to compliance on August 29, 2016.

Type:	Violation
Rule:	62-710.401(6)
Explanation:	1. Permit Condition - Part IV, #8: The top manhole cover access for tanks 1-P, 2-P, and 3-P were open and not protected from the weather. 2. Six 5-gallon containers of used oil adjacent to the tanks were open.
Corrective Action:	1. In order to return to compliance, the facilities should close all open manhole cover access to tanks. 2. When not in use, all 5-gallon used oil accumulation containers should be closed or covered.

Type:	Violation
Rule:	279.54(b)(1)
Explanation:	Permit Condition - Part IV, #5 1. A small metal section was missing on top of tank 3-P. 2. Tank 2-P had missing insulation with visible light surface rust.
Corrective Action:	In order to return to compliance, the facility should complete all used oil tank repairs.

Type:	Violation
Rule:	279.22(c)(1)
Explanation:	The facility failed to mark six 5-gallon containers of used oil clearly with the words “Used Oil”.
Corrective Action:	In order to return to compliance, the facility should label all containers storing used oil with the words “Used Oil.”

Type:	Violation
Rule:	279.54(d)(2)
Explanation:	Permit Condition - Part I, #33 There were a few cracks in the secondary containment area and small chunks of concrete were missing in several places.
Corrective Action:	No further action is required, The facility returned to compliance per a September 23, 2016 email.

Type:	Violation
Rule:	279.56(a)(3), 62-710.510(1)(a)
Explanation:	Permit Condition - Part II, #1 The EPA ID number for transporters and customers who deliver incoming oily wastewater or used oil must be correctly recorded on the “Retail Oil Sale Tracking Form”.
Corrective Action:	In order to return to compliance, the facility should ensure that: (1) Each registered person (transporters and transfer facilities) shall maintain records on DEP Form 62-701.900(10) or on substantially equivalent forms which contain at least the same information as the DEP form. These records shall include the following information: (a) The source of the used oil, including the name and street address of each source, the EPA identification number of the source, if applicable; (b) The total number of gallons of used oil received from each source, including any oily wastes, which may be an integral part of the used oil shipment; (c) The type of used oil received, using the type code designation found in the form instructions; (d) The date of receipt; and (e) The destination or end use of used oil and oily wastes, including name and street address of each destination or end user, the used oil identification number, if applicable, and the end use code designation found in the form instructions.

Type:	Violation
Rule:	62-740.100(2)(e)
Explanation:	Permit Condition - Part III, 7(b) The facility failed to record information on the “Petroleum Contact Water (PCW) Weekly Inspection Record” at least every seven days.
Corrective Action:	In order to return to compliance, the facility shall record PCW tank information on the

"Petroleum Contact Water (PCW) Weekly Inspection Record" at least every seven days.

Type:	Violation
Rule:	62-740.200(2)
Explanation:	Permit Condition - Part III, #1 1. The EPA ID number for transporters and customers who deliver incoming PCW must be correctly recorded on all of the "Retail Oil Sale Tracking Form". 2. One PCW transporter had an expired registration with FDEP as a PCW transporter in the state of Florida at the time of shipment. 3. Three PCW transporters had incorrect EPA identification numbers written on WR PWC acceptance manifest
Corrective Action:	In order to return to compliance, the facility should ensure that: (1) Each registered person (transporters and transfer facilities) shall maintain records on DEP Form 62-701.900(10) or on substantially equivalent forms which contain at least the same information as the DEP form. These records shall include the following information: (a) The source of the PCW, including the name and street address of each source, the EPA identification number of the source, if applicable; (b) The total number of gallons of PCW received from each source, including any oily wastes, which may be an integral part of the PCW shipment; (c) The type of PCW received, using the type code designation found in the form instructions; (d) The date of receipt; and (e) The destination or end use of PCW and oily wastes, including name and street address of each destination or end user, the PCW identification number, if applicable, and the end use code designation found in the form instructions.

Type:	Violation
Rule:	403.161(1)(b)
Explanation:	Permit Condition - Part II, #1(a)(4) The facility failed to record the "Off-Loaded Tank #" for used oil shipments accepted on completed "Retail Oil Sale Tracking Form" documents.
Corrective Action:	In order to return to compliance the facility should record the "Off-Loaded Tank #" for used oil shipments accepted on completed "Retail Oil Sale Tracking Form" documents.

PHOTO ATTACHMENTS:

Photo 1

Photo 2

Photo 3

Photo 4

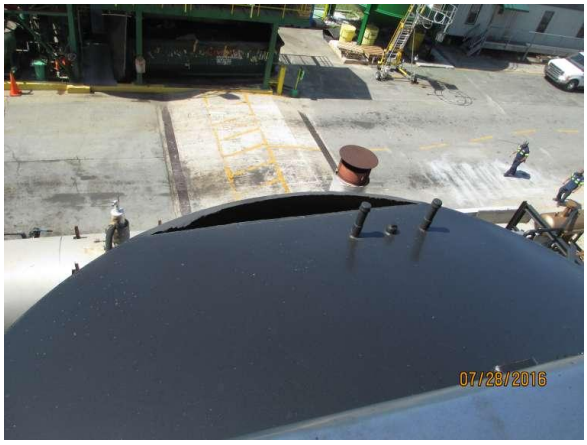


Photo 5

Photo 6

Photo 7

Photo 8

Photo 9

Photo 10

Photo 11

Photo 12

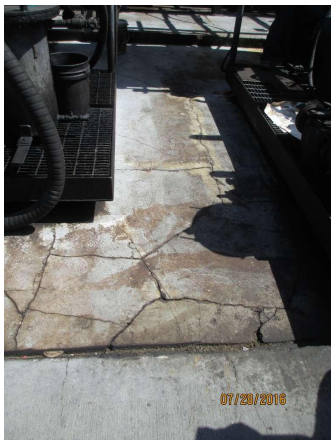


Photo 13

Photo 14

Photo 15

Photo 16

Photo 17

Photo 18

Photo 19

Photo 20

1.0 - Pre-Inspection Checklist

Requirements:

The requirements listed in this section provide an opportunity for the Department's inspector to indicate the conditions found at the time of the inspection. A "Not Ok" response to a requirement indicates either a potential violation of the corresponding rule or an area of concern that requires more attention. Both potential violations and areas of concern are discussed further at the end of this inspection report.

Item No.	Pre-Inspection Review	Yes	No	N/A
1.1	Has the facility notified with correct status? 262.12	✔		
1.2	Has the facility notified of change of status? 62-730.150(2)(b)	✔		
1.3	Did the facility conduct a waste determination on all wastes generated? 262.11	✔		

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.

Pam Fellabaum	Inspector	
PRINCIPAL INSPECTOR NAME	**PRINCIPAL INSPECTOR TITLE**	
Pam Fellabaum	DEP	10/11/2016
PRINCIPAL INSPECTOR SIGNATURE	**ORGANIZATION**	**DATE**

Homer Butler	Inpsector
Inspector NAME	**Inspector TITLE**
	DEP
	ORGANIZATION

Greg Reynolds	Vice President/General Manager
Representative NAME	**Representative TITLE**
	WR LLC
	ORGANIZATION

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.

Report Approvers:

Approver: Pam Fellabaum **Inspection Approval Date:** 10/13/2016