



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
GRAND RAPIDS DISTRICT OFFICE



KEITH GREAGH
DIRECTOR

February 22, 2016

Mr. Matt Zomberg, Operations Manager
American Rack Company
4910 Kraft Avenue SE
Cascade Township, Michigan 49512

SRN: P0384, Kent County

Dear Mr. Zomberg:

VIOLATION NOTICE

On February 2, 2016 the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of American Rack Company (ARC) located at 4910 Kraft Avenue SE in Cascade Township, Michigan. The purpose of the inspection was to determine the facility's compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the administrative rules; and to further evaluate the plastisol coating operation.

During the inspection and after a review of company records, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Plastisol Coating Line (including prime coat, dip coat, and cure oven)	Rule 201	The coating line is no longer exempt from air use permitting.

It is noted that the plastisol coating operation has been operating under the air use permit exemption in Rule 287(c), however, after further review of your plastisol coating operation, it appears that you do not meet the air use permit exemptions contained in Rule 278 through Rule 290.

Please initiate actions necessary to correct the cited Rule 201 violation and submit a written response to this Violation Notice by **March 7, 2016**. The written response should include: the dates the violation occurred; an explanation of the causes and duration of the violation; whether the violation is ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

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A program for compliance shall include a completed Permit to Install application for the plastisol coating process equipment. An application form is available by request, or at the following website: http://www.deq.state.mi.us/aps/nsr_information.shtml.

In addition, the Rule 901 violation previously cited on January 6, 2016, remains unresolved. It is recognized that in response to the Rule 901 violation, ARC is evaluating long term actions toward resolving the cited violation including 1) installing a scrubber system on the burn-off oven; 2) relocating the burn-off oven to a different location on the existing property; 3) relocating the burn-off oven to a different property; and 4) relocating the entire ARC operation to a different property. In addition, ARC has been taking short term efforts to minimize impacts to personnel and equipment at the Federal Aviation Administration (FAA) radar site by adjusting operating schedules and shutting down portions of your operations.

After review of your response to the Rule 901 letter and further evaluation into your process operations, the AQD has determined that the following additional information or actions will be required as part of an acceptable compliance plan:

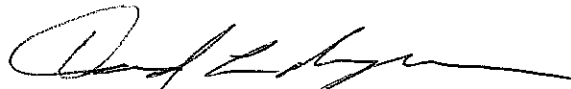
1. Per Section 5503(u), Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), ARC will be required to conduct stack testing for hydrogen chloride emissions from the rack burn-off oven **within 60 days** of receipt of this letter. Testing shall be conducted using United States Environmental Protection Agency Reference Test Method 320 over an entire batch burn-off cycle at a maximum routine production rate. Any alternative to this method must be approved by the AQD, Technical Programs Unit. A test protocol must be submitted to the AQD at least 30 days prior to the actual test date for approval prior to testing. Not less than 7 days before the performance test is conducted, the AQD must be notified in writing of the time and place of the performance test. Results of the performance test shall be submitted to the department in the format prescribed by the applicable reference test method within 60 days after the last date of the test.
2. The AQD recognizes it will take time to implement a long term solution, however, due to concerns regarding potential emission impacts from ARC on the FAA radar site and the potential for significant disruption to regional air travel, the AQD is requesting that a complete compliance plan be submitted no later than **March 7, 2016** which will detail the specific actions ARC will take including an implementation schedule, that will result in full compliance with state and federal air pollution rules and regulations.

If American Rack Company believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

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Thank you for your attention to resolving the violations cited and for the continued cooperation that has been extended to me during my inspection of the facility. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



David L. Morgan
Environmental Quality Specialist
Air Quality Division
616-356-0009

cc: Ms. Prudy Blue, DEQ
cc/via email: Mr. Donald Bauer, ARC
Mr. Todd Oskroba, ARC
Mr. Kyle Faulman, ARC
Ms. Lynn Fiedler, DEQ
Ms. Teresa Seidel, DEQ
Ms. Heidi Hollenbach, DEQ