

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2007-1560-AIR-E **TCEQ ID:** RN104444526 **CASE NO.:** 34687

RESPONDENT NAME: Armortex, Inc.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Safeguard Security Services, 5926 Corridor Parkway, Schertz, Guadalupe County</p> <p>TYPE OF OPERATION: Fiberglass resin plant</p> <p>SMALL BUSINESS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on May 5, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Suzanne Walrath, Enforcement Division, Enforcement Team 3, MC 149, (512) 239-2134; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Rick Snelling, Vice President/General Manager, Armortex, Inc., 5926 Corridor Parkway, Schertz, Texas 78154 Respondent's Attorney: Mr. David Barton, The Gardner Law Firm, 745 East Mulberry, Suite 100, San Antonio, Texas 78212</p>		

TEXAS
 COMMISSION
 ON ENVIRONMENTAL
 QUALITY
 2008 JUL 16 AM 9:49
 CHIEF CLERKS OFFICE

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 16, 2007</p> <p>Date of NOE Relating to this Case: August 24, 2007 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>1) Failure to maintain air contaminant emission records. Specifically, the Respondent failed to maintain acetone emission records from Emission Point No. 001 from June 2006 to July 2007 in pounds per hour ("lbs/hr") as a daily average and tons per year totaled over the rolling previous 12 months [30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 74195, Special Condition Nos. 11(A)(1) [formerly Special Condition Nos. 8(B)(1)], 11(B)(1) and (2) [formerly Special Conditions No. 8(B)(2)], and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failure to maintain emission rates below the maximum allowable emission rates required by Air Permit No. 74195 in lbs/hr as a daily average, totaled over the rolling previous twelve months for styrene and acetone. Specifically, the records submitted for the period of August 2006 through July 2007, showed that the daily averages for styrene ranged between 6.41 lbs/hr and 7.22 lbs/hr and the daily averages for acetone ranged between 5.28 lbs/hr and 7.81 lbs/hr. The permitted allowable for styrene is 5.76 lbs/hr and 5.13 lbs/hr for acetone. [30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Air Permit No. 74195, General Condition No. 8 (Air Permit dated May 16, 2005), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$31,954</p> <p>Total Deferred: \$6,390 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$25,564</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. Record keeping procedures were revised and implemented on September 21, 2007 to comply with permitted requirements;</p> <p>b. Baghouse operational procedures were revised on September 21, 2007, and is being closely monitored with filters being cleaned often so the system does not exceed the five inch maximum, and only one bag house is being operated at a time;</p> <p>c. The 80-foot stack for the resin application was completed and became operational on October 17, 2007. In addition, new fans and blowers were installed to provide for better ventilation and better working conditions; and</p> <p>d. Air Permit No. 74195 was amended on December 14, 2007, thereby revising operational limitations for ventilation of the resin impregnating rooms.</p>

<p>3) Failure to keep all doors closed during the application of polyester resin [30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 74195, Special Condition No. 5 (Air Permit dated May 16, 2005), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>4) Failure to operate a bag house with maximum pressure drop of five inches of water [30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 74195, Special Condition No. 8A (Air Permit dated April 18, 2007), and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>		
---	--	--

Additional ID No(s): GLA002B



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 26, 2007

TCEQ

DATES	Assigned	17-Sep-2007		
	PCW	10-Feb-2008	Screening	11-Sep-2007
		EPA Due		

RESPONDENT/FACILITY INFORMATION

Respondent	Armortex, Inc.		
Reg. Ent. Ref. No.	RN104444526		
Facility/Site Region	10-San Antonio	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	34687	No. of Violations	4	
Docket No.	2007-1560-AIR-E	Order Type	1660	
Media Program(s)	Air	Enf. Coordinator	Suzanne Walrath	
Multi-Media		EC's Team	EnforcementTeam 3	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$32,100
---	-------------------	-----------------

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	9% Enhancement	Subtotals 2, 3, & 7	\$2,889
---------------------------	----------------	--------------------------------	----------------

Notes

The Respondent has received one NOV for same or similar violations, and two NOVs without same or similar violations.

Culpability

No

0% Enhancement

Subtotal 4

\$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply

10% Reduction

Subtotal 5

\$3,210

Extraordinary	Before NOV	NOV to EDRP/ Settlement Offer
Ordinary		X
N/A		(mark with x)

Notes

The Respondent achieved compliance on November 29, 2007.

0% Enhancement*

Subtotal 6

\$0

Total EB Amounts	\$6,719
Approx. Cost of Compliance	\$84,175

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7

Final Subtotal

\$31,779

OTHER FACTORS AS JUSTICE MAY REQUIRE

0.6%

Adjustment

\$175

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Recommended upward adjustment in the penalty due to avoided costs in Violation No. 1.

Final Penalty Amount

\$31,954

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty

\$31,954

DEFERRAL

20%

Reduction

Adjustment

-\$6,390

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$25,564

Screening Date 11-Sep-2007

Docket No. 2007-1560-AIR-E

PCW

Respondent Armortex, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34687

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN104444526

Media [Statute] Air

Enf. Coordinator Suzanne Walrath

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 9%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The Respondent has received one NOV for same or similar violations, and two NOVs for not same or similar violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 9%

Screening Date 11-Sep-2007	Docket No. 2007-1560-AIR-E	PCW
Respondent Armortex, Inc.		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 34687		<small>PCW Revision June 26, 2007</small>
Reg. Ent. Reference No. RN104444526		
Media [Statute] Air		
Enf. Coordinator Suzanne Walrath		
Violation Number <input type="text" value="1"/>		
Rule Cite(s)	30 Tex. Admin. Code § 116.115(c), Air Permit No. 74195, Special Condition ("SC") Nos. 11(A)(1) [formerly SC No. 8(B)(1)], 11(B)(1) and (2) [formerly SC No. 8(B)(2)], and Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to maintain air contaminant emission records of acetone from Emission Point ("EPN") No. 001 from June 2006 to July 2007 in pounds per hour ("lbs/hr") as a daily average and tons per year ("tpy") totaled over the rolling previous 12 months.	
	Base Penalty	<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix

OR	Harm				
		Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	
				Percent <input type="text" value="0%"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	x	
					Percent <input type="text" value="1%"/>

Matrix Notes

Adjustment

Violation Events

Number of Violation Events <input type="text" value="1"/>	<input type="text" value="365"/>	Number of violation days
mark only one with an x daily <input type="text"/> monthly <input type="text"/> quarterly <input type="text"/> semiannual <input type="text"/> annual <input type="text"/> single event <input checked="" type="text" value="x"/>		Violation Base Penalty <input type="text" value="\$100"/>

One single event is recommended for the rolling 12 month reporting period of June 2006 to July 2007, as documented by the investigation conducted on July 16, 2007.

Economic Benefit (EB) for this violation **Statutory Limit Test**

Estimated EB Amount <input type="text" value="\$201"/>	Violation Final Penalty Total <input type="text" value="\$100"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$100"/>	

Economic Benefit Worksheet

Respondent Armortex, Inc.
Case ID No. 34687
Reg. Ent. Reference No. RN104444526
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$125	1-Jun-2006	21-Sep-2007	1.3	\$8	n/a	\$8
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These are estimated costs to develop and begin implementing improved record keeping procedures, beginning on the date of the beginning of the 12 month record keeping period, and ending on the date compliance was achieved.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)	\$175	1-Jun-2006	30-Jun-2007	2.0	\$17	\$175	\$192

Notes for AVOIDED costs

These are estimated costs to maintain complete and accurate records on a 12-month rolling average for the period June 1, 2006 to June 30, 2007.

Approx. Cost of Compliance

	\$300
--	-------

TOTAL

	\$201
--	-------

Screening Date 11-Sep-2007

Docket No. 2007-1560-AIR-E

PCW

Respondent Armortex, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34687

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN104444526

Media [Statute] Air

Enf. Coordinator Suzanne Walrath

Violation Number

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Air Permit No. 74195, General Condition No. 8 (Air Permit dated May 16, 2005), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain hourly emission rates below the maximum allowable emission rates required by Air Permit No. 74195 in lbs/hr as a daily average, totaled over the rolling previous twelve months, for styrene and acetone. Specifically, the records submitted for the period of August 2006 through July 2007, showed that the daily averages for styrene ranged between 6.41 lbs/hr and 7.22 lbs/hr and the daily averages for acetone ranged between 5.28 lbs/hr and 7.81 lbs/hr. The permitted allowable for styrene is 5.76 lbs/hr and 5.13 lbs/hr for acetone.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text" value="25%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment

Violation Events

Number of Violation Events Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input checked="" type="checkbox"/>
	single event	<input type="text"/>

Violation Base Penalty

Twelve annual events are recommended, as documented by the investigation conducted on July 16, 2007.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Armortex, Inc.
Case ID No. 34687
Reg. Ent. Reference No. RN104444526
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$80,000	25-Aug-2006	17-Oct-2007	1.1	\$305	\$6,108	\$6,413
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs	\$2,500	25-Aug-2006	18-Apr-2007	0.6	\$81	n/a	\$81
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These are estimated costs to amend Air Permit No. 74195, and for the costs of building the 80-foot stack, beginning on the date of the permit amendment application and ending on the date the permit amendment was granted, and the stack was put into operation.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$82,500

TOTAL

\$6,494

Screening Date 11-Sep-2007	Docket No. 2007-1560-AIR-E	PCW
Respondent Armortex, Inc.		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 34687		<small>PCW Revision June 26, 2007</small>
Reg. Ent. Reference No. RN104444526		
Media [Statute] Air		
Enf. Coordinator Suzanne Walrath		
Violation Number <input type="text" value="3"/>		
Rule Cite(s)	<input type="text" value="30 Tex. Admin. Code § 116.115(c), Air Permit No. 74195, Special Condition No. 5 (Air Permit dated May 16, 2005), and Tex. Health & Safety Code § 382.085(b)"/>	
Violation Description	<input type="text" value="Failed to keep all doors closed during application of polyester resin."/>	
	Base Penalty	<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix

OR	Harm				
	Release	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	x	Percent <input type="text" value="10%"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="0%"/>

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

<small>mark only one with an x</small>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	x

Violation Base Penalty

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Armortex, Inc.
Case ID No. 34687
Reg. Ent. Reference No. RN104444526
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

Delayed Costs

Equipment	\$500	16-Jul-2007	14-Dec-2007	0.4	\$1	\$14	\$14
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

These costs are for revising operational procedures in the resin impregnating rooms, beginning on the date of the investigation, and ending on the date Air Permit No. 74195 was amended.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$14

PCW

Screening Date 11-Sep-2007

Docket No. 2007-1560-AIR-E

Respondent Armortex, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34687

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN104444526

Media [Statute] Air

Enf. Coordinator Suzanne Walrath

Violation Number

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Air Permit No. 74195, Special Condition No. 8A (Air Permit dated April 18, 2007), and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to operate bag house with maximum pressure drop of 5 inches of water.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>

Percent

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Percent

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors.

Adjustment

Violation Events

Number of Violation Events

Number of violation days

mark only one with an x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

One single event is recommended as documented by the investigation on July 16, 2007.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Armortex, Inc.
Case ID No. 34687
Reg. Ent. Reference No. RN104444526
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment	\$525	16-Jul-2007	21-Sep-2007	0.2	\$0	\$6	\$7
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$350	16-Jul-2007	21-Sep-2007	0.2	\$3	n/a	\$3

Notes for DELAYED costs
 These costs are to modify operation process and provide for additional staff oversight to prevent the bag houses from being operated with more than five inches of water pressure drop, beginning on the date of investigation, and ending on the date compliance was achieved.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance	\$875	TOTAL	\$10
-----------------------------------	-------	--------------	------

Compliance History

Customer/Respondent/Owner-Operator: CN603200635 Armortex, Inc. Classification: Average Rating: 3.33
 Regulated Entity: RN104444526 SAFEGUARD SECURITY SERVICES Classification: Average Site Rating: 3.33

ID Number(s): AIR NEW SOURCE PERMITS PERMIT 74195
 AIR NEW SOURCE PERMITS ACCOUNT NUMBER GLA002B
 AIR NEW SOURCE PERMITS AFS NUM 4818700026
 INDUSTRIAL AND HAZARDOUS WASTE ID NUMBER F1918
 GENERATION
 INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000072348
 GENERATION
 INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # 87991
 GENERATION (SWR)
 AIR OPERATING PERMITS PERMIT 2920

Location: 5926 CORRIDOR PKWY, SCHERTZ, TX, 78154

TCEQ Region: REGION 13 - SAN ANTONIO

Date Compliance History Prepared: September 25, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 25, 2002 to September 25, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Suzanne Walrath Phone: 512/239-2134

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? Yes
3. If Yes, who is the current owner? Armortex, Inc.
4. If Yes, who was/were the prior owner(s)? Safeguard Security Services, Ltd.
5. When did the change(s) in ownership occur? 7/11/2007

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

- | | | |
|---|------------|----------|
| 1 | 12/09/2005 | (439750) |
| 2 | 06/27/2006 | (482668) |
| 3 | 08/24/2006 | (490061) |
| 4 | 10/03/2006 | (513254) |
| 5 | 12/29/2006 | (532032) |
| 6 | 09/14/2007 | (562353) |

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 06/27/2006 (482668)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Door to Resin Application area was open while in operation, which is a permit violation.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Company failed to provide records of daily resin and solvent usage in a timely manner.

Date: 07/10/2006 (464455)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.63(a)

Description: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.12(a)
 Failure to obtain EPA ID.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
 Description: Failure to notify TCEQ of industrial solid waste streams, municipal hazardous waste streams, and solid waste management units through registration.
 Self Report? NO Classification Moderate
 Citation: 30 TAC Chapter 335, SubChapter R 335.503(a)(1)
 Description: Failure to determine classification of all industrial solid and municipal hazardous waste.
 Date 08/15/2006 (486032)
 Self Report? NO Classification Major
 Citation: 30 TAC Chapter 281, SubChapter A 281.25(a)(4)
 Description: Failure to obtain permit authorization to discharge storm water.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
ARMORTEX, INC.
RN104444526**

§ **BEFORE THE**
§
§ **TEXAS COMMISSION ON**
§
§ **ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2007-1560-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Armortex, Inc. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent, appear before the Commission and together stipulate that:

1. The Respondent owns and operates a fiberglass resin plant at 5926 Corridor Parkway in Schertz, Guadalupe County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about August 29, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirty-One Thousand Nine Hundred Fifty-Four Dollars (\$31,954) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-Five Thousand Five Hundred Sixty-Four Dollars (\$25,564) of the administrative penalty and Six Thousand Three Hundred Ninety Dollars (\$6,390) is deferred contingent upon the Respondent's timely and satisfactory compliance with all

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

2008 JUL 16 AM 9:49

CHIEF CLERKS OFFICE

the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. Record keeping procedures were revised and implemented on September 21, 2007 to comply with permitted requirements;
 - b. Baghouse operational procedures were revised on September 21, 2007, and is being closely monitored with filters being cleaned often so the system does not exceed the five inch maximum, and only one bag house is being operated at a time;
 - c. The 80-foot stack for the resin application was completed and became operational on October 17, 2007. In addition, new fans and blowers were installed to provide for better ventilation and better working conditions; and
 - d. Air Permit No. 74195 was amended on December 14, 2007, thereby revising operational limitations for ventilation of the resin impregnating rooms.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to maintain air contaminant emission records, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 74195, Special Condition Nos. 11(A)(1) [formerly Special Condition No. 8(B)(1)], 11(B)(1) and (2) [formerly Special Condition No. 8(B)(2)], and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July

the Commission has been established to investigate the causes of the accident and to recommend measures to prevent a recurrence.

The Commission will be assisted by a number of experts and will report to the Commission on its findings and recommendations.

The Commission will also be responsible for coordinating the investigation and for ensuring that the necessary information is obtained from all relevant sources.

The Commission will also be responsible for ensuring that the necessary resources are available to carry out its duties.

The Commission will also be responsible for ensuring that the necessary information is obtained from all relevant sources.

The Commission will also be responsible for ensuring that the necessary resources are available to carry out its duties.

The Commission will also be responsible for ensuring that the necessary information is obtained from all relevant sources.

The Commission will also be responsible for ensuring that the necessary resources are available to carry out its duties.

The Commission will also be responsible for ensuring that the necessary information is obtained from all relevant sources.

The Commission will also be responsible for ensuring that the necessary resources are available to carry out its duties.

The Commission will also be responsible for ensuring that the necessary information is obtained from all relevant sources.

The Commission will also be responsible for ensuring that the necessary resources are available to carry out its duties.

The Commission will also be responsible for ensuring that the necessary information is obtained from all relevant sources.

The Commission will also be responsible for ensuring that the necessary resources are available to carry out its duties.

- 16, 2007. Specifically, the Respondent failed to maintain acetone emission records from Emission Point No. 001 from June 2006 to July 2007 in pounds per hour ("lbs/hr") as a daily average and tons per year totaled over the rolling previous 12 months.
2. Failed to maintain emission rates below the maximum allowable emission rates required by Air Permit No. 74195 in lbs/hr as a daily average, totaled over the rolling previous 12 months for styrene and acetone, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Air Permit No. 74195, General Condition No. 8 (Air Permit dated May 16, 2005), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 16, 2007.
 3. Failed to keep all doors closed during the application of polyester resin, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 74195, Special Condition No. 5 (Air Permit dated May 16, 2005), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 16, 2007.
 4. Failed to operate bag house with maximum pressure drop of five inches of water, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 74195, Special Condition No. 8A (Air Permit dated April 18, 2007), and TEX. HEALTH & SAFETY CODE § 382.085(b) as documented during an investigation conducted on July 16, 2007.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Armortex, Inc., Docket No. 2007-1560-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this

with the... windowed... data...

the... data... windowed...

the... data... windowed...

the... data... windowed...

RESULTS

the... data... windowed...

DISCUSSION

the... data... windowed...

CONCLUSIONS

the... data... windowed...

the... data... windowed...

the... data... windowed...

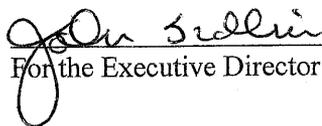
Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

Date 6/20/2008

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

Date 2-14-08



Name (Printed or typed)
Authorized Representative of
Armortex, Inc.

Title VP/SM

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

