



FLORIDA DEPARTMENT OF Environmental Protection

Central District Office
3319 Maguire Blvd., Suite 232
Orlando, Florida 32803

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Shawn Hamilton
Secretary

September 11, 2024

Zac Collins, Chief Operating Officer
Scorpion Equity, LLC dba Scorpion Racing Products
5817 NW 44th Ave
Ocala, FL 34482
zac@scorpionracingproducts.com

Re: Scorpion Performance
HW Facility ID #FLR000233056
OGC Case No: 24-2017

Dear Mr. Collins:

Enclosed is the executed Consent Order to resolve the above referenced case. This copy is for your records.

Should you have any questions or comments, please contact Jennifer Parker at 407-897-4184 or via e-mail at Jennifer.Parker@FloridaDEP.gov.

Your cooperation in this matter will be appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Watkins", is written over a faint, circular stamp.

On behalf of:
Aaron Watkins, Director
Central District

Enclosure: Consent Order

cc: FDEP: Lea Crandall, Anitra Spencer, Jennifer Parker, Gina Laddick, Jill Farris

BEFORE THE STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

STATE OF FLORIDA DEPARTMENT)
OF ENVIRONMENTAL PROTECTION)
)
v.)
)
Scorpion Equity, LLC)
Db a Scorpion Racing Products)
_____)

IN THE OFFICE OF THE
CENTRAL DISTRICT

OGC FILE NO. 24-2017
EPA ID NO. FLR000233056

CONSENT ORDER

This Consent Order (“Order”) is entered into between the State of Florida Department of Environmental Protection (“Department”) and Scorpion Equity, LLC (“Respondent”) to reach settlement of certain matters at issue between the Department and Respondent.

The Department finds and Respondent admits the following:

1. The Department is the administrative agency of the State of Florida having the power and duty to administer and enforce the provisions of the Florida Resource Recovery and Management Act, Sections 403.702, et seq., Florida Statutes (“F.S.”), and the rules promulgated in Chapter 62-730, Florida Administrative Code (“F.A.C.”). The Department has jurisdiction over the matters addressed in this Order.
2. Respondent is a “person” within the meaning of Sections 403.031(5) and 403.703(23), F.S.
3. Respondent is a Florida for-profit corporation which operates an anodizing facility on real property located at 5817 NW 44th Ave. in Ocala, Florida (“Facility”). Respondent is the “owner” and “operator” of the Facility as defined in Rule 62-730.020, F.A.C.
4. Respondent’s operations at the Facility are described in Exhibit I, which is attached and incorporated in this Order.
5. The Department finds that the following violation(s) occurred:
 - a) Respondent failed to provide waste determinations for eleven waste streams generated on-site in violation of Rule 62-730.160(1), F.A.C. (adopting Section 40 Code of Federal Regulations (“40 C.F.R.”) 262.11 (2021)).

- b) Respondent failed to conduct weekly inspections of the Central Accumulation Area in violation of Rule 62-730.160(3), F.A.C. (adopting Section 40 C.F.R. 262.16(b)(2) (2021)).
 - c) Respondent failed to document attempts to make arrangements with local authorities in violation of Rule 62-730.160(1), F.A.C. (adopting Section 40 C.F.R. 262.16(b)(8)(vi)(A) (2021)).
 - d) Respondent failed to prepare and maintain an Emergency Response Plan in violation of Rule 62-730.160(1), F.A.C. (adopting Section 40 C.F.R. 262.16(b)(9)(i) (2021)).
 - e) Respondent failed to maintain and provide three years' worth of hazardous waste shipping manifests in violation of Rule 62-730.160(1), F.A.C. (adopting 40 C.F.R. 262.40(a) (2021)).
 - f) Respondent failed to maintain and provide copies of Land Disposal Restriction Notices in violation of Rule 62-730.183, F.A.C. (adopting 40 CFR 268.7(a)(2) (2019)).
 - g) Respondent failed to label various containers of used oil with the words "Used Oil" in violation of Rule 62-710.210(2), F.A.C. (adoption 40 CFR 279.22(c)(1) (2017)).
6. On December 15, 2023, Respondent provided documentation via electronic mail to the Department that the violations in Paragraph 5(b), (d), and (g) have been either addressed or resolved.
7. A meeting was held between the Department and Respondent on March 14, 2024. During the meeting, Respondent stated the waste streams identified in Paragraph 5(a) have been submitted to labs for processing, weekly inspections referenced in Paragraph 5(b), are currently being performed, and the remaining corrective action for violations in Paragraph 5(c), and (f) will be submitted.

8. On March 18, 2024, Respondent provided electronic mail to the Department with evidence of an attempt to notify local authorities, resolving the violation in Paragraph 5(c).
9. On March 20, 2024, Respondent provided electronic mail to the Department containing hazardous waste shipping manifests for the past three years, resolving the violation in Paragraph 5(e).
10. On March 29, 2024, Respondent provided electronic mail to the Department containing the most recent Land Disposal Restriction Notice, dated March 22, 2024, resolving violation mentioned in Paragraph 5(f). Additionally, waste determinations with supporting documentation notated in Paragraph 5(a) and listed in Exhibit I, were submitted, including the following:
 - FUCHS EcoCool/EcoCut Coolant (hazardous), and
 - Used oil mop water (non-hazardous), and
 - Evaporator sludge (hazardous).
11. On April 2, 2024, Respondent provided electronic mail to the Department containing additional waste determinations with supporting documentation in response to the violation, notated in Paragraph 5(a) and listed in Exhibit I were submitted, including the following:
 - Unknown cleaner in Steel Fabrication Area B (non-hazardous), and
 - Dust/shavings generated in the Steel Fabrication Area B (hazardous), and
 - Dust waste generated in the Tool Room (non-hazardous), and
 - Twenty-eight containers in the CAA (non-hazardous), and
 - Welding slag (non-hazardous), and
 - Dust/shavings generated in the Anodizing Assembly Area (hazardous), and
 - CNC sludge (non-hazardous).
12. On April 22, 2024, the Respondent provided electronic mail to the Department containing additional waste determinations with supporting documentation in

response to the violation, notated in Paragraph 5(a) and listed in Exhibit I were submitted, including the following:

- Holding tank liquid (hazardous), and
- Anodizing tank room floor water/rinse tank free liquid (hazardous).

Having reached a resolution of the matter Respondent and the Department mutually agree and it is

ORDERED:

13. Effective immediately, Respondent shall comply with all Department rules regarding hazardous waste management. Respondent shall correct and redress all violations within the time periods stated below and shall comply with all applicable sections in Chapter 62-730, F.A.C. and Title 40, Code of Federal Regulations (“C.F.R.”) Parts 260 through 266 and Part 268. All time periods shall run from the effective date of this Order.

A) Within 240 days, Respondent shall hire a Professional Engineer in accordance with Section 40 C.F.R. 270.11(d) to assess the tank (floor of Bay 3) to determine whether the tank system is adequately designed and has sufficient structural strength and provide the Department a copy of the written assessment.

B) If the tank system is found to be leaking or unfit for use, the Respondent shall comply with the requirements of Section 40 C.F.R. 265.196, within 240 days.

14. Within 30 days of the effective date of this Order, Respondent shall pay the Department \$41,609.00 in settlement of the matters addressed in this Order. This amount includes \$500 for costs and expenses incurred by the Department during the investigation of this matter and the preparation and tracking of this Order.

15. In lieu of making cash payment of \$41,609.00 in civil penalties as set forth in Paragraph 14, Respondent may elect to offset the amount of \$31,206.00 by implementing a Pollution Prevention (P2) Project, which must be approved by the Department. P2 is a process improvement that reduces the amount of pollution that enters the environment; by conserving resource (including water, raw materials, chemicals, and energy) use, or by minimizing waste generation (including domestic and industrial wastewater, solid and hazardous waste, and air

emissions). A P2 Project must reduce pollution or waste within the process beyond what is required by federal, state, or local law, in order to be eligible for civil penalty offset under this Order. If Respondent chooses to implement a P2 Project, Respondent shall notify the Department of its election by certified mail within 30 days of the effective date of this Order. Within 30 days of the effective date of this Order, Respondent must pay \$500.00 for costs and expenses incurred by the Department, during the investigation of this matter, and the preparation and tracking of this Order.

16. If Respondent elects to implement a P2 Project as provided in Paragraph 15, Respondent shall submit a completed P2 Project Plan (Plan) within 30 days of the effective date of this Order. The Plan must be completed using Exhibit II, "P2 Project Plan" template.

17. In the event the Department requires additional information to process the Plan, Respondent shall provide a modified Plan containing the information requested by the Department within 30 days of the date of the request.

18. If any balance remains after the entire P2 credit is applied to the allowable portion of the civil penalty, Respondent shall pay the difference within 30 days of written notification by the Department to Respondent that the balance is due.

19. Respondent agrees to pay the Department stipulated penalties in the amount of \$1,000 per day for each and every day Respondent fails to timely comply with any of the requirements of Paragraph 14 of this Order. A separate stipulated penalty shall be assessed for each violation of this Order, and the Department may demand stipulated penalties at any time after violations occur. Respondent shall pay stipulated penalties owed within 30 days of the Department's issuance of written demand for payment, and shall do so as further described in Paragraph 20, below. Nothing in this Paragraph shall prevent the Department from filing suit to specifically enforce any terms of this Order. Any stipulated penalties assessed under this Paragraph shall be in addition to the civil penalties agreed to in Paragraph 14 of this Order. If the Department is required to file a lawsuit to recover stipulated penalties under this Paragraph, the Department will not be foreclosed from seeking civil penalties for

violations of this Order in an amount greater than the stipulated penalties due under this Paragraph.

20. Respondent shall make all payments required by this Order by cashier's check, money order or on-line payment. Cashier's check or money order shall be made payable to the "Department of Environmental Protection" and shall include both the OGC number assigned to this Order (24-2017) and the notation "Water Quality Assurance Trust Fund." Online payments by e-check can be made by going to the DEP Business Portal at: <http://www.fldepportal.com/go/pay/>. It will take a number of days after this order becomes final, effective and filed with the Clerk of the Department before ability to make online payment is available.

21. Except as otherwise provided, all submittals and payments required by this Order shall be sent to DEP_CD@FloridaDEP.gov, Department of Environmental Protection, Central District, 3319 Maguire Boulevard, Suite 232, Orlando, Florida 32803.

22. Respondent shall allow all authorized representatives of the Department access to the Facility and the Property at reasonable times for the purpose of determining compliance with the terms of this Order and the rules and statutes administered by the Department.

23. Respondent shall use all reasonable efforts to obtain any necessary access to implement the terms of this Order. If necessary access cannot be obtained, or if obtained, is revoked by owners or entities controlling access to the properties to which access is necessary, Respondent shall notify the Department within five business days of such refusal or revocation. The Department may at any time seek to obtain access as is necessary to implement the terms of this Order. Respondent shall reimburse the Department for any damages, costs, or expenses, including expert and attorney fees, that the Department is ordered to pay, or that the Department incurs in connection with its efforts to obtain access that is necessary to implement the terms of this Order. Respondent shall pay these sums to the Department or arrange a payment schedule with the Department within 30 days of written demand by the Department.

24. If any event, including administrative or judicial challenges by third parties unrelated to Respondent, occurs which causes delay or the reasonable likelihood of delay in complying with the requirements of this Order, Respondent shall have the burden of proving the delay was or will be caused by circumstances beyond the reasonable control of Respondent and could not have been or cannot be overcome by Respondent's due diligence. Neither economic circumstances nor the failure of a contractor, subcontractor, materialman, or other agent (collectively referred to as "contractor") to whom responsibility for performance is delegated to meet contractually imposed deadlines (unless the cause of the contractor's late performance was also beyond the contractor's control) shall be considered circumstances beyond the control of Respondent. Upon occurrence of an event causing delay, or upon becoming aware of a potential for delay, Respondent shall notify the Department by the next working day and shall, within seven calendar days notify the Department in writing of the anticipated length and cause of the delay, the measures taken or to be taken to prevent or minimize the delay, and the timetable by which Respondent intends to implement these measures. If the parties can agree that the delay or anticipated delay has been or will be caused by circumstances beyond the reasonable control of Respondent, the time for performance hereunder shall be extended. The agreement to extend compliance must describe the provision or provisions extended, the new compliance date or dates, and the additional measures respondent must take to avoid or minimize the delay, if any. Failure of Respondent to comply with the notice requirements of this Paragraph in a timely manner constitutes a waiver of Respondent's right to request an extension of time for compliance for those circumstances.

25. The Department, for and in consideration of the complete and timely performance by Respondent of all the obligations agreed to in this Order, hereby conditionally waives its right to seek judicial imposition of damages or civil penalties for alleged violations up to the date of the filing of this Order. This waiver is conditioned upon Respondent's complete compliance with all of the terms of this Order.

26. The Department hereby expressly reserves the right to initiate appropriate legal action to address any violations of statutes or the rules administered by the Department that are not specifically resolved by this Order. Nothing herein shall be construed to limit the Department's authority to take any action against Respondent in response to or to recover the costs of responding to conditions at or from the Facility that require Department action to abate an imminent hazard to the public health, welfare, or the environment.

27. This Order is a settlement of the Department's civil and administrative authority arising under Florida law to resolve the matters addressed herein. This Order is not a settlement of any criminal liabilities which may arise under Florida law, nor is it a settlement of any violation which may be prosecuted criminally or civilly under federal law. Entry of this Order does not relieve Respondent of the need to comply with applicable federal, state, or local laws, rules, or ordinances.

28. Respondent is fully aware that a violation of the terms of this Order may subject Respondent to judicial imposition of damages, civil penalties up to \$75,000.00 per day per violation, and criminal penalties.

29. Respondent acknowledges and waives its right to an administrative hearing pursuant to Sections 120.569 and 120.57, F.S., on the terms of this Order. Respondent also acknowledges and waives its right to appeal the terms of this Order pursuant to Section 120.68, F.S.

30. Electronic signatures or other versions of the parties' signatures, such as .pdf or facsimile, shall be valid and have the same force and effect as originals. No modifications of the terms of this Order shall be effective until reduced to writing, executed by both Respondent and the Department, and filed with the clerk of the Department.

31. The terms and conditions set forth in this Order may be enforced in a court of competent jurisdiction pursuant to Sections 120.69 and 403.121, F.S. Failure to comply with the terms of this Order shall constitute a violation of Section 403.161(1)(b), F.S.

32. This Consent Order is a final order of the Department pursuant to Section 120.52(7), F.S., and it is final and effective on the date filed with the Clerk of the Department

unless a Petition for Administrative Hearing is filed in accordance with Chapter 120, F.S. Upon the timely filing of a petition, this Order will not be effective until further order of the Department.

33. Persons who are not parties to this Order, but whose substantial interests are affected by it, have a right to petition for an administrative hearing under Sections 120.569 and 120.57, Florida Statutes. Because the administrative hearing process is designed to formulate final agency action, the filing of a petition concerning this Order means that the Department's final action may be different from the position it has taken in the Order.

The petition for administrative hearing must contain all of the following information:

- a) The name and address of each agency affected and each agency's file or identification number, if known;
- b) The name, address, any e-mail address, any facsimile number, and telephone number of the petitioner, if the petitioner is not represented by an attorney or a qualified representative; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination;
- c) A statement of when and how the petitioner received notice of the agency decision;
- d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
- e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action;
- f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action, including an explanation of how the alleged facts relate to the specific rules or statutes; and
- g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

The petition must be filed (received) at the Department's Office of General Counsel, 3900 Commonwealth Boulevard, MS# 35, Tallahassee, Florida 32399-3000, or received via electronic correspondence at Agency_Clerk@floridadep.gov, 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 at the address indicated in Paragraph 21, above. Failure to file a petition within the 21-day period constitutes a person's waiver of the right to request an administrative hearing and to participate as a party to this proceeding under Sections 120.569 and 120.57, Florida Statutes. Before the deadline for filing a petition, a person whose substantial interests are affected by this Order may choose to pursue mediation as an alternative remedy under Section 120.573, Florida Statutes. Choosing mediation will not adversely affect such person's right request an administrative hearing if mediation does not result in a settlement. Additional information about mediation is provided in Section 120.573, Florida Statutes and Rule 62-110.106(12), Florida Administrative Code.

34. Rules referenced in this Order are available at <http://www.dep.state.fl.us/legal/Rules/rulelist.htm>.

FOR THE RESPONDENT:



Zac Collins
Chief Operating Officer

9/10/2024
Date

----- FOR DEPARTMENT USE ONLY -----

DONE AND ORDERED this 11th day of September, 2024, in Orange County, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION



On behalf of:
Aaron Watkins, Director
Central District

Filed, on this date, pursuant to Section 120.52, F.S., with the designated Department Clerk,
receipt of which is hereby acknowledged.

 September 11, 2024
Clerk **Date**

Final clerked copy furnished to:

Lea Crandall, Agency Clerk
Mail Station 35



FLORIDA DEPARTMENT OF Environmental Protection

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Shawn Hamilton
Secretary

Central District Office
3319 Maguire Blvd., Suite 232
Orlando, Florida 32803

February 29, 2024

Zac Collins, Chief Operating Officer
Scorpion Racing Products
5817 NW 44th Ave
Ocala, FL 34482
zac@scorpionracingproducts.com

Re: Warning Letter
Scorpion Performance
HW Facility ID # FLD000233056
Marion County

Dear Mr. Collins:

An inspection was conducted at your facility on November 3, 2023. During this inspection, possible violations of Chapter 403, F.S., Chapter 62-730, Florida Administrative Code (F.A.C.), 40 CFR 262 and 279 were observed.

During the inspection Department personnel noted the following:

- The facility failed to provide waste determinations for various on-site generated waste and waste streams.
- The facility failed to conduct weekly inspections of the Central Accumulation Area.
- The facility failed to provide proof of an attempt to make arrangements with local emergency officials.
- The facility failed to prepare and maintain an Emergency Response Plan.
- The facility failed to provide employee training records.
- The facility failed to maintain and provide three years' worth of hazardous waste manifests on-site.
- The facility failed to maintain and provide copies of Land Disposal Restriction Notices.
- The facility failed to label containers of used oil with the words "Used Oil".

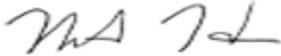
Violations of Florida Statutes or administrative rules may result in liability for damages and restoration, and the judicial imposition of civil penalties, pursuant to Section 120.57(5), Florida Statutes.

Please contact Jennifer Parker at 407-897-4184 or Jennifer.Parker@FloridaDEP.gov, within **7 days** of receipt of this Warning Letter to arrange a meeting to discuss this matter. The Department is interested in receiving any facts you may have that will assist in determining whether any

violations have occurred. You may bring anyone with you to the meeting that you feel could help resolve this matter.

Please be advised that this Warning Letter is part of an agency investigation, preliminary to agency action in accordance with Section 120.57(5), Florida Statutes. We look forward to your cooperation in completing the investigation and resolving this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "AW 7L", is positioned below the word "Sincerely,".

On behalf of:

Aaron Watkins, Director
Central District
Florida Department of Environmental Protection

AW/NH/JP

Attachments: Inspection Report, 10 pages

cc: Jennifer Parker, Gina Laddick, Jill Farris, Michael Eckoff, FDEP



**Florida Department of
Environmental Protection
Hazardous Waste Inspection Report**

FACILITY INFORMATION:

Facility Name: Scorpion Performance

On-Site Inspection Start Date: 11/03/2023

On-Site Inspection End Date: 11/03/2023

ME ID#: 135979

EPA ID#: FLR000233056

Facility Street Address: 5817 NW 44th Ave, Ocala, Florida 34482-7891

Contact Mailing Address: 5817 NW 44th Ave, Ocala, Florida 34482

County Name: Marion

Contact Phone: (352) 512-0800

NOTIFIED AS:

SQG (100-1000 kg/month)

WASTE ACTIVITIES:

Generator: SQG

INSPECTION TYPE:

Routine Inspection for SQG (100-1000 kg/month) Facility

INSPECTION PARTICIPANTS:

Principal Inspector: Jennifer Parker, Inspector

Other Participants: Gina Laddick, Inspector, Zac Collins, Chief Operating Officer

LATITUDE / LONGITUDE: Lat 29° 14' 49.26" / Long 82° 11' 28.86"

NAIC: 336390 - Other Motor Vehicle Parts Manufacturing

TYPE OF OWNERSHIP: Private

Introduction:

On November 3, 2023, Jennifer Parker and Gina Laddick, Florida Department of Environmental Protection (FDEP or Department) inspected Scorpion Performance (Facility or Scorpion) located at 5817 NW 44th Ave in Ocala, Florida for compliance with state and federal hazardous waste regulations. The facility was represented by Zac Collins, Scorpion Performance Chief Operating Officer.

On September 12, 2019, Scorpion Performance notified the Florida Department of Environmental Protection as a Small Quantity Generator (SQG) of Hazardous Waste and received EPA ID No.: FLR000233056. The Facility has not been previously inspected by the Department. At the time of the inspection, the Facility was operating as a Small Quantity Generator (SQG) of hazardous waste.

The Facility currently has 32 employees and operates 24 hours a day, Monday through Friday.

The facility consists of two main buildings – the Manufacturing Building and the Anodizing Building. Most of the the Facility's activities are conducted in the Manufacturing Building and include the following areas:

- Office and Reception Area
- Research and Development Area
- Steel Fabrication Area A and B
- Parts Storage
- Computerized Numerical Control (CNC) Machine Area
- Quality Control
- Tool Room
- Milling Area
- Storage Area
- Inventory and Assembly of Scorpion Performance Area
- Shipping and Receiving Area

Inspection Date: 11/03/2023

- Anodizing Assembly Area

The Anodizing Building consists of the following areas:

- Four Bays
- Wastewater Treatment Plant

Additionally, a Central Accumulation Area for drums and steel-cage totes is located on the exterior of the northern end of the Manufacturing Building.

Process Description:

Scorpion Performance is a facility where steel fabrication, electroplating and anodizing manufacturing activities are conducted. The Facility manufactures aluminum performance rocker arms for internal automobile engine components. The anodizing process includes surface preparation, chemical treatment, mirror polishing and laser etching services.

An inspection was conducted of the various areas of the Facility. The observations made in each of the Manufacturing Building, Anodizing Building and Central Accumulation Area are described below.

Manufacturing Building

- Office and Reception Area:

This area of the Facility is located within the Manufacturing Building. No hazardous waste is generated or stored in this area.

- Research and Development:

A separate company, Innovative Mounts, manufactures and assembles motor and transmission mounts in this designated area of the Manufacturing Building for their customers. The company also supplies parts for Scorpion use. Here, bushings are manufactured and are later assembled with other pieces to create a motor mount. A two-part A & B mixture of polyurethane is poured into molds and air cured. Any flecks of polyurethane are disposed of as solid waste. No hazardous waste is generated or stored in this area.

- Steel Fabrication Area (Area A) Saw Cut Machinery:

Raw material such as aluminum and steel are received in this area of the Manufacturing Building. Sheets of metal are fed into the Saw Cut Machinery and is cut to size depending on various project specifications. Throughout the Facility, machines that alter aluminum material utilize FUCHS EcoCool water-based coolant and steel material utilize FUCHS EcoCut coolant. Coolant is captured in five-gallon buckets, used until completely spent, and replaced with new coolant. Any metal scraps are separated for recycling purposes. Coolant and mop water are collected in totes stored in the waste area. Facility failed to provide a waste determination on both types of coolant and the mop water [40 CFR 262.11].

- Parts Storage:

This area is specifically for storage of parts. No hazardous waste is generated or stored in this area.

- Steel Fabrication Area (Area B) Laser-cutting Machinery:

This area consists of a Mitsubishi ML3015ex laser cutting machine that is used to cut sheets of the material into various shapes. Any dust and shavings from the process is collected within the machine and is cleaned out routinely. During the inspection, the Department observed two cleaners used in this area: WD-40 and an unknown cleaner. Facility failed to provide a waste determination for the dust, shavings and unknown cleaner [40 CFR 262.11]. The machine is supported by a secondary dust collector and a chiller. The chiller uses a water-based glycol coolant and operates as a closed loop system where coolant is added, as needed.

Steel is bent into shape using a hydraulic press brake that uses hydraulic fluid which is added as needed. The Facility stated the glycol coolant or hydraulic fluid does not need to be disposed of – if disposal is necessary, proper waste determination is required per 40 CFR 262.11. Welding is also conducted in this area. Slag waste generated from the welding process is swept daily and disposed of as solid waste. Facility failed to provide a

Inspection Date: 11/03/2023

waste determination of the slag generated from welding activities [40 CFR 262.11].

- CNC Machinery Area:

This area consists of several CNC machines with varying purposes depending on product and client specifications including product size and metal type. The machines use coolant depending on the type of material, FUCHS EcoCool for aluminum and FUCHS EcoCut for steel. Coolant is captured in five-gallon buckets next to each machine, used until completely spent, and replaced with new coolant. Additionally, each machine is equipped with a pan to collect sludge. Facility failed to provide waste determination on both types of coolant and sludge [40 CFR 262.11].

- Quality Control Room:

This area is specifically for quality assurance testing. No hazardous waste is generated or stored in this area.

- Tool room:

This area is designated for tool modification for product specification utilizing machinery consisting of cutter grinders, centerless grinders, and surface grinders. The machines use coolant depending on the type of material, FUCHS EcoCool for aluminum and FUCHS EcoCut for steel. Accumulated dust particle waste is collected in open buckets near the machines and disposed of as solid waste. The Facility failed to provide a waste determination of the dust particle waste from the various grinders [40 CFR 262.11].

- Milling Area:

Milling machinery in this area is adjustable and moves around the part instead of the tool used to cut the piece of material. The machines use coolant depending on the type of material, FUCHS EcoCool for aluminum and FUCHS EcoCut for steel. Metal shavings are recycled to a scrap metal company.

- Storage Area:

HVAC, plumbing and general maintenance materials are housed in the storage area. No hazardous waste is generated or stored.

- Inventory and Assembly of Scorpion Products Area:

In this area, bushings are pressed into the respective mounts for final assembly. Some products are distributed for powder coating, which occurs off-site and then return for assembly.

- Shipping and Receiving Area:

Final product packaging and material storage is conducted in this area, no hazardous waste is generated or stored.

- Anodizing Assembly Area:

This area consists of various manual hydraulic press machines. Hydraulic fluid is recycled throughout the machinery. When necessary, new hydraulic fluid is added. Lasers are utilized to etch branding material to the product. Dust and shavings generated from the laser machinery are recycled as scrap metal. The Facility failed to provide a waste determination on the dust and shavings [40 CFR 262.11].

Anodizing Building

This building includes four bays and a wastewater treatment plant. The anodizing process occurs within this building which includes surface preparation, chemical treatment and mirror polishing.

- Bay 1:

This bay is the beginning of the anodizing process. Here, surface preparation activities occur. Products are polished to enhance the shine of the material.

- Bay 2:

This bay is utilized as a racking room wherein parts are assembled and connected to either aluminum or

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titanium racks prior to electroplating activities.

- Bay 3:

This bay includes most of the activity within the anodizing building. The anodizing process begins with a pretreatment rinse to ensure grease, oil, dirt, and other contaminants are removed from the aluminum to provide a clean surface. Next, when applicable, the rack will be rinsed with deionized (DI) water prior to entering a bright dip solution of phosphoric and nitric acids mixed with water to remove defects. The rack is then rinsed again in DI water before entering the anodizing basin, an electrolytic treatment where films or coatings are formed on the surface of aluminum parts. The rack is rinsed with DI water and when applicable, a colored dye is applied prior to sealing. Finally, the part is sealed in a nickel acetate bath becoming the final product. The Facility failed to provide waste determination for each of the rinse tanks [40 CFR 262.11].

During the transition between basins, free liquid drips onto the floor of the bay and is collected in a sump which pumps into the on-site wastewater treatment plant. A concrete barrier prevents the release of free liquid drops to the exterior of the building. The flooring is made of concrete and is not sealed. Visible cracks in the concrete and pooling of excess free liquid around the sump were observed during the inspection. It is recommended the Facility seals the concrete floor to prevent illicit hazardous waste and/or wastewater discharge.

The Facility stated that waste is neutralized with aquatic ammonia or sodium hydroxide, depending on the nature of the waste.

- Bay 4:

This bay consists of an uncracking room. Here, the final product is assembled for distribution. No hazardous waste is generated in this area.

- Wastewater Treatment Plant:

At the end of the anodizing building is the wastewater treatment plant where wastewater from the rinse tanks in Bay 3 is collected and treated. The wastewater flows to holding tanks, then to a boiler treatment system. The solids generated are collected and disposed of by Crystal Clean. The Facility failed to provide waste determination on the waste stream prior to the wastewater treatment plant and solids generated from the wastewater treatment process [40 CFR 262.11].

- Cooling Tower:

A cooling tower is located outside of the wastewater treatment plant. Water and a glycol mix is piped through to the anodizing tanks to flow and cycle through in an effort to control temperature.

Central Accumulation Area

The Central Accumulation Area is located on the exterior of the northern end of the Manufacturing Building. Waste is stored in this area.

During the inspection, the following was observed: nineteen 55-gallon drums, one 35-gallon drum, three 5-gallon drums of solids from the anodizing process and five 275-gallon totes of labeled 'used coolant' and 'mop water'. Some of the containers in this area were open and/or without labels. The Facility failed to provide waste determinations for containers in the Central Accumulation Area [40 CFR 262.11].

Additionally, present in this area was one 55-gallon drum of used oil without a 'used oil' label [40 CFR 279.22(c)(1)].

Records Review

At the time of the inspection, the Facility failed to provide the following:

- Records of training for facility personnel [40 CFR 262.16(b)(9)(iii)]
- An Emergency Response Plan designating the on-site emergency coordinator [40 CFR 262.16(b)(9)(i)]
- Proof of an attempt to make arrangements with local authorities [40 CFR 262.16(b)(8)(vi)(A)]

Inspection Date: 11/03/2023

- Central Accumulation Area weekly inspections and maintain written documentation [40 CFR 262.16(b)(2)(iv); 62-730.160(3), F.A.C.]
- Three year's worth of hazardous waste manifests and disposal records [40 CFR 262.20(a)(1)]
- Most recent Land Disposal Restriction Notice [40 CFR 268.7(a)(2)]

New Potential Violations and Areas of Concern:

Violations

Type: Violation
Rule: **262.11**
Question Number: 1.3
Question: Did the facility conduct a waste determination on all wastes generated? 262.11
Explanation: A person who generates a solid waste, as defined in 40 CFR 261.2, must make an accurate determination as to whether that waste is a hazardous waste in order to ensure wastes are properly managed according to applicable RCRA regulations.

The Facility failed to provide waste determinations for the following:

- FUCHS EcoCool Coolant
- FUCHS EcoCut Coolant
- Mop water
- Unknown cleaner, dust and shavings in Steel Fabrication Area B
- Slag waste generated from welding activities
- Sludge generated from CNC Machinery
- Dust waste generated from grinder activities in the Tool Room
- Dust and shavings generated in the Anodizing Assembly Area
- Rinse tanks waste in Bay 3
- Waste stream prior to wastewater treatment
- Solids generated after wastewater treatment
- 28 containers in the Central Accumulation Area

Corrective Action: The Facility shall provide waste determinations for the items listed above within thirty days.

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Type: Violation
Rule: 262.16(b)(2), 62-730.160(3)
Explanation: At least weekly, the small quantity generator must inspect central accumulation areas. The small quantity generator must look for leaking containers and for deterioration of containers caused by corrosion or other factors. [40 CFR 262.16(b)(2)]

Generators of hazardous waste who accumulate hazardous waste on-site under 40 CFR 262.16, and 262.17 [as adopted in subsection 62-730.160(1), F.A.C.], shall maintain written documentation of the inspections required under 40 CFR Part 265 [as adopted in subsection 62-730.180(2), F.A.C.], and 40 C.F.R 262.16 and 262.17 [as adopted in subsection 62-730.160(1), F.A.C.]. The generator shall keep the written documentation of the inspections under this section for at least three years from the date of the inspection. At a minimum, this documentation shall include the date and time of the inspection, the legibly printed name of the inspector, the number of containers, the condition of the containers, a notation of the observations made, and the date and nature of any repairs or other remedial actions. [62-730.160(3), F.A.C.]

The Facility failed to conduct weekly inspections of the Central Accumulation Area. Records of complete weekly inspections were not available for Department review during and following the inspection.

Corrective Action: On December 15, 2023, the Facility provided one weekly Central Accumulation Area inspection however, the inspection did not include time of the inspection. The Facility shall provide two weeks worth of CAA weekly inspections including all required items listed by rule within thirty days.

Type: Violation
Rule: 262.16(b)(8)(vi)(A)
Explanation: The small quantity generator must attempt to make arrangements with the local police department, fire department, other emergency response teams, emergency response contractors, equipment suppliers and local hospitals, taking into account the types and quantities of hazardous wastes handled at the facility. Arrangements may be made with the Local Emergency Planning Committee, if it is determined to be the appropriate organization with which to make arrangements.

The Facility failed to provide proof of an attempt to make arrangements with local emergency officials during and following the inspection.

Corrective Action: The Facility shall provide proof of an attempt to make arrangements with local emergency officials within thirty days.

Inspection Date: 11/03/2023

Type: Violation
Rule: **262.16(b)(9)(i)**
Explanation: At all times there must be at least one employee either on the premises or on call (i.e., available to respond to an emergency by reaching the facility within a short period of time) with the responsibility for coordinating all emergency response measures through documentation of an Emergency Response Plan specified in 40 CFR 262.16(b)(9)(iv). This employee is the emergency coordinator.

The Facility failed to prepare and maintain an Emergency Response Plan.
Corrective Action: On December 15, 2023, the Facility submitted an Emergency Response Plan designating the emergency coordinator. No further action is required at this time.

Type: Violation
Rule: **262.16(b)(9)(iii)**
Explanation: The small quantity generator must ensure that all employees are thoroughly familiar with proper waste handling and emergency procedures, relevant to their responsibilities during normal facility operations and emergencies.

The Facility failed to provide employee training records.
Corrective Action: On December 15, 2023, the Facility provided training records performed in 2023. No further action is required at this time.

Type: Violation
Rule: **262.20(a)(1)**
Explanation: A generator that transports, or offers for transport a hazardous waste for offsite treatment, storage, or disposal, or a treatment, storage, or disposal facility that offers for transport a rejected hazardous waste load, must prepare a Manifest (OMB Control number 2050-0039) on EPA Form 8700-22, and, if necessary, EPA Form 8700-22A.

The Facility failed to maintain and provide three years worth of hazardous waste manifests.
Corrective Action: On December 15, 2023, the Facility provided hazardous waste manifest from 2021 and 2022. The Facility shall ensure that moving forward three years worth of hazardous waste manifests will be maintained on-site.

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Type: Violation
Rule: 268.7(a)(2)
Explanation: If the waste or contaminated soil does not meet the treatment standards, or if the generator chooses not to make the determination of whether his waste must be treated, with the initial shipment of waste to each treatment or storage facility, the generator must send a one-time written notice to each treatment or storage facility receiving the waste, and place a copy in the file. The notice must include the information in column "268.7(a)(2)" of the Generator Paperwork Requirements Table in paragraph (a)(4) of this section. (Alternatively, if the generator chooses not to make the determination of whether the waste must be treated, the notification must include the EPA Hazardous Waste Numbers and Manifest Number of the first shipment and must state "This hazardous waste may or may not be subject to the LDR treatment standards. The treatment facility must make the determination.") No further notification is necessary until such time that the waste or facility change, in which case a new notification must be sent and a copy placed in the generator's file.

The Facility failed to maintain and provide copies of Land Disposal Restriction Notices during and following the inspection.

Corrective Action: The Facility shall provide copies of Land Disposal Restriction Notices within thirty days.

Type: Violation
Rule: 279.22(c)(1)
Explanation: Containers and aboveground tanks used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil."

The Facility failed to label containers of used oil with the words "Used Oil" during the inspection.

Corrective Action: On December 15, 2023, the Facility acknowledged this violation and submitted photo documentation of the used oil containers labeled with the words "Used Oil". No further action is required at this time.

Conclusion:

Scorpion Performance was inspected on November 3, 2023 for compliance with state and federal hazardous waste regulations and was found to be out of compliance with state and federal hazardous waste regulations.

Inspection Date: 11/03/2023

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.

Note: Checklist items with shaded boxes are for informational purposes only.

Item No.	Pre-Inspection Review	Yes	No	N/A
1.1	Has the facility notified with correct status? 262.18(a)	✓		
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		✓	

Inspection Date: 11/03/2023

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

Jennifer Parker
Principal Investigator Name

Inspector
Principal Investigator Title



Principal Investigator Signature

DEP
Organization

02/23/2024
Date

Gina Laddick
Inspector Name

Inspector
Inspector Title

DEP
Organization

Zac Collins
Representative Name

Chief Operating Officer
Representative Title

Scorpion Performance
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: Jill M. Farris

Inspection Approval Date: 02/26/2024

[This template is to be used as a Long Form Consent Order Exhibit when regulatory corrective actions, or P2 Projects require time to be resolved or developed. This template must be completed to describe P2 Projects once identified. The document must be approved prior to P2 Project implementation. The Plan must contain the following information.]

Exhibit II

P2 Project Plan (Plan)

(Note: Provide the information specified and delete existing text within parentheses)

(Facility Name)

(Address)

(Telephone)

(Preparer Name/Title)

A. **Project Description:** (Summarize P2 Projects selected. Describe the processes or operations to be modified, and the specific changes to be made. Include details such as the specific equipment to be installed, materials to be substituted, and the actual changes to be made to processes or operations. Include manufacturer or vendor information, and specifications.)

B. **Environmental and Economic Benefits:** (Explain why and how each Project proposed constitutes P2.

Specify how each material, chemical, water and energy is saved, and from which processes or operations. Specify how each solid and hazardous waste, industrial wastewater and air emissions are generated, the waste type, and from which processes or operations. **Describe generally in paragraph format.**

Estimate the *annual* savings in *resources* - raw materials, chemicals, water, and energy at the process or operation front end. Estimate the *annual* reductions in *wastes* - solid and hazardous waste, wastewater, and air emission reductions at the process or operation back end.

Figures quoted should represent weights or volumes annually, and should be equalized for production rate changes. Associated cost savings should be included. **Describe specifically using the tables provided.**

Complete the first table for each per Project individually. Add or average corresponding figures from each Project table to complete the Plan table, *for multiple Projects.*)

<i>(Project Name)</i>							
Annual Resource Consumption Comparison							
Item	Quantity Used (gal/lb/kwh-specify)			Purchasing Cost (\$)			Percent (%) Reduction
	Before	After	Reduction	Before	After	Reduction	
Water							
Chemicals							

Materials							
Energy							
Total Annual Cost Savings =							
Annual Waste Generation Comparison							
Item	Quantity Generated (gal/lb/tons-specify)			Disposal Cost (\$)			Percent (%) Reduction
	Before	After	Reduction	Before	After	Reduction	
Hazardous Waste							
Industrial Wastewater							
Solid Waste							
Air Emissions							
Total Annual Cost Savings =							
Total Annual Avoided Cost Savings =							

<i>Summary of All P2 Projects</i>							
Annual Resource Consumption Comparison							
Item	Quantity Used (gal/lb/kwh-specify)			Purchasing Cost (\$)			Percent (%) Reduction
	Before	After	Reduction	Before	After	Reduction	
Water							
Chemicals							
Materials							
Energy							
Total Annual Cost Savings =							
Annual Waste Generation Comparison							
Item	Quantity Generated (gal/lb/tons-specify)			Disposal Cost (\$)			Percent (%) Reduction
	Before	After	Reduction	Before	After	Reduction	
Hazardous Waste							
Industrial Wastewater							
Solid Waste							
Air Emissions							
Total Annual Cost Savings =							
Total Annual Avoided Cost Savings =							

C. **Project Cost:** (Include per Project the itemized, subtotal and Project total costs. A projected payback period in months or years needs to be included.)

Provide a grand total cost for all Projects and an averaged projected payback period, *for multiple Projects. Use list or table format for all.*)

D. **Implementation Schedule:** (Provide a brief discussion of the steps necessary to implement the Projects and expected time frames for completion. A table or list format is preferred. The schedule shall include a list of milestones with dates, or timeframes based on Plan approval date, including Progress and Final Report submittals. Provide a description of any anticipated problems and options. *The implementation should take no longer than six months to complete.*)

E. **Project Reporting:**

1. Within 90 days of approval of the Project Plan, the Respondent shall submit a P2 Project Progress Report to the Department that describes the Respondent's progress in implementing the P2 Project and meeting the requirements in the Plan, and includes a list of equipment ordered, purchased, and/or installed.

2. Within 180 days of approval of the Plan, the Respondent shall submit to the Department a P2 Project Final Report that includes the following.

a. A confirmation that the information presented in Sections A-C of the Summary is unchanged, or an updated version with the sections changed appropriately. A statement that the Project(s) was/were implemented successfully. An explanation of any problems encountered and corrections applied.

b. Attached expense reports, receipts, purchasing instruments and other documents itemizing costs expended on preparing and implementing the Project.

3. The Department shall review the Final Report and determine:

a. Whether the project was properly implemented; and

b. Which expenses apply toward pollution prevention credits.

4. A \$1.00 pollution prevention credit for each \$1.00 spent on applicable costs will be applied against the portion of the civil penalty that can be offset.

a. The following costs are allowable to offset the allowable amount of the civil penalty:

i. Preparation of the P2 Project;

ii. Design of the P2 Project;

iii. Installation of equipment for the P2 Project;

iv. Construction of the P2 Project;

v. Testing of the P2 Project;

vi. Training of staff concerning the implementation of the P2 Project; and

vii. Capital equipment needed for the P2 Project.

b. The following costs shall not apply toward P2 credit:

i. Costs incurred in conducting a waste audit;

ii. Maintenance and operation costs involved in implementing the P2 Project;

iii. Monitoring and reporting costs;

iv. Salaries of employees who perform their job duties;

v. Costs expended to bring the facility into compliance with current law, rules and regulations;

vi. Costs associated with a P2 Project that is not implemented;

vii. Costs associated with a P2 Project that has not been approved by the

Department; and

viii. Legal costs.

c. If any balance remains after the entire P2 credit is applied to the allowable portion of the civil penalty, Respondent shall pay the difference within 30 days of written notification by the Department to the Respondent that the balance is due.

5. The Department may terminate the P2 Project at any time during the development or implementation of it, if the Respondent fails to comply with the requirements in this document, act in good faith in preparing and implementing the project, or develop and implement the P2 Project in a timely manner. The Respondent may terminate the P2 Project at any time during its development or implementation.