



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

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L. Preston Bryant, Jr.
Secretary of Natural Resources

David K. Paylor
Director

Jeffery A. Steers
Regional Director

STATE AIR POLLUTION CONTROL BOARD ORDER BY CONSENT

ISSUED TO
ZAMMA CORPORATION
DEQ Air Facility Registration No. 41014

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code § 10.1-1307 D, § 10.1-1309 and 10.1-1316 C, between the State Air Pollution Control Board ("SAPCB") and Zamma Corporation for the purpose of resolving certain alleged violations of the Air Pollution Control Law and/or regulations as specified in Section C of this Order.

SECTION B: Definitions

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

1. "Va. Code" means the Code of Virginia (1950), as amended.
2. "Board" means the State Air Pollution Control Board, a permanent collegial body of the Commonwealth of Virginia as described in Code §§ 10.1-1301 and 10.1-1184.
3. "Regulations" refers to the Regulations for the Control and Abatement of Air Pollution for the Commonwealth of Virginia.
4. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Va. Code § 10.1-1183.
5. "Director" means the Director of the Department of Environmental Quality.
6. "Zamma" means Zamma Corporation, certified to do business in Virginia and its affiliates, partners, subsidiaries, and parents.

7. "Facility" means the Zamma Corporation – Orange Plant located at 14468 Litchfield Drive, Orange County, Virginia.
8. "FSO" means the Fredericksburg Satellite Office of the Northern Virginia Regional Office of DEQ, located in Fredericksburg, Virginia.
9. "Order" means this document, also known as a Consent Order.
10. "2005 Air Permit" means Stationary Source Permit to Modify and Operate, issued to Zamma Corporation on October 14, 2005. "2006 Air Permit" means Stationary Source Permit to Modify and Operate, issued to Zamma Corporation on September 27, 2006.
11. "2006 Air Permit" means Stationary Source Permit to Modify and Operate, issued to Zamma Corporation on September 27, 2006.
12. "VAC" means Virginia Administrative Code.

SECTION C: Findings of Fact and Conclusions of Law

1. Zamma owns and operates a flooring laminate manufacturing plant at the Facility. The Facility's operation, at the time the alleged violation occurred, was subject to the terms of the 2005 Air Permit and 9 VAC 5-80-1120 (A).
2. The Board has evidence to indicate that Zamma has violated Virginia Air Pollution Control Regulation 9 VAC 5-80-1120 (A) by failing to obtain, from the board, a permit to construct and operate or to modify and operate a stationary source. DEQ issued a Notice of Violation (NOV) to Zamma on October 6, 2006 for the above-referenced violation.
3. On June 16, 2006, DEQ met with Zamma (at Zamma's request) to discuss air permitting requirements for a new equipment/process line that was under construction at the Facility. Subsequent to this meeting, Zamma submitted a Form 7 (a.k.a. Air Permit Application) to DEQ on June 28, 2006. Upon review of the application, DEQ determined that an air permit was required for the installation and operation of the new equipment/process line.
4. On July 6, 2006, DEQ compliance and permitting staff conducted a pre-permit site inspection at Zamma's Facility to determine the stage of construction of the new equipment/process line. DEQ staff observed that a press and an impregnation line had been installed and in addition, though the unit was not yet installed, several components of a dust collector were noted to be on site. Mr. Ken Chasser, Vice President - Manufacturing for Zamma, stated during this visit, that all construction activities were

suspended when Zamma learned that a permit was needed for the construction of the new equipment/process line. He stated that Zamma would cease all construction activities until the operating permit was issued.

5. On July 17, 2006, FSO-DEQ issued an Informal Correction Letter (ICL) to Zamma for constructing a stationary source without first obtaining a permit to construct and/or operate (9 VAC 5-80-1120 (A)). The ICL was issued based on observations made during the site visit conducted on July 6, 2006.
6. On August 1, 2006, DEQ received a written corrective action plan from Zamma Corporation in which Zamma stated that a Form 7 application was submitted to the Department for the construction of the new stationary source. The Form 7 was received by the Department on June 28, 2006.
7. DEQ conducted an unannounced site visit on September 25, 2006, as a follow-up to the July 17, 2006, ICL, to ascertain whether Zamma had continued construction and/or operated the unpermitted equipment and to verify compliance with the ICL. DEQ observed that: (1) a dust collector and some associated ductwork had been installed; (2) the press had been partially enclosed by walls (to isolate it from the rest of the process equipment and work areas); and (3) the impregnation line was fully assembled and operating. DEQ observed plant personnel operating the line and observed material being processed.
8. Based on the observations made during the site inspection conducted September 25, 2006, an Notice of Violation was issued to Zamma on October 6, 2006, for failing to obtain, from the board, a permit to construct and operate or to modify and operate a stationary source 9 VAC 5-80-1120 (A).
9. With email received from Zamma on September, 25, 2006, Mr. Chasser stated that Zamma was "only running the Tocchio impregnation line to induce a load on our #2 boiler for which we do have a permit. This is required to make all the final adjustments to the boiler such as parameters and high/low set points. We had to do this now due to scheduling issues with the boiler technicians. Our boiler vendor installs boilers worldwide and it would have been several months later before we could have gotten a technician here to make the final adjustments. Please understand we are not deliberately running without a permit, we were only running to produce a demand on the boiler, then shutting it down until we receive our permit".
10. DEQ signed and issued the permit to modify and operate a flooring laminate manufacturing facility on September 27, 2006. This permit superseded the 2005 air permit.

11. DEQ compliance staff met with Mr. Peter R. Spielman-President of Zamma Corporation and Mr. Ken Chasser-Vice President of Zamma Corporation on October 18, 2006, to discuss resolution to the NOV. Both representatives agreed to the violations cited in the NOV and stated that they wish to resolve the matter quickly.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code § 10.1-1307 D, §10.1-1309 and § 10.1-1316 C, the Board orders Zamma Corporation, and Zamma Corporation voluntarily agrees, to pay a civil charge in the amount of Ten Thousand five-hundred fifty-one dollars (\$10,551.00) payable in three installments of Three Thousand five hundred seventeen dollars (\$3,517.00). The payments will be made on the following dates:

- 1st payment of \$3,517.00 will be paid on or before January 31st 2007
- 2nd payment of \$3,517.00 will be paid on or before February 28th 2007
- 3rd payment of \$3,517.00 will be paid on or before March 30th, 2007

Payments shall be made by check payable to the "Treasurer of Virginia", delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Either in the transmittal letter or as a notation on the check, Zamma Corporation shall indicate that this payment is submitted pursuant to this Consent Order and shall include the Federal Identification Number for Zamma Corporation.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend the Order with the consent of Zamma Corporation for good cause shown by Zamma Corporation, or on its own motion 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 Notice of Violation issued to Zamma Corporation by DEQ on October 6, 2006. 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 regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility as may be authorized by law; or (3) taking subsequent action to enforce this Order. This Order shall not preclude

appropriate enforcement actions by other federal, state, or local regulatory authorities, whether or not arising out of the same or similar facts, for matters not addressed herein.

3. For purposes of this Order and subsequent actions with respect to this Order, Zamma Corporation admits the jurisdictional allegations, factual findings, and conclusions of law contained herein.
4. Zamma Corporation 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. Zamma Corporation declares it has received fair and due process under the Administrative Process Act, Va. Code §§ 9-6.14:1 *et seq.*, and the State 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 enforce this Order.
6. Failure by Zamma Corporation 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. Zamma Corporation 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 other such circumstance. Zamma Corporation must show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Zamma Corporation shall notify the DEQ Regional Director in writing when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of this 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

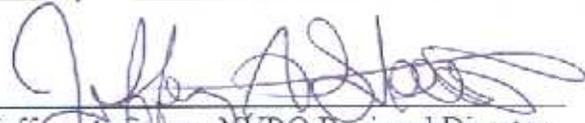
- d. The timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director within 24 hours of learning of any condition above, which the parties intend to assert will result in the impossibility of compliance,

shall constitute a waiver of any claim of 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 Zamma Corporation. Notwithstanding the foregoing, Zamma Corporation agrees to be bound by any compliance date which precedes the effective date of this Order.
11. This Order shall continue in effect until the Director or Board terminates the Order in his or its sole discretion upon 30 days written notice to Zamma Corporation. Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Zamma Corporation from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.
12. By its signature below, Zamma Corporation voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 12th day of December, 2006.


Jeffery A. Steers, NVRO Regional Director
Department of Environmental Quality

Zamma Corporation, voluntarily agrees to the issuance of this Order.

By: 

Title: Sec/ Treas

Date: 12/7/06

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Commonwealth of Virginia
City/County of Orange

The foregoing document was signed and acknowledged before me this 7th day of

December, 2006, by Elizabeth Spielman, who is
Secretary/Treasurer of Zamma Corporation, on behalf of Zamma Corporation.

Notary Public: Louise L. Workman My commission expires: September 30, 2009