

P1306

MANIKA

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection

P130664246

FACILITY: MCNICHOLS SCRAP IRON & METAL		SRN / ID: P1306
LOCATION: 6500 E MCNICHOLS, DETROIT		DISTRICT: Detroit
CITY: DETROIT		COUNTY: WAYNE
CONTACT:		ACTIVITY DATE: 08/09/2022
STAFF: Gerald Krawiec	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: AQD/EPA Joint Inspection		
RESOLVED COMPLAINTS:		

AQD/EPA joint inspection conducted on August 9, 2022

I joined EPA staff, Valeria Apolinario, Environmental Engineer, and Daniel Schaufelberger, Environmental Scientist at 9:00am for an unannounced inspection at McNichols Scrap Iron & Metal located at 6500 E. McNichols Road in the City of Detroit. The purpose of the inspection was to determine compliance with the Clean Air Act regulations 40 CFR Part 82 Subpart F: Recycling and Emissions Reduction, and applicable state and federal air pollution rules and regulations.

Robert (Rob) Kost, Operations Manager and Alon Grinwald, Office Manager are the contacts. During the Opening Conference, EPA staff presented their credentials, provided a CBI warning to the facility, stated the authority and purpose of the inspection. Regulations central to the inspection are 40 CFR Part 82 Subpart F, including 40 CFR 82.155 safe disposal of appliances, such as small appliances and motor vehicle air conditioners, and 40 CFR 82.156, proper evacuation of refrigerant from appliances.

During the company's process description of the handling CFC containing products, it was learned that the company does not recover refrigerant from any appliance. When an appliance comes into the facility, personnel conduct an inspection to verify that the sealed unit, or compressor is separated from the appliance. If the compressor is missing within the appliance, or the compressor and appliance are in 2 pieces, the appliance is accepted. If the sealed unit is still within the appliance, then the facility rejects the item. No motor vehicles are accepted, however lead batteries, and other miscellaneous motor vehicles parts (rims, brake drums, alternators, etc.), and catalytic converters are accepted.

During the plant tour, EPA staff took several photos. The signage at the entrance to the building (photo), there was only a few refrigerators on the main scrap pile (photos). Some compressors were found in a separate pile (photo). Currently there were a few other smaller appliances on site such a freezer, dehumidifiers, window AC units (photo). If anything, else that may use a refrigerant was found, additional photos were taken.

At the rear of the property in a separate building there is a catalytic converter recycling operation conducted. The converter is cut open and the precious metals are extracted and separated. Otherwise, this is a typical scrap metal yard accepting

ferrous metals, nonferrous metals, and white goods from the general public and commercial vendors.

During the Closing Conference, EPA requested several documents such as, material acceptance policy, copies of signed customer receipts, commercial contracts, and other information related to the handling and recordkeeping of refrigerant containing products. EPA staff discussed strategies for not incentivizing customers to vent refrigerant. Furthermore, EPA stated concerns with how the facility does not utilize any verification statements to confirm whether refrigerant had been removed properly or leaked out.

EPA staff will be sharing samples of acceptable signage language, and various other forms to be completed by the company and the customer to assure proper handling and recordkeeping of refrigerant containing products.

AQD inspection on August 9, 2022, conducted concurrently with EPA staff:

Background:

McNichols Scrap Iron & Metal located at 6500 E. McNichols Road in the City of Detroit is on a 2.8-acre parcel of land located 0.4 miles west of Van Dyke and 0.2 miles east of Mt. Elliott at the railroad tracks. This is an industrial/commercial area. According to their website they have been operating since 1926. The current business owner Michael Cahn has operated this facility since 1989.

Originally the Detroit District Office did not have a file for this facility when EPA selected it. AQD assigned SRN: P1306 to this minor source. The site holds a current business license for its metal recycling/scrap processing, issued by the City of Detroit, Buildings, Safety Engineering and Environmental Department (BSEED). McNichols Scrap Iron and Metal accepts ferrous, nonferrous material, and white goods from the general public (peddlers) and commercial vendors.

Complaint History:

No complaints on file.

Operating Schedule:

The company currently employs 12 - 15 employees and operates 8-hours a day (8:00am – 4:00pm) 5 days a week.

Facility Description:

McNichols Scrap Iron & Metal receives, and processes industrial metal scrap varying in size, quality, and shape. The facility routinely receives various grades of steel and other ferrous (containing iron) and non-ferrous metals. The facility also accepts, white goods (appliances), motor vehicle lead batteries, and other miscellaneous motor vehicles parts (rims, brake drums, alternators, radiators etc.) and catalytic converters are accepted. Materials come in from both commercial and individual (peddlers) sources.

These materials are all temporarily stored in the yard, while undergoing processing and transported offsite by truck. The company processes/sizes these materials for recycling. Recyclable metal scrap is delivered daily to this facility by cars, trucks, or walk-ins, each of which is weighed onsite before unloading. The company does not accept scrap containing oil or flammable coatings. Larger scrap pieces, including I-beams, presses and dies require being cut into smaller pieces for recycling. Metal shears are used to cut materials to size, no torch cutting. Once the metal is cut to smaller sizes and separated by metal type it is shipped out by truck for recycling.

Inspection Narrative:

Prior to this inspection, surveillance of this facility was conducted on 7/12/22, and 7/26/22 before entering the facility to conduct this inspection on August 9, 2022. No evidence of open burning, smoke from torch cutting, odor, fugitive dust or track-out was observed.

Rob Kost, Operations Manager accompanied AQD and EPA staff during the plant tour of this 2.8-acre site. There are several piles of scrap metal on site sorted by the type of metal. Incoming material is sorted, sized, and stored in a pile until ready for shipment to customers. Two metal shears are used to cut larger pieces of material to a manageable size, torch cutting is not utilized.

Approximately 50 appliances are received weekly by both commercial and individual (peddlers) sources. Appliances are sent to a shredder outside the facility to be processed. Insulation from heavy gauge copper wire is stripped and the copper bailed. Incoming aluminum scrap is also sized and bailed.

Approximately 200 catalytic converters are received weekly mostly by the public (peddlers). Catalytic converters are processed in a building at the south end of the property. There are 2 workstations where the converter is cut open and the precious metals, (platinum (Pt), palladium (Pd), and rhodium (Rh)) are extracted and separated. The steel shell is also recycled. Dust created during this process is vented to a small torit model # 30f12 dust collector that was installed in 1992. There is not an identification tag on the unit, therefore I estimate the fan size at 1,500 – 2,000 scfm. This dust collector is exhausts into the in-plant environment. The collected dust contains a mixture of the steel particles from cutting the converter shell and particles of the precious metals. This dust is also very valuable and collected for resale to precious metal brokers.

Off-road diesel fuel is used for the operating equipment (cranes, shears, frontend loaders, etc.) on-site and is stored in a 1,000-gallon tank.

The company owns a small bobcat street sweeper that is used to clean paved areas of the property daily. A street sweeper log is kept.

Attached to this report are some photos of the site and pages from the company website listing the metals purchased for recycle and other information about the operations with a FAQ section.

Post Inspection:

Upon return to the office, Rob Kost continued discussing the operations and answering questions.

The company has a current CERTIFICATE OF ALTERNATE COMPLIANCE issued by the City of Detroit, Buildings, Safety Engineering and Environmental Department. A copy of this Certificate is attached.

Permit to Install Exempt Equipment:

Rule 284(2)(g)(ii). of the Michigan Air Pollution Control Rules exempts the 1,000-gallon diesel fuel tanks on site.

Rule 285(2)(l)(vi)(B). Of the Michigan Air Pollution Control Rules exempts the equipment that has emissions that are released only into the in-plant environment. The torit dust collector exhausts into the in-plant environment.

Compliance Determination:

Based upon this inspection of McNichols Scrap Iron & Metal located in the City of Detroit, it appears this facility is operating in compliance with applicable air quality rules and regulations, enforceable by AQD.

The USEPA has the authority to determine compliance with 40 CFR part 82 Subpart F, and the compliance status of this facility with those requirements are not addressed in this report.

NAME

Bj Krause

DATE

4/21/23

SUPERVISOR

JK