

**DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection**

N090328096

FACILITY: PACKARD INDUSTRIES, INC.		SRN / ID: N0903
LOCATION: 1515 NORTH U.S. HIGHWAY 31, NILES		DISTRICT: Kalamazoo
CITY: NILES		COUNTY: BERRIEN
CONTACT: Jacob Mark, President		ACTIVITY DATE: 12/17/2014
STAFF: Matthew Deskins	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM 208A
SUBJECT: Unannounced Scheduled Inspection		
RESOLVED COMPLAINTS:		

On December 17, 2014 AQD staff (Matt Deskins) went to conduct an unannounced scheduled inspection of the Packard Industries facility located in Niles, Berrien County. Packard Industries is a 208a registered facility with the AQD and currently have one permit issued to them (PTI No. 919-84) for two coating lines and associated ovens (Note: One of the coating lines was removed years ago). Also, according to file information, they operate several adhesive lines using the AQD Rule 287(c) permit exemption and their clean-up operations under the AQD Rule 290 permit exemption. Lastly, the AQD is rescinding Rule 208a and the facility has to determine whether they can be a true minor source, an opt-out source, or major source depending on their PTE. The intent of staff's inspection was to determine compliance with the permit and permit exemption requirements as well as checking on their progress with their PTE calculations. Staff departed for the facility at approximately 9:30 a.m.

Staff arrived at the facility at approximately 10:45 a.m. Prior to entering the office area, staff looked to see if any visible emissions could be observed or odors detected and none were noted. Staff then proceeded to the office area. Upon entering the office area, staff introduced them self to an employee and stated the purpose of the visit. The employee (Steve Yonker – Plant Engineer) stated that staff probably needed to see Jacob Mark (President) and he went to tell him staff was present. Jacob came to greet staff and staff introduced them self and stated the purpose of the visit. Jacob asked what staff needed to see. Staff mentioned that the facility had a permit issued to them by the AQD for a coating line and that they were operating several other lines under AQD permit exemptions. Staff mentioned that they would like to see the facility's operations and also review facility records that are required to be kept by the permit and the AQD permit exemptions. Staff then mentioned that to start off they would like to sit down and discuss current facility operations to see if anything has changed since the last inspection in 2008. Jacob then led staff to a conference room where they sat down to discuss things. Staff then gave Jacob a business card and the DEQ's "Environmental Inspection Brochure". The following is a summary of staff's conversation with Jacob and the comments on the inspection.

According to Jacob, the facility has been in business since 1966 and they manufacture office and industrial partitions that are used for things such as cubicle walls. They typically receive metal plates and tubular steel which they run through a fabrication process to make the walls. The pieces then get painted and they then run through one of several adhesive booths to apply fabric to them depending on what the order calls for. They currently have 5 employees and are operating one shift five days a week (Monday-Friday). Jacob said that business hasn't been that good for the year but has picked up some over the previous 5 weeks or so.

Prior to going out to the manufacturing area, staff asked to view the records that are required to be kept. Jacob went and retrieved a binder that contains all their environmental compliance items. The following lists the facilities emission units, the things staff noted during the records review, and the facilities compliance status with them.

EU-PAINTLINE: Appears to be in COMPLIANCE. This is the coating line and associated drying oven that is covered under PTI No. 919-84. As mentioned earlier, it was originally issued for two coating lines but one was removed quite some time ago. The main conditions of the permit for recordkeeping purposes are that they cannot exceed 5.52 pounds per hour nor 5.52 tons a year of VOC. Also, their coating usage can't exceed 347 gallons a month nor 4,164 gallons a year. As Jacob had mentioned earlier, business has been slow and where they use to order paint in 55 gallon drums, they are now ordering it in 5 gallon buckets. They get their paint coating from Niles Chemical Paint. According to records staff reviewed, the facility is currently averaging about 20 gallons of paint use per month for the calendar year 2014. They track their usage through monthly purchase records and their inventory at the end of the month. There is no requirement that they calculate emissions on a monthly or 12 month

rolling basis so staff reviewed the MAERS report for calendar year ending 2013. The emissions reported were 1,814 pounds (0.907 tons). They didn't have the hourly emission rate broken out but their permit doesn't require that it be calculated on any type of interval. However, with the amount of paint being used and their work schedule, they should be well below the 5.52 pounds per hour. The MAERS report also indicated that they used 381 gallons of paint last year, well below the 4,164 gallon permit limit.

EU-FABRICADHESIVE, EU-LAYUP, AND EU-NAVAADHESIVE: These are three separate adhesive booths that are being operated under the AQD Rule 287(c) permit exemption which limits usage to under 200 gallons per month for each line. According to their MAERS report for the calendar year 2013 they used 756 gallons of adhesive. For calendar year 2014 staff looked at some purchase and inventory records and the facility has been averaging about 60 gallons of adhesive per month between the EU-FABRICADHESIVE and EU-LAYUP lines. Jacob said that they haven't used the EU-NAVAADHESIVE line since about 2008. Staff mentioned that even though they are well under the 200 gallons per month usage limit for each of the two lines, they should track usage separately for them to indicate individual usage. Jacob said that they had been doing that but the employee responsible for it no longer works their and the other employees probably forgot to keep track. He said he will make sure they start doing it again.

EU-CLEANUP: The facility uses Toluene for manual clean-up of items around the plant and does so under the AQD Rule 290 permit exemption. Staff couldn't find in their inspection notes where they wrote down their actual monthly usage and emissions, but does recall talking to Jacob about it and that the Toluene emissions were under 1,000 pounds per month allowed by the exemption.

Staff then proceeded with Jacob to the manufacturing/production area and our first stop was at the Coating Line. This line consists of an enclosed pre-wash system that uses phosphate for cleaning the fabricated metal parts and after they have dried, the coating is applied (by spraying) and then they go through the drying oven. It wasn't in use during staff's inspection but staff noted that filters were in place.

Staff and Jacob then stopped by the Fabric Adhesive Booth and it also wasn't in operation while staff was present. Jacob said this booth is used for adhering the various fabrics to the metal panels. The adhesive is sprayed on and staff noted that filters were in place.

Staff and Jacob's next stop was at the Lay-Up Adhesive Booth. This booth wasn't in use during staff's inspection and Jacob said that it is used for adhering two metal plates together. The adhesive is sprayed on and staff noted that it had filters in place.

Staff and Jacob's last stop was at the NAVA Adhesive Booth which is located in another building. This booth wasn't in use during staff's inspection and as mentioned earlier, Jacob said it hasn't been used since 2008. Jacob said it is used for spraying adhesive on wood core panels made of medium-density fibre board (MDF) prior to the adhering fabric to them. Staff noted that it had filters in place.

During the course of proceeding through the buildings, staff noted metal fabricating equipment but all of it would be exempt under the AQD Rule 285(l)(vi) permit exemption.

Staff then proceeded with Jacob back to the conference room. After getting all the inspection items out of the way, staff sat down with Jacob and Steve Yonkers to answer any questions regarding the PTE that they had to calculate for the facility. As mentioned at the beginning of this report, Rule 208a is being rescinded so they have to figure out if they are a true minor source of air pollutants or not. We discussed such things as how to calculate the PTE and what factors could be used to limit it such as the PTI for the coating line which already has limits in it, Rule 287(c) coating usage limits for the adhesive coating lines, Rule 290, etc. We discussed that the calculations would have to be done with the products they use that contain the highest VOC and HAP concentrations. Staff also clarified that Acetone is only a VOC and not a HAP. When all was said and done, staff was fairly confident that they could show they were a true minor source but will have to wait for their calculations to be submitted to confirm.

INSPECTION REPORT CORRECTION: After supervisory review of staff's inspection report it was noted

that staff should have stated to Jacob and Steve that acetone is considered an air toxic by the AQD and by definition is not a VOC or HAP. As mentioned above, staff had mistakenly told them it was still a VOC but not a HAP. Since they recently submitted their updated PTE and showed that they are a true minor source of all air pollutants, this correction would not impact them since it just further decreases the facilities PTE of VOC.

INSPECTION CONCLUSION: The facility appears to be in COMPLIANCE with the special conditions contained in PTI No. 919-84 as well as the AQD permit exemption requirements at the present time. Staff thanked Jacob and Steve for their time and departed the facility at approximately 12:50 p.m.

NAME Matt Dahl

DATE 12-22-14

SUPERVISOR Yma 12/23/2014