



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

VALLEY REGIONAL OFFICE

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Douglas W. Domenech
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STATE AIR POLLUTION CONTROL BOARD ENFORCEMENT ACTION - ORDER BY CONSENT ISSUED TO PADGETT MANUFACTURING CO. FOR PADGETT MANUFACTURING Registration No. 80930

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Padgett Manufacturing Co., regarding Padgett Manufacturing, for the purpose of resolving certain violations of the Virginia Air Pollution Control Law and the applicable permits and regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia, as described in Va. Code §§ 10.1-1184 and -1301.
2. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia, as described in Va. Code § 10.1-1183.
3. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.
4. "Facility" means the Padgett Manufacturing Co., facility, located at 221 Old River Road in Bridgewater, Virginia, whom operates a custom woodworking and manufacturing plant.

5. "Padgett" means Padgett Manufacturing Co., a corporation authorized to do business in Virginia and its affiliates, partners, subsidiaries, and parents. Padgett Manufacturing Co. is a "person" within the meaning of Va. Code § 10.1-1300.
6. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.
7. "NSR Permit" means a New Source Review permit to modify and operate a woodworking production line, which was issued under the Virginia Air Pollution Control Law and the Regulations to Padgett Manufacturing Co., on November 9, 2007.
8. "Order" means this document, also known as a "Consent Order" or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.
9. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.
10. "SOP" means a State Operating permit to operate a woodworking plant, which was issued under the Virginia Air Pollution Control Law and the Regulations to Padgett Manufacturing Co., on September 27, 2004.
11. "Va. Code" means the Code of Virginia (1950), as amended.
12. "VAC" means the Virginia Administrative Code.
13. "VRO" means the Valley Regional Office of DEQ, located in Harrisonburg, Virginia.
14. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 *et seq.*) of Title 10.1 of the Va. Code.

SECTION C: Findings of Fact and Conclusions of Law

1. Padgett Manufacturing Co. (Padgett) is the owner and operator of the Facility. The Facility is a custom woodworking and manufacturing plant.
2. This Facility is the subject of the September 27, 2004, State Operating permit (SOP) to operate a woodworking plant and the November 9, 2007, New Source Review permit (NSR Permit) to modify and operate a woodworking production line.
3. On February 23, 2009, Department staff conducted a Full Compliance Evaluation (FCE) of the Facility for compliance with the requirements of the Virginia Air Pollution Control Law, the Permits, and the Regulations. Based on the inspection and follow-up information, Department staff made the following observations:
 - a. Records required to be maintained by the Facility to demonstrate compliance with the SOP and NSR Permits were either not current or not available for review.

- b. It appears that hourly and annual toxic emissions limits, as stated in Padgett's September 27, 2004 Stationary Source Permit, have been exceeded.

4. Condition 6. of the SOP states:

"Total volatile organic compounds (VOC) emissions from the operation of the paint booths (Ref. Nos. 1, 2 and 3) shall not exceed 21.9 tons/yr. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period. (9 VAC 5-80-850 and 9 VAC 5-170-160)"

5. Condition 7. of the SOP states:

"Hazardous air pollutant (HAP) emissions, as defined by §112(b) of the Clean Air Act, from the facility shall not exceed 9.0 tons per year of any individual HAP or 21.9 tons per year of any combination, calculated monthly as the sum of each consecutive 12-month period. HAPs which are not accompanied by a specific CAS number [as listed in Attachment A] shall be calculated as the sum of all compounds containing the named chemical when determining compliance with the individual HAP emissions limitation of 9.0 tons per year. (9 VAC 5-80-850)"

6. Condition 8. of the SOP states:

"The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Valley Region. These records shall include, but are not limited to:

- a. Material Safety Data Sheets (MSDS) or other vendor information showing VOC content, HAP content, water content, and solids content for each coating and cleaning solution used.
 - b. Monthly and annual VOC emissions (in tons) from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the emissions limitation in Condition 6. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period.
 - c. Monthly and annual individual and total HAP emissions (in tons) from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the emissions limitations in Condition 7. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period. (9 VAC 5-80-900)
 - d. All fuel supplier certifications required by Condition 5.
- These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-900)"

7. Condition 16. of the SOP states:

"Toxic emissions from the facility shall not exceed the lesser of the following:

- hourly emission limit (lb/hr) and annual emission limit (tons/yr) of each individual toxic compound as specified in Attachment A; or
- annual emission limit of 9.0 tons per year of any individual toxic compound as specified in Condition 7 of this permit.

Average hourly emissions shall be calculated on a monthly basis. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period. (9 VAC 5-60-300)"

8. Condition 17. of the SOP states:

“The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Valley Region. These records shall include, but are not limited to:

- a. Material Safety Data Sheets (MSDS) or other vendor information showing VOC content, HAP content, water content, and solids content for each coating and cleaning solution used.
- b. Average hourly total combined emissions (in pounds) of each toxic compound from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the hourly emissions limitation in Condition 16. Hourly emissions shall be calculated monthly as an hourly average for each toxic compound (i.e., combined total of a toxic compound emitted (in pounds) for the month divided by the number of hours of operation of the paint booth for the month).
- c. Monthly and annual individual total toxic compound emissions (in tons) from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the annual emissions limitation in Condition 16. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period. (9 VAC 5-80-900)

These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-900)”

9. Condition 3. of the NSR Permit states:

“Emissions from the operation of the baghouse (BH-1) shall not exceed the limits specified below:

Particulate Matter (PM)	0.01 gr/dscf	14.3 tons/yr
PM-10	0.01 gr/dscf	14.3 tons/yr

(9 VAC 5-80-1180 and 9 VAC 5-50-260)”

10. Condition 4. of the NSR Permit states:

“Emissions from the operation of the baghouse (BH-2) shall not exceed the limits specified below:

Particulate Matter (PM)	0.01 gr/dscf	2.9 tons/yr
PM-10	0.01 gr/dscf	2.9 tons/yr

(9 VAC 5-80-1180 and 9 VAC 5-50-260)”

11. Condition 5. of the NSR Permit states:

“Emissions from the operation of the baghouse (BH-3) shall not exceed the limits specified below:

Particulate Matter (PM)	0.01 gr/dscf	0.7 tons/yr
PM-10	0.01 gr/dscf	0.7 tons/yr

(9 VAC 5-80-1180 and 9 VAC 5-50-260)”

12. Condition 8. of the NSR Permit states:

“The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Valley Region. These records shall include, but are not limited to:

- a. Annual hours of operation of each of the baghouses, calculated monthly as the sum of each consecutive 12-month period.
- b. Scheduled and unscheduled maintenance, and operator training.
- c. The results of all visible emission evaluations.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-1180 and 9 VAC 5-50-50)”

13. Condition 12. of the NSR Permit states:

“At all times, including periods of start-up, shutdown, and malfunction, the permittee shall, to the extent practicable, maintain and operate the affected source, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions.

The permittee shall take the following measures in order to minimize the duration and frequency of excess emissions, with respect to the wood-fired boiler and cyclone:

- a. Develop a maintenance schedule and maintain records of all scheduled and non-scheduled maintenance.
- b. Maintain an inventory of spare parts.
- c. Have available written operating procedures for equipment. These procedures shall be based on the manufacturer's recommendations, at a minimum.
- d. Train operators in the proper operation of all such equipment and familiarize the operators with the written operating procedures, prior to their first operation of such equipment. The permittee shall maintain records of the training provided including the names of trainees, the date of training and the nature of the training.

Records of maintenance and training shall be maintained on site for a period of five years and shall be made available to DEQ personnel upon request.

(9 VAC 5-50-20 E and 9 VAC 5-80-1180 D)”

14. On March 31, 2009, the Department issued Notice of Violation (NOV) No. AVRO06976 to Padgett for the violations described in paragraphs C(3) through C(13), above.
15. As of May 28, 2009 Padgett had failed to respond to the NOV issued on March 31, 2009.
16. On May 28, 2009, the Department issued a second NOV to Padgett for the same violations alleged in the March 31, 2009 NOV.
17. On June 15, 2009, a representative of Padgett submitted compliance records related to the alleged violations and scheduled a meeting with Department staff.
18. On June 25, 2009, Department staff met with representatives of Padgett to discuss the violations, including Padgett’s written response. During the meeting Department staff reviewed the deficiencies of the June 15, 2009 record submittal and noted that the Facility’s Annual Update Emissions Inventory Survey and the Annual Emissions Statement reports (due April 15, 2009) had not been submitted. Padgett’s representatives agreed to revise the records and to submit the noted reports in compliance with the SOP and NSR permit requirements. Department staff offered their assistance in helping Padgett develop these reports, which are required to be submitted by Condition 14 of the SOP.

19. Condition 14. of the SOP and in accordance with 9 VAC 5-80-900 requires “owners of stationary sources... to establish and maintain records, provide notifications and reports, revise reports, report emission tests or monitoring results in a manner and form and using procedures as the board may prescribe.”
20. Based on the results of the February 23, 2009 inspection, documentation submitted on June 15, 2009 and the June 25, 2009 meeting, the Board concludes that Padgett has violated conditions 6, 7, 8, 14, 16 and 17 of the SOP and conditions 3, 4, 5, 8 and 12 of the NSR permit, as described in paragraphs C3 through C13, C18 and C19, above.
21. On July 8, 2009, DEQ received preliminary datasheets showing that the necessary methodology and calculations were in place to achieve compliance with the record-keeping and reporting requirements for both the SOP and NSR permits.
22. In order for Padgett to return to compliance, DEQ staff and representatives of Padgett have agreed to the Schedule of Compliance, which is incorporated as Appendix A of this Order.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it pursuant to Va. Code §§ 10.1-1309 and -1316, the Board orders Padgett, and Padgett agrees to perform the actions described in Appendix A of this Order.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Padgett for good cause shown by Padgett, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.
2. This Order addresses and resolves only those violations specifically identified herein including those matters addressed in the Notices of Violation issued to Padgett on March 31 and on May 28, 2009. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.
3. For purposes of this Order and subsequent actions with respect to this Order only, Padgett admits the jurisdictional allegations, findings of fact, and conclusions of law contained herein.
4. Padgett consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.

5. Padgett declares it has received fair and due process under the Administrative Process Act and the Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.
6. Failure by Padgett to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
8. Padgett shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other occurrence. Padgett shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Padgett shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:
 - a. the reasons for the delay or noncompliance;
 - b. the projected duration of any such delay or noncompliance;
 - c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and
 - d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which the Padgett intends to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.
10. This Order shall become effective upon execution by both the Director or his designee and Padgett. Nevertheless, Padgett agrees to be bound by any compliance date which precedes the effective date of this Order.
11. This Order shall continue in effect until:

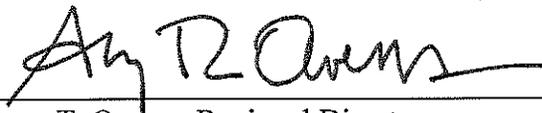
- a. Padgett petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or
- b. the Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to Padgett.

Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Padgett from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

12. Any plans, reports, schedules or specifications attached hereto or submitted by Padgett and approved by the Department pursuant to this Order are incorporated into this Order. Any non-compliance with such approved documents shall be considered a violation of this Order.
13. The undersigned representative of Padgett certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Padgett to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Padgett.
14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.

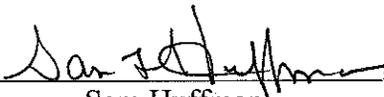
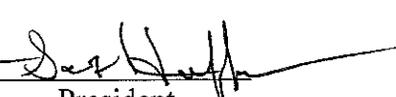
15. By its signature below, Padgett voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 11th day of March, 2010.



Amy T. Owens, Regional Director
Department of Environmental Quality

Padgett Manufacturing Co. voluntarily agrees to the issuance of this Order.

Date: 3/10/10 By:  Sam Huffman,  President
Padgett Manufacturing Co.

Commonwealth of Virginia
City/County of Rockingham

The foregoing document was signed and acknowledged before me this 10 day of March, 2010, by Sam Huffman who is President of Padgett Manufacturing Co., on behalf of the corporation.



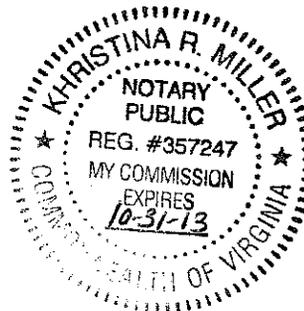
Notary Public

357247

Registration No.

My commission expires: 10-31-13

Notary seal:



APPENDIX A SCHEDULE OF COMPLIANCE

A. Records

Padgett shall maintain on-site all records required under 9 VAC 5-40-50(F) and Permits 1 and 2. These records shall include, but are not limited to:

1. Conditions 8.b. and 8.c. of Permit 1 state:

The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Valley Region. These records shall include, but are not limited to:

- a. Material Safety Data Sheets (MSDS) or other vendor information showing VOC content, HAP content, water content, and solids content for each coating and cleaning solution used.
- b. Monthly and annual VOC emissions (in tons) from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the emissions limitation in Condition 6. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period.
- c. Monthly and annual individual and total HAP emissions (in tons) from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the emissions limitations in Condition 7. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period. (9 VAC 5-80-900)
- d. All fuel supplier certifications required by Condition 5. These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-900)

2. Conditions 17.b. and 17.c. of Permit 1 state:

The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Valley Region. These records shall include, but are not limited to:

- a. Material Safety Data Sheets (MSDS) or other vendor information showing VOC content, HAP content, water content, and solids content for each coating and cleaning solution used.
- b. Average hourly total combined emissions (in pounds) of each toxic compound from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the hourly emissions limitation in Condition 16. Hourly emissions shall be calculated monthly as an hourly average for each toxic compound (i.e., combined total of a toxic compound emitted (in pounds) for the month divided by the number of hours of operation of the paint booth for the month).
- c. Monthly and annual individual total toxic compound emissions (in tons) from the paint booths (Ref. Nos. 1, 2 and 3) to verify compliance with the annual emissions limitation in Condition 16. Annual emissions shall be calculated monthly as the sum of each consecutive 12-month period. (9 VAC 5-80-900)

These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-900)

3. Conditions 8.a. and 8.b. of Permit 2 state:

The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Valley Region. These records shall include, but are not limited to:

- a. Annual hours of operation of each of the baghouses, calculated monthly as the sum of each consecutive 12-month period.
- b. Scheduled and unscheduled maintenance, and operator training.
- c. The results of all visible emission evaluations.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-1180 and 9 VAC 5-50-50)

Padgett shall maintain these records on-site, along with a copy of Permits 1 & 2, and shall make these records available for inspection by DEQ upon request.

B. Report Submission

Within 30 days of the effective date of this Order, Padgett shall submit their 2008 and 2009 Annual Update Emission Inventory Survey and Emission Statement, and include a summary of the measures Padgett has taken and/or plans to take to ensure that future reports are submitted as required.

C. Certification of Documents and Reports

In accordance with 9 VAC 5-20-230(A), in all documents or reports, including, without limitation, the SEP Completion Report, submitted to DEQ pursuant to this Consent Order, Padgett, shall by its officers, sign and certify under penalty of law that the information contained in such document or report is true, accurate, and not misleading by signing the following statement:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering and evaluating the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

D. DEQ Contact

Unless otherwise specified in this Order, Padgett shall submit all requirements of Appendix A of this Order to:

David Robinett
Enforcement Specialist
VA DEQ –Valley Regional Office
PO Box 3000
Harrisonburg, VA 22801
540-574-7862
540-574-7878
david.robinett@deq.virginia.com