STATE OF MISSISSIPPI HAZARDOUS WASTE MANAGEMENT PERMIT

THIS CERTIFIES THAT

Reichhold, Inc. - Gulfport 11015 Reichhold Road Gulfport, Mississippi Harrison County HW-001-661-719 (MSD 001 661 719)

is hereby authorized to conduct post closure care for two closed Surface Impoundments and a closed Hazardous Waste Tank System.

This permit is issued under the authority of the Mississippi Solid Wastes Disposal Law, and particularly Section 17-17-27 thereof, and rules adopted and promulgated thereunder, all of which authorize the Department of Environmental Quality to enforce all applicable requirements, under the Mississippi Hazardous Waste Management Regulations, and associated conditions included therein.

Permit Issued:	
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MISSISSIP	PI ENVIRONMENTAL QUALITY PERMIT BOARD
	- PROSESSES
	AUTHORIZED SIGNATURE
MISSISSIPP	I DEPARTMENT OF ENVIRONMENTAL QUALITY
	DEFINITION OF ENVIRONMENTAL QUILLIT

Permit No.: HW-001-661-719

Expires:

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MODULE 1 – GENERAL PERMIT CONDITIONS

I.A EFFECT OF PERMIT

The Permittee is authorized to conduct post-closure care of a closed hazardous waste tank system and two closed surface impoundments (Aeration Pond Nos. 1 and 2) and conduct corrective action for contaminated groundwater resulting from these regulated units, in accordance with the conditions of this permit. Subject to MHWMR 270.4, compliance with this permit constitutes compliance, for purposes of enforcement, with Subtitle C of the Resource Conservation and Recovery Act (RCRA). Issuance of this permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, and invasion of other private rights, or any infringement of state or local law or regulations or preclude compliance with any other Federal, State, and/or local laws. Compliance with the terms of this permit does not constitute a defense to any order issued or any action brought under Section 3008(a), Section 3008 (h), Section 3013, of Section 7003 of RCRA; Sections 106(a), 104 or 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seg., commonly known as CERCLA) or any other law providing for protection of public health or the environment.

I.B. PERMIT ACTIONS

Paragraph (f) of MHWMR 270.30 is hereby incorporated by reference.

I.C. SEVERABILITY

The provisions of this permit are severable, and if any provisions of this permit, or the application of any provision of this permit to any circumstance is held invalid, the application of such provision to other circumstances and the remainder of this permit shall not be affected thereby. [MWHMR 124.16]

I.D. DEFINITIONS

For purposes of this permit, terms used herein shall have the same meaning as those in MHWMR Parts 124, 260, 264, 268 and 270, unless this permit specifically provides otherwise; where terms are not defined in the regulations or the permit, the meaning associated with such terms shall be defined by a standard dictionary or the generally accepted scientific or industrial meaning to the term. "Executive Director" means the Executive Director of the Mississippi Department of Environmental Quality (MDEQ), or his designated or authorized representative.

I.E. DUTIES AND REQUIREMENTS

The duties and requirements in MHWMR 270.30 (a), (b), (c), (d), (e), (g), (h), (i), (j), (l), and (m) are hereby incorporated by reference.

I.E.1. Reapplying for a Permit

If the Permittee wishes to continue an activity allowed by this permit after the expiration date of this permit, the Permittee shall submit a complete application for a new permit at least 180 days prior to permit expiration. [MHWMR 270.10(h)]

I.E.2. Permit Expiration

Pursuant to MHWMR Part 270.50, this permit shall be effective for a fixed term not to exceed ten (10) years. This permit and all conditions herein will remain in effect beyond the permit's expiration date, if the Permittee has submitted a timely, complete application and, through no fault of the Permittee, the Executive Director has not issued a new permit, as set forth in MHWMR 270.51. [MHWMR 270.50(a), MHWMR 270.51(d)]

I.F. SIGNATORY REQUIREMENT

All applications, reports, or information submitted to or requested by the Executive Director shall be signed and certified in accordance with MHWMR 270.11. [MHWMR 270.30(k)]

I.G. REPORTS, NOTIFICATIONS, AND SUBMISSIONS TO THE EXECUTIVE DIRECTOR

All reports, notifications, or other submissions which are required by this permit to be sent to or given to the Executive Director should be sent by certified mail or given to:

Mississippi Department of Environmental Quality Office of Pollution Control P.O. Box 2261 Jackson, MS 39225

I.H. CONFIDENTIAL INFORMATION

In accordance with MHWMR Part 270.12, the Permittee may claim confidential any information required to be submitted by this permit.

MODULE II – GENERAL FACILITY CONDITIONS

II.A. FACILITY DESCRIPTION

This permit is issued to Reichhold, Inc. for their Gulfport, Mississippi Facility [MSD 001 661 719] as described in the permit renewal application submitted on January 1, 2009, including all subsequently submitted supplementary information and modifications; and hereinafter referred to as "the application." The extent, or boundaries, of the permitted facility encompass Lot 4 of the surveyed plat in Appendix A.

II.B. DESIGN AND OPERATION OF FACILITY

The Permittee shall maintain and operate the facility to minimize the possibility of fire, explosion, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water which could threaten human health or the environment, as required by MHWMR 264.31.

II.C. <u>REQUIRED NOTICES</u>

II.C.1. <u>Hazardous Waste Imports</u>

The Permittee shall not receive hazardous waste from a foreign source.

II.C.2. Hazardous Waste from Off-Site Sources

The Permittee shall not receive hazardous waste from an off-site source.

II.D. SECURITY

The Permittee shall comply with the security provisions of MHWMR Section 264.14(b)(2) by maintaining the existing 7-foot chain link fence around the property and keeping the main gate and any other gates locked at all times except when facility personnel are onsite. The permittee shall keep the signs required by MHWMR 264.14(c) at each entrance to the facility.

II.E. GENERAL INSPECTION REQUIREMENTS

The Permittee shall comply with the inspection requirements of MHWMR Section 264.15 as described in the Post-Closure Plan (Section 1.0) found in Appendix B. The Permittee shall remedy any deterioration or malfunction discovered by an inspection as required by MHWMR 264.15(c). Records of inspections shall be kept as required by MHWMR 264.15(d).

II.F. LOCATION STANDARD

The facility is not located in an area described by MHWMR 264.18(a). None of the regulated units is located within a 100-year floodplain.

II.G. GENERAL POST-CLOSURE REQUIREMENTS

II.G.1. Post-Closure Care Period

The Permittee shall conduct post-closure care for the hazardous waste tank system and the surface impoundments for 30 years following the date of completion of closure, except as otherwise provided in Module III. Post-closure care of the units shall be in accordance with MHWMR 264.117 and the Post-Closure Plan (Appendix B) required by MHWMR 264.118.

II.G.2. <u>Use of Property</u>

Post-closure use of the property shall be in accordance with the institutional controls (IC) approved as the selected remedy for the site under Condition II.J of as specified in the permit issued by the U.S. Environmental Protection Agency (EPA) under the authority of the EPA-issuedHazardous and Solid Waste Amendments (HSWA) HSWA permitto the Solid Waste Disposal Act (SWDA).

II.G.3. Amendment to Post-Closure Plan

The Permittee shall request a permit modification and amend the Post-Closure Plan, whenever necessary, in accordance with MHWMR Section 264.118(d).

II.G.4. Post-Closure Notices

- II.G.4.a. The Permittee has submitted records of the type, location, and quantity of hazardous waste disposed within each cell or disposal unit, in accordance with MHWMR 264.119(a).
- II.G.4.b. Within 60 days of certification of closure of the first hazardous waste disposal unit and within 60 days of certification of closure of the last hazardous waste disposal unit, the Permittee performed the following:
 - i. Recorded a notation on the deed to the facility property, in accordance with MHWMR 264.119(b)(1).
 - ii. Submitted a certification that the notation required by MHWMR 264.119(b)(1) has been recorded, in accordance with MHWMR 264.119(b)(2).

II.G.4.c. The Permittee shall request and obtain a permit modification prior to the post-closure removal of hazardous wastes, hazardous waste residues, liners, or contaminated soils in accordance with MHWMR 264.119(c).

II.H. COST ESTIMATE FOR POST-CLOSURE CARE

- II.H.1. The Permittee must have a detailed written estimate of the cost of providing post-closure care of the facility, prepared in accordance with MHWMR 264.144(a).
- II.H.2. The Permittee must annually adjust the post-closure care cost estimate for inflation as required by MHWMR 264.144(b).
- II.H.32. The Permittee must revise the post-closure cost estimate whenever there is a change in the facility's post-closure plan as required by MHWMR 264.144(c).
- II.H.43. The Permittee must keep the latest post-closure cost estimate, as required by MHWMR 264.144(d), at the Reichhold, Inc. central file located in the offices of the Reichhold Site Manager.

II.I. FINANCIAL ASSURANCE FOR POST-CLOSURE CARE

The Permittee shall demonstrate continuous compliance with MHWMR 264.145 by providing documentation of financial assurance in at least the amount of the cost estimate required by Condition II.H. of this permit. However, the amount of financial assurance provided to the MDEQ, as required by MHWMR 264.145, may be reduced if all of the following conditions are met:

- (1) The aggregate amount of financial assurance that would be required under the terms of this permit and the permit issued by the U.S. EPA under the authority of HSWA meets or exceeds the combined cost estimate approved by the MDEQ per MHWMR 264.144 and approved by the U.S. EPA per 40 CFR 264.101(b). Costs for identical tasks and/or scopes of work required by the two permits shall only be included once in the combined cost estimate.
- (2) Financial assurance is provided to MDEQ in an amount equal to that portion of the combined cost estimate associated with tasks and/or scopes of work required only by this permit.
- (3) Financial assurance mechanisms in an aggregate amount equal to or exceeding the combined cost estimate shall be in place and effective prior to reducing financial assurance required by this permit.
- (4) Should the U.S. EPA terminate or suspend the requirement to maintain financial assurance under the provisions of HSWA, Reichhold shall provide financial assurance to MDEQ in the amount approved under Condition II.H.

prior to, or simultaneously with, the termination of financial assurance provided to the U.S. EPA.

Changes in financial assurance mechanisms must be approved by the Executive Director pursuant to MHWMR Section 264.145.

II.J. <u>INCAPACITY OF OWNERS OR OPERATORS, GUARANTORS, OR</u> FINANCIAL INSTITUTIONS

The Permittee shall comply with MHWMR 264.148 whenever necessary.

II.K OPERATING RECORD

Pursuant to MHWMR Part 264.73(a), the Permittee must keep a written operating record of post-closure care activities and those activities specified in MHWMR Part 264.73(b)(5) and (6), as well as post-closure cost estimates required by MHWMR 264.73(b)(8). These records shall be maintained at the Reichhold, Inc. central file located in the offices of the Reichhold Site Manager and shall be made available upon request.

II.L. SPECIAL CONDITIONS

- II.L.1. Where a discrepancy exists between the wording of an item in the application and this permit, the permit requirements take precedence over the application.
- II.L.2 Where a discrepancy exists between the wording of an item in an Appendix and wording in the permit module, the module requirements take precedence over the Appendix.

MODULE III – POST-CLOSURE CARE

III.A. APPLICABILTY

The Permittee shall provide post-closure care for the closed Hazardous Waste Tank System and two closed Surface Impoundments, depicted in Figures 1-3 and 1-4 of Appendix A, in accordance with MHWMR 264.110(b). The closed Hazardous Waste Tank System consisted of two 12,000-gallon above-ground storage (AST) tanks and one 24,000-gallon AST managing hydrocarbon fuel wastes classified as RCRA hazardous wastes for ignitability (D001) and benzene toxicity (D018). The tanks have been removed with only the concrete slab, previously used for secondary containment, remaining. The closed Surface Impoundments consisted of two aeration basins formerly used in the wastewater treatment process that were deemed hazardous waste management units because the wastewater entering the basins had benzene levels exceeding the toxicity characteristic limit (D018). The sludge in the basins was stabilized; then, the basins were capped with a clay layer and vegetated.

III.B. POST-CLOSURE CARE AND USE OF PROPERTY

- III.B.1. Post-closure care for the Surface Impoundments shall extend for thirty (30) years from the certification of complete closure dated June 21, 1993, except as otherwise specified herein. Post-closure care for the Hazardous Waste Tank System shall extend for thirty (30) years from the certification of complete closure dated December 2, 1999, except as otherwise specified herein. The post-closure care period may be shortened upon application and demonstration approved by MDEQ that the facility is secure, or may be extended by MDEQ if the Executive Director or his authorized representative finds this is necessary to protect human health and the environment. [MHWMR 264.117(a)]
- III.B.2. The Permittee shall perform maintenance, monitoring, and reporting for the groundwater monitoring program in accordance with the applicable requirements of Subpart F of MHWMR Part 264 and Module IV of this permit during the post-closure period. [MHWMR 264.117(a)(1)]
- III.B.3. For the Hazardous Waste Tank System, the Permittee shall comply with the post-closure care requirements for tank systems in MHWMR Part 264, Subpart J, by complying with the post-closure care requirements that apply to landfills (MHWMR 264.310), as follows [MHWMR 264.117(a)(1) and 264.197(b)]:

- III.B.3.a. Maintain and monitor the groundwater monitoring system and comply with all other applicable requirements of MHWMR Part 264, Subpart F [MHWMR 264.310(b)(4)] and
- III.B.3.b. Protect and maintain surveyed benchmarks used in complying with MHWMR 264.309. [MHWMR 264.310(b)(6)]
- III.B.3.c. Per MHWMR 264.117(a)(2)(i), MDEQ has determined that post-closure care for the final cover (i.e., the concrete slab) may be discontinued. Therefore, the requirements of MHWMR 264.118(b) regarding the cap and final cover, including the specific requirements in MHWMR 264.310 regarding the final cover, shall no longer apply.
- III.B.4. For the Surface Impoundments, the permittee shall comply with the post-closure care requirements for surface impoundments in MHWMR Part 264, Subpart K, as follows [MHWMR 264.117(a)(1) and MHWMR 264.228(b)]:
 - III.B.4.a. Maintain and monitor the groundwater monitoring system and comply with all other applicable requirements of MHWMR Part 264, Subpart F. [MHWMR 264.228(b)(3)]
 - III.B.4.b. Per MHWMR 264.117(a)(2)(i), MDEQ has determined that post-closure care for the final cover may be discontinued. Therefore, the requirements of MHWMR 264.118(b), including the specific requirements in MHWMR 264.228 regarding the final cover, shall no longer apply.
- III.B.5. The Permittee shall maintain the security measures specified in Condition II.D and shall inspect these security devices as specified in the Post-Closure Plan found in Appendix B. [MHWMR 264.117(b)]
- III.B.6. The Permittee shall implement the Post-Closure Plan found in Appendix B. All post-closure care activities must be conducted in accordance with the provisions of the Post-Closure Plan. [MHWMR 264.117(d)]

III.C. POST-CLOSURE INSPECTIONS

The Permittee shall inspect the components, structures, and equipment at the site in accordance with the Inspection Schedule in Appendix B.

III.D. POST-CLOSURE NOTICES

If the Permittee or any subsequent owner or operator of the land upon which the hazardous waste disposal unit is located, wishes to remove hazardous wastes and hazardous waste residues or contaminated soils, he shall request a modification to this post-closure permit in accordance with the applicable requirements in MHWMR Parts 124 and 270. The Permittee or any subsequent owner or operator of the land shall demonstrate that the removal of hazardous wastes will satisfy the criteria of MHWMR 264.117(c). [MHWMR 264.119(c)]

III.E. CERTIFICATION OF COMPLETION OF POST-CLOSURE CARE

No later than sixty (60) days after completion of the established post-closure care period for each hazardous waste disposal unit, the Permittee shall submit to the Executive Director, by registered mail, a certification that the post-closure care for the hazardous waste disposal unit was performed in accordance with the specifications in the approved Post-Closure Plan. The certification must be signed by the Permittee and an independent qualified, professional engineer registered in the State of Mississippi. Documentation supporting the independent, professional engineer's certification must be furnished to the Executive Director upon request until the Executive Director releases the Permittee from the financial assurance requirements for post-closure care under MHWMR 264.145(i). [MHWMR 264.120]

III.F. RETENTION OF POST-CLOSURE PLAN

The person designated as the facility contact in the Post-Closure Plan (Appendix EB) must keep the updated Post-Closure Plan during the remainder of the post-closure period. [MHWMR 264.118(c)]

III.G. POST-CLOSURE PERMIT MODIFICATIONS

The Permittee must submit a written request for a permit modification to authorize a change in the approved Post-Closure Plan. This request must be made in accordance with applicable requirements of MHWMR Parts 124 and 270 and must include a copy of the amended Post-Closure Plan for approval by the Executive Director. The Permittee shall request a permit modification whenever changes in operating plans or facility design affect the approved Post-Closure Plan; there is a change in the expected year of final closure; or other events occur during the active life of the facility that affect the approved Post-Closure Plan. The Permittee must submit a written request for a permit modification at least sixty (60) days prior to the proposed change in facility design or operation, or no later than sixty (60) days after an unexpected event has occurred which affects the Post-Closure Plan. The Executive Director will approve, disapprove, or modify this plan in accordance with the procedures in MHWMR Parts 124 and 270. [MHWMR 264.118(d)]

MODULE IV – GROUNDWATER PROTECTION

IV.A. APPLICABILITY

The conditions of this module apply to the closed Hazardous Waste Tank System and two closed Surface Impoundments, as described in Condition III.A and depicted in Figures 1-3 and 1-4 of Appendix A.

IV.B. GROUNDWATER MONITORING PROGRAM

The Permittee shall conduct a corrective action groundwater monitoring program as required by MHWMR 264.91(a)(3). When the concentrations of hazardous constituents in Table 1 of Condition IV.D. have not exceeded the groundwater protection standards under Condition IV.C. for a period of three consecutive years, then the Permittee may petition the Executive Director for a permit modification to conduct a compliance monitoring program per MHWMR 264.99.

IV.C. GROUNDWATER PROTECTION STANDARDS

The groundwater protection standards under MHWMR 264.92 shall be equal to the concentration limits under Condition IV.D. during the corrective action compliance period. These groundwater protection standards are based on the Maximum Contaminant Limits (MCLs) as established in the National Primary Drinking Water Regulations under the Safe Drinking Water Act (SWDA). In cases where MCLs have not been promulgated, the standard shall be the tapwater screening level from the "Regional Screening Levels for Chemical Contaminants at Superfund Sites" (November 20102011). If no such levels have been established, the Method Detection Limit (MDL) or, in the absence of MDLs, the Practical Quantitation Limits (PQL) or Limit of Quantitation (LOQ), shall be the groundwater protection standards. The Permittee may petition the Executive Director for a permit modification during the compliance period to establish additional groundwater protection standards based on alternate concentration limits (ACLs) under MHWMR 264.94(b). [MHWMR 264.100(a)]

IV.D. HAZARDOUS CONSTITUENTS AND CONCENTRATION LIMITS

The following constituents are present in the groundwater beneath the closed Surface Impoundments and the closed Hazardous Waste Tank System. The groundwater protection standards of Condition IV.C shall be based on the indicated concentration limits as required by MHWMR 264.94. Table 1 lists the hazardous constituents that have been detected above the groundwater protection standards and require routine monitoring. Table 2 lists any hazardous constituent that has previously been detected and that is reasonably expected to be in or derived from waste contained in a regulated unit but is not required to be monitored on a routine basis. The Permittee shall continue to implement a

compliance monitoring program to ensure that the corrective action program is effectively reducing these hazardous constituents beneath regulated units to achieve compliance with the groundwater protection standards. The following hazardous constituents and their concentration limits comprise the groundwater protection standards [MHWMR 264.100(a)(1)-(2)]:

Table 1: Monitored Hazardous Constituents

Constituents	Concentration Limit (µg/L)	Basis		
Volatile Organic Compounds				
Benzene	5	MCL		
Ethylbenzene	700	MCL		
Styrene	100	MCL		
Toluene	1,000	MCL		
Semivolatile Organic Compounds				
Aniline	see Note 1			
Naphthalene	See Note 2			
o-Toluidine	See Note 3			

Table 2: Previously Detected Hazardous Constituents

Constituents	Concentration Limit (µg/L)	Basis
Acetophenone	1,500	SL^4
1,1-Dichloroethene	7	MCL
1,2-Dichloropropane	5	MCL
Dichloropropene	0.41	SL^4
2,4-Dimethylphenol	270	SL ⁴
Methacrylonitrile	0.75	SL^4
Methyl Chloride (Chloromethane)	190	SL ⁴
Phenol	4,500	SL^4
Tetrachloroethylene	5	MCL

Notes:

- 1. The GWPS is the greater of the most recent laboratory LOQ (currently 3 μ g/L) or most recent 10⁻⁶ ELCR Regional Screening Level (currently 12 μ g/L).
- 2. The GWPS is the greater of the most recent laboratory LOQ (currently 0.2 μg/L) or most recent 10⁻⁶ ELCR Regional Screening Level (currently 0.14 μg/L).
- 3. The GWPS is the greater of the most recent laboratory LOQ (currently 2 μ g/L) or most recent 10⁻⁶ ELCR Regional Screening Level (currently 0.37 μ g/L).
- 4. SL Tapwater screening level from "Regional Screening Levels for Chemical Contaminants at Superfund Sites" 10⁻⁶ ELCR as of November 2011.

GWPS - groundwater protection standard

μg/L - micrograms per liter

LOQ - limit of quantitation

ELCR - excess lifetime cancer risk

IV.E. POINT OF COMPLIANCE

The point of compliance for the closed waste management areas (i.e., the close Hazardous Waste Tank System and Surface Impoundments) shall be the vertical surface located at the hydraulically downgradient limit of the waste management areas that extends down into the uppermost aquifer underlying the waste managements areas. Because of the potentiometric ridge intersecting the site, there are essentially two points of compliance—one to the north of the site and one to the south. To the south, the point of compliance is represented by a straight line intersecting wells MW-06RS and MW-09S and extending down to the uppermost aquifer. To the north, the point of compliance is represented by a straight line intersecting wells MW-24S and MW-15S and MW-15S and MW-14S and extending down to the uppermost aquifer. (See Figure 1 of Appendix D-F of Reichhold's Permit issued by EPA pursuant to the Hazardous and Solid Waste Amendments of 1984 (HSWA) for the compliance point well locations. for the compliance point well locations.) [MHWMR 264.100(a)(3)]

IV.F. COMPLIANCE PERIOD

The compliance period shall continue until the groundwater protection standards for all constituents specified in Table 1 of Condition IV.D. have not been exceeded in any compliance or effectiveness monitoring well for a period of three consecutive years. [MHWMR 264.100(a)(4)]

IV.G. <u>WELL LOCATION, INSTALLATION AND</u> <u>CONSTRUCTION</u>GROUNDWATER MONITORING PROGRAM

The Permittee shall install and maintainestablish and implement a groundwater monitoring system-program to demonstrate the effectiveness of the corrective action program. The approved groundwater monitoring program asis specified below-in the Groundwater Sampling and Analysis Plan (SAP)-and depicted in Figure 1 of the SAP, attached as Appendix D-F ofto EPA's HSWA Permit. [MHWMR 264.100(d)]:

IV.G.1. Compliance Point Monitoring Wells

For the purposes of this permit, wells MW-06RS and MW-09S shall be designated the Compliance Point Monitoring Wells for groundwater moving south of the potentiometric ridge. Wells MW-24S, MW-15S, and MW-14S shall be designated the Compliance Point Monitoring Wells for groundwater moving north of the potentiometric ridge.

IV.G.2. Effectiveness Monitoring Wells

For the purposes of this permit, wells MW-05RS, MW-13S, MW-18RS, MW-21S, MW-22S, MW-23S, MW-27S, MW-31S, MW-35S, P-01S, and P-02S shall be designated as Effectiveness Monitoring Wells used to determine the effectiveness of the corrective action program.

IV.G.3. Boundary Control Monitoring Wells

For the purposes of this permit, wells MW-32S, MW-33S, and MW-34S shall be designated Boundary Control Monitoring Wells for monitoring the northern site boundary. Well MW-16S shall be designated a Boundary Control Monitoring Well for monitoring the northeastern portion of the site. Wells MW-02S, MW-29S, and MW-30S shall be designated Boundary Control Monitoring Wells for monitoring the southern boundary. Well TMPZ-1 shall be designated a Boundary Control Monitoring Well for the southwestern edge of the site.

IV.G.4. <u>Background Monitoring Well</u>

For the purposes of this permit, well MW-07RS shall be designated as the Background Monitoring Well.

IV.G.5. Additional Monitoring Wells

Due to changes that may occur in groundwater flow direction under the groundwater monitoring program; construction, redesignation, or deletion of wells from the monitoring program may be required. Such changes may be made upon prior approval from the Executive Director.

IV.G.6. <u>Monitoring Well Inspection</u>

The Permittee shall inspect the monitoring wells identified in Conditions IV.G.1-5 in accordance with the inspection plan included in Appendix B.

IV.G.7. Replacement Procedures

Should the Permittee determine during an inspection or sampling event that any well identified in Conditions IV.G.1-5 has been damaged such that it no longer meets the requirements of MHWMR 264.97(a) and (c), the Permittee shall notify the Executive Director in writing within seven (7) days of making such a determination and replace or repair the damaged well within thirty (30) days. The replacement well should be constructed to the same specifications as the well being replaced.

IV.G.8. Deletion Procedure

Any well deleted from the monitoring program shall be plugged and abandoned in accordance with Mississippi Office of Land and Water regulations. Well plugging and abandonment methods and certification shall be submitted to the Executive Director within thirty (30) days from the date the well is removed from the monitoring program.

IV.H. GROUNDWATER MONITORING REQUIREMENTS

The Permittee shall monitor the effectiveness of the corrective action program for the regulated units on groundwater quality and on groundwater flow across the entire extent of the contaminant plume beneath the closed Hazardous Waste Tank System and closed Surface Impoundments, as described in Appendix D. [MHWMR 264.100(d)]

IV.H.1. Monitoring Parameters and Frequencies

- IV.H.1.a. The Permittee shall sample all of the wells in Condition IV.G. for the hazardous constituents in Condition IV.D. above.
- IV.H.1.b. Each well shall be sampled annually. No two sampling events used to comply with this condition shall occur within six months of each other.
- IV.H.1.c. During the corrective action monitoring period, one compliance point well shall be sampled and analyzed annually for all MHWMR Part 264 Appendix IX constituents. The compliance point wells shall be sampled on a rotating basis.
- IV.H.1.d. Sampling shall not be required in any well found to contain free product during the sampling event, provided that the condition of the well is noted in the sampling log.

IV.I. SAMPLING AND ANALYSIS PROCEDURES

The Permittee shall use the following the techniques and procedures specified in the SAP, found in Appendix F of EPA's HSWA Permit, when obtaining and analyzing samples from the groundwater monitoring wells described in Condition IV.G. [MHWMR 264.100(d)]:

- IV.I.1. Samples shall be collected using the techniques in the Groundwater Sampling and Analysis Plan (Appendix D).
- IV.I.2. Samples shall be preserved and shipped in accordance with the procedures specified in the Groundwater Sampling and Analysis Plan (Appendix D).
- IV.I.3. Samples shall be analyzed in accordance with the procedures specified in the Groundwater Sampling and Analysis Plan (Appendix D).
- IV.I.4. Samples shall be tracked and controlled using the chain-of-custody procedures specified in the Groundwater Sampling and Analysis Plan (Appendix D).

IV.I.5. Appropriate QA/QC measures shall be used, including equipment, field, and trip blanks, as specified in the Groundwater Sampling and Analysis Plan (Appendix D).

IV.J. ELEVATION OF THE GROUNDWATER SURFACE

- IV.J.1. The Permittee shall determine the elevation of the groundwater surface at each well each time the groundwater is sampled per Condition IV.H.1.
- IV.J.2. The Permittee shall determine and record the surveyed elevation of any future monitoring well when installed.

IV.KH.RECORDKEEPING AND REPORTING

- IV.KH.1. The Permittee shall enter all monitoring, testing, and analytical data obtained in the operating record.
- IV.KH.2. The Permittee shall submit the analytical results required by Conditions IV.Hthe SAP- annually to the Executive Director no later than March 31 of the following year. [MHWMR 264.100(g)]

IV. LI. REQUEST FOR PERMIT MODIFICATION

If the Permittee or the Executive Director determines the corrective action groundwater monitoring program no longer satisfies the requirements of the regulations, the Permittee must, within 90 days of the determination, submit an application for a permit modification to make any appropriate changes to the program which will satisfy the regulations. [MHWMR 264.100(hd)]

MODULE V - CORRECTIVE ACTION PROGRAM FOR REGULATED UNITS

A site-wide corrective action plan is being implemented at the Reichhold facility. This plan, described in EPA's Statement of Basis (Appendix D of Reichhold's HSWA Permit), addresses intermingled releases from Hazardous Waste Management Units, Solid Waste Management Units and Areas of Contamination. Because EPA has the authority to oversee and enforce corrective action addressing the intermingled groundwater plume, MDEQ shall defer oversight of Reichhold's Corrective Action Program under MHWMR 264.100 to EPA.

APPENDIX A FIGURES

BOUNDARY DESCRIPTIONS OF THE 4 LOTS CREATED BY THIS RESUBDIVISION

فرسد سرسنة

A parcel of land located in the Northeast ¼ of the Northeast ¼ of Section 19 and the Northwest ¼ of the Northwest ¼ of Section 20, Township 7 South, Range 10 West, City of Gulfport, First Judicial District, Harrison County, Mississippi; being more particularly described as

COMMENCE at northwest corner of said Section 19; thence North 89 degrees 36 minutes 47 seconds East 1,400.34 fee; thence North 89 degrees 39 minutes 01 seconds East 175 feet; thence South 00 degrees 13 minutes 45 seconds East 1,003.57 feet; thence South 72 degrees 59 minutes 23 seconds East 2,270.5 feet to an iron pipe found on the eastern margin of a Mississippi Power Company right-of-way, thence continue South 72 degrees 59 minutes 23 seconds East 461.75 feet to an iron rod set; thence North 17 degrees 08 minutes 32 seconds East 1474.71 feet to an iron rod set and the Southern margin of Reichhold Rood; thence South 72 degrees 59 minutes 33 seconds East and the POINT OF BEGINNING; thence continue South 72 degrees 59 minutes 33 seconds East 712.64 feet to an iron rod found; thence South 17 degrees 91 minutes 31 seconds East 712.64 feet to an iron rod set; thence North 72 degrees 59 minutes 31 seconds West 50.00 feet to an iron rod set; thence North 72 degrees 59 minutes 31 seconds West 712.53 feet to an iron rod set; thence North 72 degrees 58 minutes 33 seconds West 712.53 feet to an iron rod set; thence North 72 degrees 58 minutes 35 seconds West 712.53 feet to an iron rod set; thence North 72 degrees 58 minutes 30.00 feet to the DONNT OF DEGINNING. the POINT OF BEGINNING.

Contains 2.454 acres, more or less

A parcel of land located in the Northeast ½ of the Northeast ½ of Section 19 and the Northwest ½ of the Northwest ½ of Section 20, Township 7 South, Range 10 West, City of Sulfport, First Judicial District, Harrison County, Mississippi; being more particularly described as

COMMENCE at northwest corner of said Section 19; thence North 89 degrees 36 minutes 47 seconds East 1,400.34 feet; thence North 89 degrees 39 minutes 01 seconds East 175 feet; thence South 00 degrees 13 minutes 45 seconds East 1,003.57 feet; thence South 72 degrees 59 minutes 23 seconds East 2,270.5 feet to an iron pipe found on the eastern margin of a Mississippi Power Company right-of-way; thence continue South 72 degrees 59 minutes 23 seconds East 461.75 feet to an iron rod set and the POINT OF BEGINNING; thence continue margin 35.00 feet to an iron rod set; thence South 16 degrees 58 minutes 58 seconds West 150.00 to an iron rod set; thence North 72 degrees 59 minutes 33 seconds West 512.23 feet to an iron rod set; thence South 17 degrees 08 minutes 32 seconds West 1324.71 feet to the POINT OF BEGINNING. Reichhold Road; thence North 72 degrees 59 minutes 33 seconds West along said southern 72 degrees 59 minutes 33 seconds West 712.53 feet to an iron rod set; thence North 16 degrees 58 minutes 58 seconds East 150.00 feet to an iron rod set on the southern margin of South 72 degrees 59 minutes 23 seconds East 1262.46 feet to an iron pipe found; thence North 17 degrees 01 minutes 31 seconds East 1324.77 feet to an iron rod set; thence North

Contains 38.473 acres, more or less.

the Planning Commission, its agents, and/or employees concerning the petition for resubdivision of the real property described herein. or causes of action of whatever nature which may arise as a result of the action of Gulfport, its agents, servants, and or employees against any and all claims, demands, The applicant hereby covenants and agrees to indemnify and hold harmless the City of

٠. (.

Ratified and Approved by:

(Owner's Signature)

DELIEN KANTER (Print Owner's Name)

This 2 day of JUNE 2005.

ACKNOWLEDGE

Before me, the undersigned, authorized in and for the State of NALTH County of LUAKE, personally appeared the aforenamed BLUAK. acknowledged that they accepted this plat and executed the forganing prificate and dedication for the purpose therein set forth.

NOTARY PUBLIC m. c

My Commission Expires: 11-06-09

11-06-09.

TOTA

PLANNING COMMISSION:

Submitted to and approved by the Gulfport City Planning Commission the 23 kd day of 100 Minut. 2005.

Steve Alleh, Chairman

Gulfport City Planning Commission

Raymond Eaton Planning Division Administrator sermore

APPROVAL:

Submitted to and approved by the City of Gulfport, City Council, at the regular meeting of said Council held on the 2 may of _______, 2005.

ADOPT

approved by the Mayor, this 3 day of 1 2005.

MAYOR

050800135

SERVICES, INC.

PH: (228)867-9100, DWG. NO.:: 14321 Creosote Rd., 9100, FAX: (228)865-0043 NO.: 2044-PLAT Gulfport, Ms 39503

PAGE 2 OF 3

located in the Northeast 1/4 of the Northeast 1/4 of said Section 19 and the In accordance with Section 9—48 of the Code of Ordinance (Subdivision Regulations) of the City of Gulfport as amended, it is hereby certified that the Gulfport City Planning Judicial District of Harrison County, Mississippi, into Lot 1, Lot 2, Lot 3 and Lot 4, Plat for the Resubdivision the property located in Section 19 & 20 Township 7 South, Ronge 10 West and described in Deed Book 1356, Page 83, City of Gulfport, First Commission Chairman and Gulfport City Council have reviewed and approved this Final

BOUNDARY DESCRIPTION OF LAND PRIOR TO THIS RESUBDIVISION:

(DESCRIPTION PER DEED BOOK 1356 PAGES 85 AND 86)

The West 200 feet of Tract Number 2 as shown on a survey recorded in Deed Book 541, at Page 507 in the office of the Chancery Clerk of Harrison County, Mississippi, First Judicial District, said tract being situated in the NW ¼ and SE ¼ of Section 19, Township 7 South, Range 10 West, and containing 6.77 acres;

along said line 530.79 feet to the Point of Beginning. Said tract being situated in the NE ½ and the SE ½ of Section 19, Township 7 South, Range 10 West, Harrison County, Mississippi, such land being excepted herefrom is fully described as Parcel "A" in a survey prepared by A. Garner Russel dated August 22, 1974, attached to and made a part of a Special Warranty Deed recorded in Deed Book 737 at Pages 410—413 and re-recorded in Deed Book 738 at Pages 31-34 of the aforesaid records; Tract Number 4 shown on a survey recorded in Deed Book 541, at Page 507 in the office of the Chancery Clerk of Harrison County, Mississippi, First Judicial District, LESS AND EXCEPT, however, a parcel of land described as follows: Beginning at point on the south margin of North 72° 59' 23" West 502.69 feet to said West line of Tract 4; thence North 0° 13' 45" West survey recorded in Deed Book 541, at Page 507 of the aforesaid records; thence South 72° 59' 23" East along said south margin 660 feet; thence South 17° 00' 37" West 506.94 feet; thence Reichhold Road (also known as Bayou View Road) at the NW corner of "Tract 4" as shown on a thence South 17' 00' 37" West 506.94 feet; thence

PARCEL 3

Being located in Section 19 and 20, Township 7 South, Range 10 West, Harrison County, Mississippi, containing 33.86 acres, more or less, being designated as Tract Number 1 in a survey by H. A. Campbell, RLS, dated May 16, 1964, a copy of which is attached to and made a part of a Special Warranty Deed recorded in Deed Book 1083 at Pages 322—325 in the office Beginning at the NW corner of Section 19, Township 7 South, Range 10 West; thence North 89° 36° 47" East 1400.34 feet to a point on the centerline of Loraine and Bayou View Road; thence North 89° 39° 01" East 175 feet; thence South 00° 13' 45" East 1003.57 feet; thence South 72" of the Chancery Clerk of Harrison County, Mississippi, First Judicial District. 37" West 1475 feet; thence North 72' 59' 23" West 1000 feet to the POINT OF BEGINNING. 59' 23" East 2794.6 feet for POINT OF BEGINNING. From said POINT OF BEGINNING thence North 17' 00' 37" East 1475 feet; thence South 72' 59' 23" East 1000 feet; thence South 17' 00'

CERTIFICATE OF RESUBDIVISION

BOUNDARY DESCRIPTIONS OF THE 4 LOTS CREATED BY THIS RESUBDIVISION:

more particularly described as follows: A parcel of land located in the Northeast ¼ of the Northeast ¼ of Section 19, Township 7 South, Range 10 West, City of Gulfport, First Judicial District, Harrison County, Mississippi; being

seconds East 1,400.34 feet; thence North 89 degrees 39 minutes 01 seconds East 175 feet; thence South 00 degrees 13 minutes 45 seconds East 1,003.57 feet; thence South 72 degrees 59 minutes 23 seconds East 2,270.5 feet to an iron pipe found on the eastern margin of a Mississippi Power Company right-of-way and the POINT OF BEGINNING; thence North 00 degrees 06 minutes 35 seconds West along said eastern margin 1014.07 feet to a concrete monument found; thence South 72 degrees 50 minutes 12 seconds East 503.00 feet to a concrete monument found; thence North 17 degrees 08 minutes 32 seconds East 506.90 feet to an iron rod found on the southern margin of Reichhold Road; thence South 72 degrees 59 minutes 33 seconds East along said sothern margin 259.50 feet to an iron rod set; thence South 17 degrees 08 minutes 32 seconds West 1474.71 feet to an iron rod set; thence North 72 degrees 59 minutes 23 seconds West 461.75 feet to the POINT OF BEGINNING. COMMENCE at northwest corner of said Section 19; thence North 89 degrees 36 minutes 47

Contains 16.623 acres, more or less.

A parcel of land located in the Northeast 1/4 of the Northeast 1/4 of Section 19, Township 7 South, Range 10 West, City of Culfport, First Judicial District, Harrison County, Mississippi; being more particularly described as follows:

Reichhold Road; thence South 72 degrees 59 minutes 33 seconds East along said southern margin 511.81 feet to an iron rod set; thence South 16 degrees 58 minutes 58 seconds West 150.00 feet to an iron rod set; thence North 72 degrees 59 minutes 33 seconds West 512.23 feet to the POINT OF BEGINNING. 59 minutes 23 seconds East 2,270.5 feet to an iron pipe found on the eastern margin of a Mississippi Power Company right-of-way, thence continue South 72 degrees 59 minutes 23 seconds East 461.75 feet to an iron rod set; thence North 17 degrees 08 minutes 32 seconds East 1324.71 feet to an iron rod set and the POINT OF BEGINNING; thence continue North 17 degrees 08 minutes 32 seconds East 150.00 feet to an iron rod set on the southern margin of seconds East 1,400.34 feet; thence North 89 degrees 39 minutes 01 seconds East 175 feet; thence South 00 degrees 13 minutes 45 seconds East 1,003.57 feet; thence South 72 degrees COMMENCE at northwest corner of said Section 19; thence North 89 degrees 36 minutes 47

Contains 1.763 acres, more or less

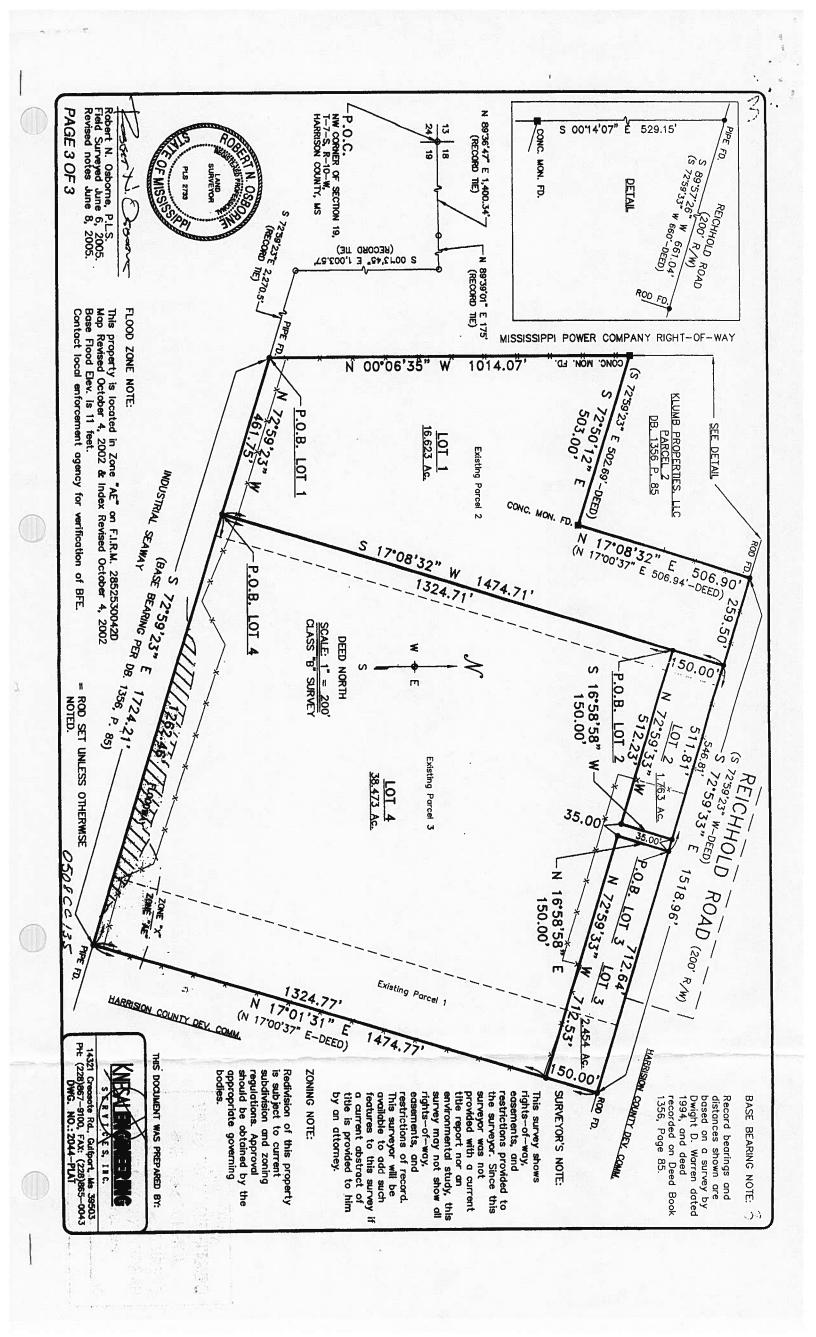


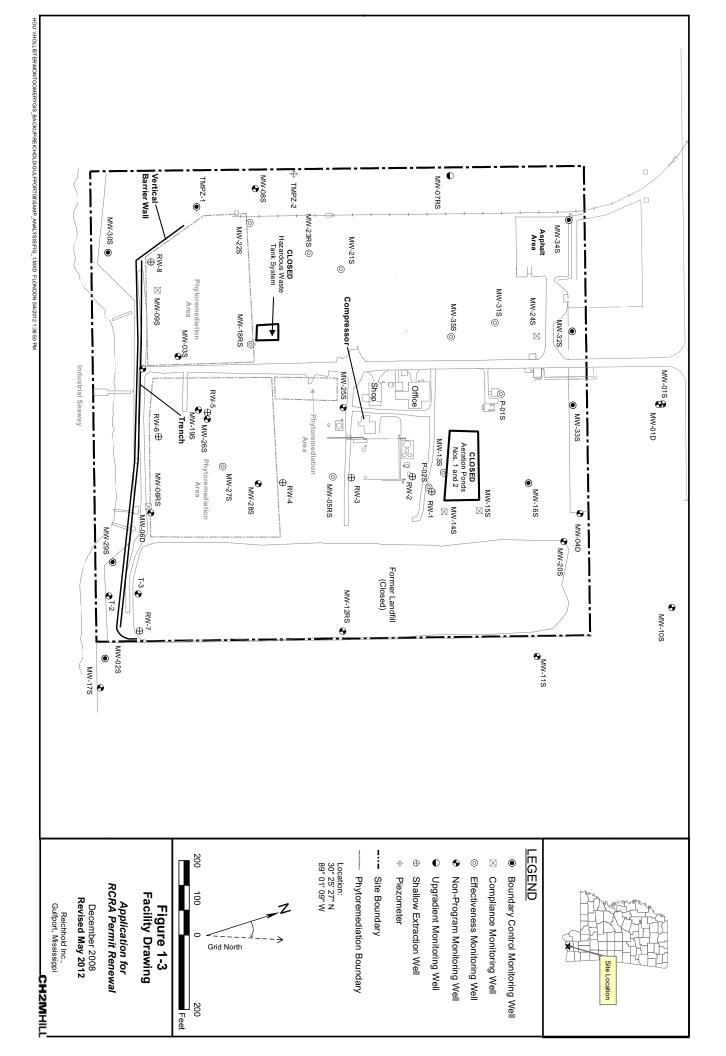
/Instrument 2005 18631 D -J1 Filed/Recorded 8 18 2005 11 44 A Total Fees 13.00 1st Judicial District

3 Pages Recorded



PH: (228)867-9100, FAX: (228)865-0043 DWG. NO.: 2044-PLAT





APPENDIX B POST-CLOSURE PLAN

Post-closure Plan

This post-closure plan specifies the maintenance and monitoring activities that will be performed by Reichhold, Inc. (Reichhold) for the hazardous waste management units (HWMUs) at the Gulfport site. The plan was prepared in accordance with 40 *Code of Federal Regulations* (CFR) 270.14(b)(13) and 40 CFR 264.118.

With the most recent permit renewal, the Mississippi Department of Environmental Quality (MDEQ) approved Reichhold's request to eliminate maintenance of the HWMU covers. The basis for the request/approval (as discussed in Section B-1.1.1 of the permit application) is that the data indicate that hazardous waste is not present in the units and that the reported soil concentrations associated with these units do not pose a unique threat (that is, the concentrations are similar to other solid waste management unit [SWMU] and area of concern [AOC] concentrations).

1.0 Inspection, Monitoring, and Maintenance Activities and Frequencies

Reichhold will evaluate the need for maintenance of the monitoring systems, remediation systems, and security systems by conducting inspections of these areas, as described below. Inspections will consist of a walk-over and visual evaluation of the areas by a designated Reichhold representative. Inspection results (and any needed corrective measures) will be documented in writing to the Reichhold project manager.

1.1 Security Control Devices

The fences, gates, and locks on the entrance gates around the site will be inspected monthly to detect deterioration or vandalism. Monitoring wells will be inspected during scheduled sampling events to ensure the security of those structures.

1.2 Groundwater Monitoring System

Site groundwater monitoring wells will be inspected during sampling events or at a minimum frequency of annually with this permit renewal. The wells will be visually inspected for the presence of a locking cap, evidence of vandalism or tampering, and overall structural integrity. Any well found severely damaged will require replacement with one of similar characteristics in the same general location. Damage to a groundwater monitoring well that is visually noted will be reported to MDEQ during the groundwater monitoring reports.

1.3 Benchmark Integrity

Annually, all permanent surveying benchmarks included in the survey plat prepared at the beginning of post-closure will be located and checked for structural integrity and stability.

1.4 Groundwater Corrective Action Systems

The groundwater extraction and phytoremediation systems will be inspected monthly, as long as they are in operation. Trees will be inspected for excessive mortality and damage from storms or other natural events. In the event that excessive damage is noted, the Reichhold project manager will be notified and appropriate actions will be taken. The groundwater extraction wells, pipelines, and tanks will be inspected for proper operation, leakage, and structural damage. Damage to the extraction system will be repaired as soon as possible.

2.0 Groundwater Monitoring Activities and Frequencies

The groundwater monitoring activities and frequencies to be followed during the post-closure care period are described in the *Corrective Action Groundwater Monitoring Program: Sampling and Analysis Plan* (CH2M HILL, December 2008; revised May 2012) — Appendix F of the U.S. Environmental Protection Agency (EPA) Portion of the RCRA Permit Pursuant to the Hazardous and Solid Waste Amendments (HSWA) for the site.

3.0 Post-closure Contact

During the post-closure care period, the following person will retain and update the post-closure plan for this site:

Gulfport Project Manager–Site Remediation Reichhold Chemicals, Inc. P.O. Box 13582 Research Triangle Park, North Carolina 27709-3582 Telephone: (919) 990-7509

The person designated above as the post-closure contact for Reichhold will be responsible for distributing updates of the post-closure plan to all holders of other copies of the plan. The post-closure plan will be amended if events during the post-closure care period require change to the current document. In such cases, the requirements for modification of the plan will be made to MDEQ within 60 days before the event affecting the plan, or within 60 days after unexpected events. Updated post-closure plans will be submitted to EPA, MDEQ, and the Harrison County Planning Commission.

APPENDIX C CORRECTIVE ACTION AND FINAL REMEDY

APPENDIX D

GROUNDWATER SAMPLING AND ANALYSIS PLAN

MDEQ's Response to Comments Received by Reichhold during the initial public comment period,

Followed by EPA's Response to Comments Received by Reichhold during the initial public comment period.



STATE OF MISSISSIPPI

PHIL BRYANT GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

TRUDY D. FISHER, EXECUTIVE DIRECTOR March 20, 2012

Mr. Brian Kanzler Project Manager Reichhold Inc. PO Box 13582 Research Triangle Park, NC 27709-3582

Re: Reichhold Inc, Gulfport Site

Response to 9/6/11 Comments and Revised RCRA Post-Closure Permit

Hazardous Waste Ref. No. HW-001-661-719; Harrison County

Dear Mr. Kanzler:

Thank you for the timely submittal of comments on the draft RCRA Post-Closure Permit (HW-001-661-719) received via email from Elizabeth Davis on September 6, 2011. We have considered all of your comments and have responded in writing and through revisions to the draft Post-Closure Permit. We have summarized each comment and provided a response to the comments submitted in both the letter dated September 6, 2011, and the comments attached with the letter and referenced as "Comments - Review of Draft Permits". Due to the length of the responses, they have been attached to this letter.

We have also enclosed a modified Post-Closure Permit and will extend an additional opportunity for Reichhold to comment on the revisions to the permit. Please limit any comments to the revisions only, and submit these comments no later than April 6, 2012. Should you have any questions regarding our responses or the changes made to the permit, please contact me at 601-961-5235.

Sincerely,

Carla Brown, P.E. Chemical Branch

Environmental Permits Division

Enclosure

cc: via e-mail:

> Amy McLaughlin, EPA Region 4 Bonnie Sawyer, EPA Region 4

Elizabeth Davis, Thompson Hine LLP

Kelly Moody, CH2MHILL

Roy Furth, Legal Division/MDEQ

MDEQ Response to Comments in Reichhold Letter Dated September 6, 2011:

Reichhold Comment (i):

Reichhold expressed general concern about overlap between the two permits with regards to the scope of work required by each permit, two authorities approving or disapproving of such work, and dual letters of credit.

MDEQ Response:

Regulatory Overlap:

As we have discussed over the phone and via e-mail, MDEQ is authorized to regulate only the non-HSWA provisions of the RCRA regulations. Therefore, we have previously issued permits to Reichhold to address three hazardous waste management units (HWMUs) regulated under the Mississippi Hazardous Waste Management Regulations (MHWMR), Part 264, that is, the two surface impoundments and the tank system, all of which have been certified closed. Because all of these HWMUs were closed with waste left in place, the post-closure requirements are applicable and are addressed by MDEQ's permit, since MDEQ is authorized to implement and enforce these requirements. MDEQ has reviewed the Post-Closure Permit and found no condition that is not based upon or directly referencing the regulations for which we are authorized. Therefore, these conditions were included in the permit, as they are in all of MDEQ's standard Post-Closure Permits. MDEQ believes that our permit must continue to address the groundwater monitoring program, as required under MHWMR 264.100(d), 264.197(b), and 264.228(b)(3). The State of Mississippi retains all authority over groundwater use at the Reichhold site, and, therefore, MDEQ must ensure that groundwater is protected and returned to its intended use.

However, MDEQ has reevaluated the need to include specific requirements regarding the corrective action program for which we are authorized to regulate under MHWMR 264.100. The ultimate goal of the corrective action program is to reduce hazardous constituent concentrations to levels below the groundwater protection standards, as set forth in MHWMR 264.100(f). Module IV of the permit includes the groundwater protection standards and required groundwater monitoring program used to determine compliance with these standards. MDEO believes this Module IV is necessary to determine compliance with the groundwater protection standards. However, given the overlap of corrective action for the HWMUs regulated under MHWMR 264.100 by MDEQ and corrective action for the Solid Waste Management Units (SWMUs) regulated under 40 CFR 264.101 by the U.S. EPA, MDEQ believes it is appropriate, as suggested by Reichhold, that one agency assume the lead for implementing the corrective action program. This decision has been made based on the specific conditions at the Reichhold site. Therefore, we have revised Module V to state that U.S. EPA will have oversight of the corrective action program. The Corrective Action and Final Remedy document, previously included in the permit as Appendix C, has been removed, since this plan is a site-wide plan addressing the final remedy, as approved by EPA under their HSWA authority.

Dual Letters of Credit:

As MDEQ has verbally conveyed to Reichhold, we will not require a separate letter of credit (LOC) to satisfy the financial assurance requirements of Reichhold's Post-Closure Permit issued by MDEQ, as found in Condition II.I of the permit. Since the site-wide corrective action plan

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will address compliance with the permits issued by MDEQ and EPA, a single LOC addressing financial assurance for post-closure care and corrective action will be sufficient to comply with the RCRA regulations. MDEQ will coordinate closely with Reichhold and EPA regarding the language and amount of the revised LOC. MDEQ will also be working with EPA to address the means by which the two agencies will agree to draw upon the LOC should such need arise. We anticipate accomplishing this through a Memorandum of Understanding (MOU) between MDEQ and EPA that would be in place at the time the LOC is revised to include EPA as a second beneficiary.

Reichhold Comment (ii):

The proposed permit was based upon a preliminary and incomplete Sampling and Analysis Plan (SAP). The SAP may change based upon MDEQ's and EPA's responses to Reichhold's comment.

MDEQ Response:

MDEQ would expect some modifications to the SAP either as a result of revisions to the permits or due to other circumstances at the site. To alleviate concerns of having two different versions of the SAP attached to the two permits, MDEQ will remove the SAP from the Post-Closure Permit and simply reference the SAP attached to EPA's HSWA Permit. Modifications to Module IV of the Post-Closure Permit have been made to incorporate this change. (See the response to Reichhold Comment #12 for additional information.)

Reichhold Comment (iii):

A single permit prepared by both agencies is more appropriate than two separate permits.

MDEQ Response:

This appears to be a new comment that has not previously been discussed. Nevertheless, MDEQ does not believe that issuing a single permit on behalf of both agencies will resolve any of the issues that have been previously brought up. A single document would take a significant amount of coordination between both EPA and MDEQ since it would have to be reviewed and eventually signed by two separate entities operating under individual and differing administrative procedures. Also, the authority for every permit condition would have to be explicitly stated and could be confusing where the state regulations differ from federal regulations. Essentially, many of the permit requirements would still be administered and enforced by both agencies.

Reichhold Comment (iv):

In a July 26th conference call, EPA and MDEQ stated that they would address the issues Reichhold raised regarding overlap, inconsistency and confusion, in part, with a MOU between EPA and MDEQ. Reichhold has not seen the MOU and, therefore, does not know if it will resolve or exacerbate these problems or how it will be incorporated into the permits.

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MDEQ Response:

MDEQ believes that by revising the Corrective Action requirements in Module V of the Post-Closure Permit, as discussed in our response to comment (i) above, we have alleviated some overlap and confusion regarding the site-wide Corrective Action Plan. MDEQ has also revised Module IV such that it contains the minimum regulatory requirements, with very little, if any, specific details regarding the Groundwater Monitoring Program. The Post-Closure Permit also simply references the SAP, which will be attached to EPA's HSWA Permit, in order to reduce possible inconsistency or confusion. MDEQ believes a MOU is only necessary to address the duplicative financial assurance requirements, for which MDEQ and EPA will only require a single financial assurance mechanism, which is currently a Letter of Credit (LOC). MDEQ understands that Reichhold's lender is capable of revising the LOC to address a second beneficiary without a MOU in place.

The MOU would be an agreement between EPA and MDEQ only, and would establish conditions for drawing on the LOC. It would obviously behoove EPA and MDEQ to have this MOU finalized prior to the amendment of the LOC to include EPA as a second beneficiary. However, the MOU does not need to be in place prior to issuance of either the Post-Closure or HSWA Corrective Action Permits and does not need to be referenced in the permits, since both already provide a regulatory authority for the requirement of financial assurance. Issuance of EPA's HSWA Permit will actually trigger the requirement for revising the corrective action cost estimate and, upon approval of the cost estimate, revising the LOC to address the approved cost estimate. MDEQ will anticipate having the MOU finalized at this time.

Reichhold Comment (v):

Reichhold has concerns about groundwater monitoring wells that may no longer qualify as clean under the proposed permits.

MDEQ Response:

MDEQ is assuming Reichhold is referring to the boundary control monitoring wells to the south of the site. MDEQ designated certain monitoring wells to the south, between the barrier wall and Industrial Seaway, as boundary control monitoring wells. These include MW-02S, MW-29S, and MW-30S. The purpose of establishing these wells as boundary control wells was to determine the extent of the contaminant plume and any movement of the plume towards the south. MW-29S has always shown varying levels of contamination, likely due to contamination in place prior to the installation of the interceptor trench and barrier wall (i.e., the HDPE liner). Sampling for MW-30S has more recently shown levels of contamination above the groundwater protection standards. Given the limited area available to place a well between the trench and seaway, Reichhold should continue to use MW-29S and MW-30S as boundary control monitoring wells, and MDEQ will continue to evaluate the contaminant trends in each to determine if either indicates movement of the plume around, under, or through barrier wall. TMPZ-1 was also added to the SAP as a permanent boundary control monitoring well to help demonstrate that the barrier wall and upgradient hydraulic control sufficiently prevent the plume from migrating to the southeast.

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Reichhold Comment (vi):

Reichhold advocates a streamlined order from EPA to address the remaining issues at the site.

MDEQ Response:

As MDEQ made clear in a letter dated July 9, 2010, MDEQ will maintain the Post-Closure Permit for the RCRA site. Therefore, a single permit administered by MDEQ to address corrective action for both the regulated units and SWMUs under 40 CFR 264.110(c) is not viable since MDEQ is not authorized for HSWA Corrective Action for SWMUs. Also, it is MDEQ's understanding that Reichhold is not eligible for an enforceable document, such as an order, in lieu of a permit because Reichhold has already obtained permits addressing post-closure and corrective action. The preamble related to the relevant regulation found in 40 CFR 270.1(c)(7) states that this option is available to "non-permitted land disposal units requiring post closure care." (Refer to Federal Register, Vol. 63, page 56710, October 22, 1998).

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<u>MDEO Response to "Comments – Review of Draft Permits, Public Notice: June 29-August 4, 2011; Reichhold extension through September 6, 2011"</u>

Reichhold Comment #1:

<u>Condition I.A Effect of Permit.</u> Reichhold requests that the authority for groundwater monitoring be clearly reflected in the permits to remove dual regulation.

MDEQ Response:

See the response to Reichhold's Comment (i) on page 1 above. Condition I.A of the permit will not be modified because MDEQ still retains regulatory authority for Post-Closure Care, which includes the groundwater monitoring requirements of Subpart F of MHWMR Part 264.

Reichhold Comment #2:

<u>Condition II.G.2. Use of Property.</u> Reference to the ICs approved as the selected remedy in EPA's permit should be to Condition II.I (not II.J) per EPA's draft permit.

MDEQ Response:

This condition has been revised to generically reference the IC's approved in the HSWA permit instead of referencing a specific condition in the permit.

Reichhold Comment #3:

<u>Condition II.H. Cost Estimate for Post-Closure Care & Condition II.I. Financial Assurance for Post Closure Care.</u> Reichhold requests that EPA and MDEQ address the duplicative requirements, including requirements for financial assurance.

MDEQ Response:

Please see our responses on pages 1 and 2 to Reichhold Comment (i) and on page 3 to Reichhold Comment (iv). To summarize these responses, a single financial assurance instrument will be acceptable, and MDEQ intends to finalize a MOU prior to the addition of EPA as a second beneficiary on the LOC.

Reichhold Comment #4:

<u>Condition IV.E. Point of Compliance:</u> Reference to the point of compliance "to the south", should specify MW-09S (not MW-09).

MDEQ Response:

MDEQ has removed the specific language regarding the location of the point of compliance and is simply referencing the SAP. For more information, see the MDEQ response to Comment #5 below.

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Reichold Comment #5:

<u>Module IV - Groundwater Protection:</u> Reichhold requests authority for groundwater monitoring be clearly reflected in the Permit(s) to remove dual regulation by state and federal authorities. Reichhold requests MDEQ add language similar to that in Module V.

MDEQ Response:

A regulatory basis, or authority, for the groundwater monitoring required by MDEQ is clearly established in the permits. MHWMR 264.228(b)(3) and 264.310(b)(4) clearly require that for regulated units with waste left in place a groundwater monitoring system must be maintained per Subpart F of MHWMR Part 264. This groundwater monitoring program includes listing the hazardous constituents, establishing groundwater protection standards, defining the point of compliance, and setting forth the requirements of the corrective action program which must include a groundwater monitoring program as effective as the compliance monitoring program in MHWMR 264.99.

Because of the characteristics of the site, groundwater contamination resulting from the regulated units cannot reasonably be distinguished from contamination resulting from other SWMUs. Therefore, there is an overlap in the groundwater monitoring requirements for regulated units addressed in MHWMR 264.100 and SWMUs addressed in 40 CFR Part 264.101. MDEQ believes that although the means (or remedy) for remediating the groundwater is flexible, there are minimum groundwater monitoring requirements that need to be addressed in the Post-Closure Permit. See the discussion on page 1 in response to Reichhold Comment (i).

However, MDEQ has significantly revised this Module to attempt to alleviate some of Reichhold's concerns. We are removing the specific details used to demonstrate compliance with the requirements of the groundwater monitoring program. Thus, the language in the permit conditions is almost strictly straight from the regulations and will simply refer to the SAP attached as Appendix F to EPA's HSWA Permit as the document containing the specific details of the groundwater monitoring program. We believe this will make it much easier to modify the SAP should conditions at the facility warrant some changes in the future, and such modifications would not require any changes to the Post-Closure Permit. Also, since the SAP is attached to EPA's HSWA Permit, EPA would be the lead, so to speak, with regards to implementing any changes EPA or MDEQ deem necessary to the groundwater monitoring program.

Reichhold Comment #6:

<u>Condition IV.C and D. Groundwater Protection Standards and Hazardous Constituents and Concentration Limits.</u> Reichhold requests authority for groundwater protection/monitoring be clearly reflected in the permits to remove dual regulation. The addition of an EPA oversight paragraph to Module IV may alleviate the concern regarding dual regulation.

MDEQ Response #6:

Please see the response to Reichhold Comment #5 above. The Post-Closure permit must include groundwater protection standards per MHWMR 264.100(a). MDEQ has always deemed the groundwater to be a potential drinking water source. Therefore, our standards are based upon potential ingestion of the groundwater. We use the Maximum Contaminant Level (MCL) for drinking water if one has been established by EPA. If not, we use the higher of EPA's Regional

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Screening Levels (SL's) for Tapwater or the Limit of Quantitation (LOQ) for the particular constituent. Given the engineering controls in place to prevent the groundwater from seeping into the Industrial Seaway, we have not included any standards to address this potential surface water interaction. Also, after reviewing the aquatic water quality standards for the given compounds, we see no reason to include them in our permit.

We have revised Table 1 of the permit to reflect the LOQ for aniline and o-toluidine, which are both above EPA's screening levels. Please note that Table 2 now also addresses groundwater protection standards. For more information regarding the addition of Table 2, please read the response to Reichhold Comment #8.

Reichhold Comment #7:

<u>Condition IV.H. Groundwater Monitoring Requirements:</u> Reichhold requests that authority for groundwater protection/monitoring be clearly reflected in the permits to remove dual regulation.

MDEQ Response:

Please see the response to Reichhold Comment #5.

Reichhold Comment #8:

<u>Condition IV.H.1 Monitoring Parameters and Frequencies.</u> Reichhold requests reduction in frequency for Appendix IX constituents to once every five years.

MDEQ Response:

Although MHWMR 264.99(g) requires annual sampling for the Appendix IX constituents, because the corrective action program for groundwater monitoring regulated under MHWMR 264.100(d) calls for a groundwater monitoring program that may be based on MHWMR 264.99 or as effective as MHWMR 264.99, MDEQ has previously used discretion when specifying the frequency. Since Reichhold has been doing annual monitoring for over ten years, MDEQ is amenable to reducing the monitoring to once every five years, as specified in the SAP. Given that there are other hazardous constituents in the groundwater, other than those required to be sampled on a routine basis, MDEQ would like to get a better range of sampling from different locations at the site. Therefore, the SAP should be revised to require sampling once every five years from one compliance point monitoring well and one effectiveness monitoring well.

Review of this comment led to another change to the draft permit. Permit Condition IV.D. was modified to include two tables — one with monitored hazardous constituents and one with a list of hazardous constituents that have been previously detected but are not being routinely monitored. The second table was necessary to fulfill the requirements of MHWMR 264.93(a) which requires MDEQ to specify in the permit hazardous constituents (from Appendix VIII of MHWMR Part 261) which have been detected in groundwater and are reasonably expected to be derived from waste contained in a regulated unit. The constituents included in Table 2 were either (1) those from the previous permit that are also listed in Appendix VIII of Part 261 or (2) those detected in the most recent Appendix IX sampling that are also listed in Appendix VIII of Part 261.

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Reichhold Comment #9:

<u>Module V.A, V.B, and Appendix C:</u> Reichhold requests that authority for corrective action be clearly reflected in the permit to remove dual regulation and that Appendix C be removed from the permit.

MDEQ Response:

As discussed on page 1 in response to Reichhold Comment (i), MDEQ will defer implementation of the corrective action program to EPA. We do not defer our authority for corrective action of the regulated units, as this is State authorization approved by EPA. However, since EPA has very specific goals in place for establishing the final remedy (e.g., CA400 and CA550), we believe it is to everyone's advantage to allow EPA to take the lead with regard to corrective action. Therefore, to avoid duplication, MDEQ has modified Module V to reflect this decision and has removed the Corrective Action and Final Remedy document attached as Appendix C.

Reichhold Comment #10:

<u>Condition V.C:</u> This condition contradicts EPA's permit and approved final remedy, which requires corrective action to continue until compliance with the site-specific media cleanup standards have been met.

MDEQ Response:

As requested in Reichhold Comment #9, we have removed the specific conditions of Module V and deferred implementation of the final remedy to EPA.

Reichhold Comment #11:

<u>Condition V.H. Reports:</u> This Condition is not consistent with the reporting requirements of the EPA permit.

MDEQ Response:

As requested in Reichhold Comment #9, we have removed the specific conditions of Module V and deferred implementation of the final remedy to EPA.

Reichhold Comment #12:

<u>Appendix D:</u> Reichhold requests that Appendix D be replaced with the attached, final SAP. There is potential for confusion if one agency requests a monitoring change, not requested by the other.

MDEQ Response:

The SAP has been removed from MDEQ's Post-Closure Permit with the hope that there will be less likelihood of having two different versions in place. The Post-Closure Permit contains what MDEQ considers the minimum regulatory requirements for the groundwater monitoring program; therefore, we believe that the SAP must address these requirements at a minimum but may certainly go above and beyond to address EPA's requirements. The Post-Closure Permit

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has been revised to remove the SAP in Appendix D and reference Appendix F of EPA's HSWA Permit instead.

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Response to Comments Reichhold HSWA Permit Gulfport, Mississippi EPA ID # MSD001661719

The United States Environmental Protection Agency received comments on the proposed Hazardous and Solid Waste Amendments (HSWA) Permit renewal. The public comment period for the proposed HSWA Permit renewal began on June 20, 2011 and ended on September 6, 2011. During this time, EPA received one written set of comments from Reichhold, Inc. In this document, EPA is responding to all comments received. EPA's responses appear below the actual comments from Reichhold (presented in italics). For ease of reference and clarity, some comments were divided into sub-comments, so that EPA could address the individual concerns raised in each comment.

EPA's responses below articulate any changes made to the draft Permit, in response to Reichhold's comments. EPA has also made other changes to the HSWA Permit for purposes of clarification. These are outlined in the last section of this document, following EPA's Response to Comments. In addition, EPA has made minor typographical and grammatical corrections and clarifications throughout the HSWA Permit. No significant changes in the HSWA Permit's conditions resulted from these typographical and grammatical changes.

General Comments submitted by Reichhold on September 6, 2011:

(i.) <u>Duplicative/overlapping permit conditions; Lack of coordination between the two permits;</u>

<u>Dual Letters of Credit required for single scope of work:</u> Although the two permits recite that they are two components of a single permit, they do not function as such. There is a complete lack of coordination between the state and federal components of the two permits to the extent that Reichhold is obligated under the two proposed permits to perform identical scopes of work for two regulators with independent authority to approve or disapprove such work, including the right pursuant to the permits for the regulators to issue completely contradictory mandates as a result of such work.</u>

Additionally, pursuant to the two permits and as direct result of the lack of coordination between the two permits, Reichhold must establish the need for two very expensive financial assurance mechanisms to address a single scope of work. Reichhold's lender is able, under certain circumstances, to issue a single Letter of Credit to the benefit of two agencies. However, the terms of such a Letter of Credit would necessarily subjugate the rights of one agency to those of the other. Reichhold previously provided EPA and MDEQ with a copy of such a draft Letter of Credit from Reichhold's lender but has received no response regarding whether either agency finds the draft Letter of Credit acceptable. Another copy of the draft Letter of Credit is enclosed with this letter for your review and response. EPA and MDEQ should be aware that, unless both agencies accept the language of the enclosed draft amendment to the Letter of Credit with MDEQ for use with the proposed permits, Reichhold lacks the ability unilaterally to comply with or otherwise proceed with the proposed permits.

Related specific permit conditions include MDEQ Conditions: I.A., Effect of Permit; **II.H** Cost Estimate for Post-Closure Care and ILL Financial Assurance for Post-Closure Care; IV.0 and D., Groundwater Protection Standards and Hazardous Constituents and Concentration Limits; Module IV, Groundwater Protection; IV.H., Groundwater Monitoring Requirements; EPA Conditions: II.F.; Remedy; Appendix D: Statement of Basis, Table 2 Site-Specific Media Cleanup Standards.

EPA RESPONSE:

Duplicative/overlapping permit conditions and Lack of coordination between the two permits: Reichhold is obligated to perform one scope of work for groundwater monitoring and cleanup, as specified in the Statement of Basis (Appendix D of the HSWA Permit) and the Sampling and Analysis Plan (Appendix F of the HSWA Permit). The corrective action remedy in EPA's Statement of Basis addresses intermingled releases from Hazardous Waste Management Units, Solid Waste Management Units, and Areas of Contamination. Because the scope of work for HSWA corrective action is consistent with MDEQ's requirements for post-closure, MDEQ has agreed to defer oversight of corrective action to EPA. Section IV.G. of the Post-Closure Permit states that the approved groundwater monitoring program is specified in the Sampling and Analysis Plan, attached as Appendix F to EPA's HSWA Permit. Module V. of the Post-Closure Permit states that MDEQ will defer oversight of Reichhold's corrective action program to EPA.

Although EPA will be the lead oversight agency, MDEQ will continue to receive, review and comment on monitoring reports, effectiveness reports, and any other correspondence related to post-closure and corrective action at the Reichhold facility. As the State of Mississippi is a stakeholder with interest in the cleanup activities at the Reichhold facility, EPA's future approval or disapproval of work conducted by Reichhold will take into account any comments or concerns from MDEQ.

Dual Letters of Credit for single scope of work: As has been conveyed to Reichhold during conference calls over the last year, EPA and MDEQ will not be requiring duplicate letters of credit (LOC) to satisfy the financial assurance requirements of Reichhold's Post-Closure Permit issued by MDEQ and HSWA Permit issued by EPA. EPA is not providing a specific response concerning the draft LOC enclosed with Reichhold's comments because the discussions regarding financial assurance have evolved over the last several months such that the draft LOC no longer reflects the approach contemplated to address concerns with duplicative financial assurance.

(ii.) <u>Incomplete Sampling and Analysis Plan:</u> The proposed permits were issued based on a preliminary and incomplete Sampling and Analysis Plan ("SAP"). The most current SAP, enclosed with this correspondence, and EPA's and MDEQ's proposed permits, are inconsistent. Reichhold also recognizes that the current SAP may change depending on EPA's and MDEQ's responses to Reichhold's comments.

EPA RESPONSE: EPA will replace the older version of the SAP with Reichhold's most current version (August 2011). However, EPA has made the following changes to the August 2011 SAP:

- 1) EPA has revised Table 1 of the SAP and Table 2 of the Statement of Basis to update applicable Groundwater Cleanup Standards. In its sixth comment on MDEQ's Post-Closure Permit, Reichhold noted that the Groundwater Protection Standards for aniline and o-toluidine are below Reichhold's laboratory reporting limits for these compounds. Reichhold stated that its laboratory's reporting limit for aniline is 20 ug/L, and its limit for o-toluidine is 10 ug/L. Reichhold has previously reported detection limits for aniline at levels ranging from 4 to 50 ug/L, and detection limits for o-toluidine at levels ranging from 2 ug/L to 10 ug/L. Considering the variability of reporting limits for different groundwater samples, the updated table specifies that the Cleanup Standard for aniline is the higher of the Screening Level of 12 ug/L or the Lower Limit of Quantitation (LOQ); and the Cleanup Standard for o-toluidine is the higher of the Screening Level of 0.37 ug/L or the LOQ. Similarly, for naphthalene, because the LOQ of 2 ug/L has most often not been achieved, the Groundwater Cleanup Standard is listed as the Screening Level of 0.14 ug/L or the LOQ, whichever is higher.
- 2) In Table 1 of the SAP, EPA included Groundwater Cleanup Standards that apply at the point of discharge to the Industrial Seaway. These standards are consistent with those specified in Table 2 of the Statement of Basis. See EPA's response to Reichhold's eighth comment on the EPA HSWA Permit.
- 3) COC has been defined as "Contaminant of Concern" in the SAP.
- (iii.) Two permits proposed rather than a single consolidated permit: Although EPA and MDEQ are authorized to issue a single consolidated RCRA permit signed by both agencies, EPA and MDEQ prepared two separate permits. A single permit signed by both agencies is more appropriate in this case where the scope of work for the two permits is identical. A consolidated permit would avoid many of the issues Reichhold identifies associated with the permits. Enclosed is information from the RCRA Hotline regarding that option.

EPA RESPONSE: The established procedure for RCRA permit issuance in the State of Mississippi (since MDEQ is not authorized for HSWA) is the issuance of separate post-closure care and HSWA permits. Combined together, the post-closure care permit and HSWA permit constitute the full RCRA Permit. Issuance of a permit with combined HSWA and post-closure conditions would require EPA and MDEQ to delineate which agency has authority for which requirements, and many of the permit requirements would still be administered and enforced by both agencies. As stated in the December 1999 Hotline Monthly Report, included with Reichhold's September 6, 2011, permit comments, the joint permit may be issued as a single document or as two separate documents addressing all the conditions required in the facility's permit.

(iv.) Memorandum of Understanding: When representatives of EPA, MDEQ and Reichhold spoke on July 26, EPA and MDEQ stated that they would address the issues Reichhold raised regarding overlap, inconsistency and confusion in the two permits, in part, with a Memorandum of Understanding between EPA and MDEQ (MOU). As Brian Kanzler indicated in his correspondence to Amy McLaughlin and Carla Brown on August 10, 2011, a copy of which is enclosed, based on our discussions to date, the MOU is critical to resolving the confusion and inconsistencies in the two proposed permits. Reichhold asked to see the proposed MOU but has not yet seen a draft. As Reichhold has indicated in previous correspondence, Reichhold is concerned with the overall effect of the MOU, as well as how the proposed MOU would tie to, or be incorporated in, the two permits.

Until Reichhold can review the MOU, as well as proposed permit revisions, it has no way of knowing whether they resolve or exacerbate the problems we have discussed regarding the proposed permits or create completely new problems not previously identified or anticipated. Without the MOU and permit revisions, neither Reichhold nor your agencies can know whether Reichhold's comments to the draft permits are complete and all comments have been considered and addressed. Reichhold also anticipates that the effect of the revised permits and MOU will be so significant as to merit renewed public comment.

Related specific permit conditions include MDEQ Conditions: I.A., Effect of Permit; II.H Cost Estimate for Post-Closure Care and ILI. Financial Assurance for Post-Closure Care; IV.0 and D., Groundwater Protection Standards and Hazardous Constituents and Concentration Limits; Module IV, Groundwater Protection; IV.H., Groundwater Monitoring Requirements; EPA Conditions: II.F.; Remedy; Appendix D: Statement of Basis, Table 2 Site-Specific Media Cleanup Standards.

EPA RESPONSE: MDEQ's revision to the wording in Module V of the Post-Closure Permit (see response to Comment *i*) will alleviate some overlap and confusion regarding implementation of the site-wide corrective action plan. The contemplated MOU would be an agreement between EPA and MDEQ to establish conditions for drawing on the LOC. As stated in response to Comment *i*, EPA and MDEQ will not require duplicative financial assurance. We believe that an MOU does not need to be in place prior to issuance of either the Post-Closure or HSWA Permit, nor does the MOU need to be referenced in the RCRA Permit. EPA anticipates that the MOU, if needed, will be finalized by the time Reichhold submits an updated cost estimate for corrective action (see Condition I.D.4. of the HSWA Permit).

(v.) Effect of permit conditions on wells that previously satisfied groundwater standards. Reichhold is concerned about the effect of the proposed permit conditions on groundwater monitoring wells that satisfied groundwater standards under the previous permits. It appears that wells previously determined to be clean may no longer qualify as clean under the proposed permits. See Reichhold's enclosed comments for proposal to address this concern.

EPA RESPONSE: This comment appears to relate to boundary control monitoring wells discussed in MDEQ's March 7, 2011, letter to Reichhold. MDEQ commented that COCs were detected above groundwater standards in two designated boundary control monitoring wells, MW-29S and MW-30S, and requested that Reichhold install an additional boundary control monitoring well.

Streamlined Order v. Permits. As Reichhold has discussed with EPA and MDEQ on (vi.) numerous occasions, Reichhold requested and consistently advocated that a streamlined order was the appropriate mechanism for addressing the remaining site issues at Reichhold's former Gulfport facility. A streamlined order avoids boilerplate language that is extensive, voluminous, highly technical and intimidating to the general public and prospective purchasers of the former Reichhold facility. Even though Reichhold would continue to be responsible for compliance, prospective purchasers cannot even determine with any certainty that they would be able to operate on site property. Reichhold repeatedly requested that EPA issue a streamlined order consistent with those issued at similar facilities in other regions. Reichhold remains convinced that such a streamlined order is the best solution for the subject site. EPA has indicated that it does not believe it has the authority to do so. In an effort to reiterate that EPA has such authority, Reichhold encloses again some of its previous correspondence with EPA on the subject along with numerous examples of EPA presentations on the subject and examples of such orders.

In further support of Reichhold's comments, enclosed are the following documents, which both agencies already have, but which Reichhold incorporates into, and submits as part of, its comments on the two permits:

- · Comments to Draft Permits, Reichhold, Inc. Gulfport, Mississippi, Harrison County, Public Notice: June 29 — August 3, 2011
- Reichhold, Inc. Gulfport, MS, Permit No. HW-001-661-719, Corrective Action Groundwater Monitoring Program: Sampling and Analysis Plan (Final), including Figure 1, Site Map, and Attachment 1, Sampling Field Form
- RCRA Hotline memorandum regarding agency options in issuing consolidated RCRA permits under federal and state authority
- · Bank of America Irrevocable Standby Letter of Credit
- · Draft Amendment To Irrevocable Standby Letter Of Credit Number: 7420303
- · State of Mississippi Hazardous Waste Management Permit, Grenada Manufacturing, LLC, 635 Highway 332, Grenada, MS, Grenada County, MSD 007 037 278
- · Correspondence from Elizabeth Davis to Amy McLaughlin and Bonnie Sawyer, EPA, and to Carla Brown and Roy Furrh, MDEQ, dated August 22, 2011
- Correspondence from Brian Kanzler, Reichhold, to Amy McLaughlin, EPA, and Carla Brown, MDEQ, dated August 10, 2011
- · Correspondence from Elizabeth Davis to Amy McLaughlin and Bonnie Sawyer, EPA, and to Carla Brown and Roy Furrh, MDEQ, dated August 3, 2011
- · Correspondence from Brian Kanzler, Reichhold, to Amy McLaughlin, EPA, and Carla Brown, MDEQ, dated June 13, 2011

Correspondence from Elizabeth Davis to Bonnie Sawyer, EPA, dated March 25, 2011, and enclosures.

EPA RESPONSE: Reichhold and EPA have discussed this issue extensively in the last few years. 40 CFR § 270.1(c)(7) allows EPA or the State to use an alternative mechanism or "other enforceable document" in lieu of a permit, but this provision is intended to address circumstances in which an interim status facility has never been issued a permit. This interpretation is made clear in the Federal Register promulgating these requirements, which states: "This rule limits the use of alternate mechanisms [enforceable documents] to facilities that have not received permits." See 63 Fed. Reg. 56710, 56717 (Oct. 22, 1998).

Specific Comments submitted on September 6, 2011, by Reichhold on the HSWA Permit:

1. Condition I.A Effect of Permit.

The 2nd sentence - "The extent of the permitted Facility encompasses the property boundaries under the Permittee's control..." is contrary to the 1st sentence which states that the Facility is "defined by the boundaries demarked by Lot 4 of the survey plat...". There are certain property boundaries that are under Reichhold's control, but that are not within Lot 4, and therefore, not subject to the RCRA permit. Please revise the text as needed to clarify that the 'permitted Facility' includes Lot 4 only.

EPA RESPONSE: The second sentence in Condition I.A. has been changed as follows: "The permitted Facility encompasses Hazardous Waste Treatment Units, Solid Waste Management Units (SWMUs) and Areas of Concern (AOCs)."

2. <u>Condition I.D.3. Cost Estimate for Corrective Action</u> & <u>Condition I.D.4. Financial Assurance for Corrective Action.</u>

Refer to Reichhold's email to EPA and MDEQ on June 13, 2011, regarding the duplicative and overlapping permit requirements. Based on the current draft, specifically noted EPA Conditions I.D.3. and I.D.4 and MDEQ's Permit Conditions II.H and ILI, Reichhold will have to prepare two cost estimates and obtain two separate financial assurance mechanisms that essentially insure the same groundwater monitoring activity regulated both by EPA and MDEQ. This is not just an administrative duplication; it represents a substantial additional financial burden to Reichhold and doubles Reichhold's annual cost for financial assurance. Reichhold requests deletion of duplicative requirements. Based on recent communications, we understand that EPA and MDEQ are developing a MOU to address, in part, how the funds from a letter of credit would be distributed, and EPA anticipates that the letter will provide clarity to allow one letter of credit to satisfy financial assurance requirements in both permits.

EPA RESPONSE: EPA and MDEQ do not intend to require Reichhold to provide two separate letters of credit (LOC) to satisfy the financial assurance requirements for post-closure and HSWA corrective action. See EPA's response to Comments *i* and *iv*.

3. Condition II.A.1.

Reference to Appendix A is incorrect; correct reference is Appendix C.

EPA RESPONSE: The correct reference to Appendix C has been changed in the HSWA Permit.

4. Condition II.F. Remedy.

The selected remedies identified in the Statement of Basis (Appendix D), specifically the Engineering Controls to prevent groundwater from migrating offsite (II.F.3) and the sampling, analysis, monitoring, and reporting outlined in the Sampling and Analysis Plan (Appendix F) are duplicative with MDEQ requirements for monitoring groundwater associated with the regulated units under post-closure care. Per Reichhold's email to EPA and MDEQ on June 13, 2011, Reichhold is concerned with the apparent dual regulation of the site groundwater monitoring program. Reichhold requests that the authority for groundwater monitoring be

clearly reflected in the permits to remove dual regulation by state and federal authorities. The addition of an EPA oversight paragraph to Module IV, as requested in Comment 5 to the MDEQ permit, may alleviate the concern regarding dual regulation.

EPA RESPONSE: MDEQ's revised Post-Closure Permit defers oversight for the Corrective Action Program under MHWMR 264.100 to EPA (see Module V). In addition, Section IV.G. of the Post-Closure Permit stipulates that the approved groundwater monitoring program is specified in the Sampling and Analysis Plan (SAP) attached as Appendix F to EPA's HSWA Permit. As the lead agency for overseeing corrective action, EPA will also be overseeing the groundwater monitoring program.

5. <u>Condition II.H.1.</u>

Last sentence requires Permittee to (submit) Corrective Measures Implementation and Effectiveness Report(s) for review by the RA on an annual basis. However, as noted in the Statement of Basis (Appendix D, Section E, page 24), Reichhold will submit an annual report for 3 years following renewal of the RCRA permit, and then reports will be submitted every 5 years thereafter. Reichhold requests correction of Condition II.H.1, to reflect the reporting schedule approved as part of the CMS and documented in the Statement of Basis.

EPA RESPONSE: Condition II.H.1. has been changed to reflect the requirement for submitting Groundwater Monitoring Reports on an annual basis, and for submitting Implementation and Effectiveness Reports annually for three years, following renewal of the HSWA Permit, and then every five years thereafter. These reporting requirements have also been clarified in Appendix B, "Schedule of Compliance."

6. Appendix B: Schedule of Compliance.

- 3rd item, Financial Assurance refer to Comment 2 above
- 4th item, Reporting Planned Changes change reference to Condition I.D.11
- 11th item, CMI and Effectiveness Reports refer to Comment 5 above.

EPA RESPONSE: The items listed in Comment 6 pertaining to Appendix B, "Schedule of Compliance", have been corrected. (Please note that Condition I.D.11 is now I.D.12.)

7. Appendix C: SWMU/AOC Summary, page 2 of 8.

On May 19, 2011, Reichhold requested that EPA revise the Status of Corrective Action for SWMUs 23 and 24 to reflect that MDEQ has eliminated post-closure care of the 'covers' for these units. On June 6, EPA responded that the change was not included, stating that "It shouldn't matter because it is specified in the post-closure permit." EPA went on further to state that because EPA doesn't have "all the data to concur with MDEQ's determination" that EPA would "prefer not to include this in the table." Reichhold would like to emphasize that EPA has been copied on all data submitted to MDEQ. Notwithstanding this fact, Reichhold refers back to Comment 4 above, noting this as an example of the potential to be dually regulated by two agencies, creating confusion and agency disagreement. If EPA believes that "it doesn't matter because it is specified in the post-closure permit", then Reichhold requests that EPA revise Appendix C to reflect the post-closure permit and eliminate the possibility for confusion in the future.

EPA RESPONSE: As the lead authority for post-closure care, MDEQ made the decision that post-closure care applicable to the hazardous waste management units may be discontinued. This decision was made after receiving the results of soil sampling and analysis conducted in 2008 by Reichhold at the closed Aeration Basins and Hazardous Waste Management Tank System. EPA did not oversee this soil sampling/analysis, as EPA is not the lead authority for oversight of the hazardous waste management units. Because activities at hazardous waste management units are regulated by the approved State program, EPA considers the Post-Closure Permit, not the HSWA Permit, to be the appropriate instrument for addressing specific requirements related to post closure care [see 40 CFR 271.1(f)]. EPA designated SWMUs 23 and 24 for "No Further Action", as shown in the SWMU Table in Appendix C, because the units are being addressed under an MDEO Post-Closure Permit. EPA has removed SWMU 23, mistakenly listed as a SWMU/AOC requiring further action. Also removed is the statement in the last sentence under "Status of Corrective Action" for SWMU 24, which incorrectly indicated that it is currently under RCRA post-closure care. The sentence will read as follows: "This unit is currently being addressed under an MDEO Post-Closure Permit."

8. Appendix D: Statement of Basis, Table 2 Site-Specific Media Cleanup Standards.

Although we understand the original consideration and basis for two sets of groundwater MCSs, i.e., "Throughout the facility" represents MCLs and "At Point of Discharge to the Seaway" represents protection of ecological receptors, Reichhold requests that a single set of MCSs for each COC be established. In order for the Permittee to clearly demonstrate compliance in the future, we believe it is important to have a single standard. Reichhold proposes that the MCS be set at the "Seaway" values and that Table 2 be modified as shown below. This sets the MCS at a level that is protective of the potential receptor, given that groundwater at the site is not currently, and is not expected in the future to have potable use. Refer also to Comment 6 to MDEQ's permit regarding Reichhold's concern with two sets of cleanup criteria for groundwater. Reichhold requests that the authority for groundwater protection / monitoring be clearly reflected in the permits to remove dual regulation by state and federal authorities. The addition of an EPA oversight paragraph to Module IV, as requested in Comment 5 to the MDEQ permit, may alleviate the concern regarding dual regulation.

Table 2 Site-Specific Media Cleanup Standards

COC	Groundwater	Soil MCSs
Aniline	597(1)	6.9E-03
Benzene	5(2>	5.5E-03
Ethylbenzene	$4.3(^3)$	1.1 E-02
Naphthalene	$23.5(^3)$	1.1 E-03
Styrene	$100(^{2})$	2.5E-01
Toluene	37 ⁽³⁾	5.6E-02
o-Toluidine	29(¹)	2.6E-04

Notes:

- 1. Surface Water Quality Criteria for Protection of Aquatic Organisms based on human health / fish consumption
- 2 Maximum Contaminant Level
- 3 Surface Water Quality Criteria for Protection of Aquatic Organisms based on ecological receptors

EPA RESPONSE: Reichhold is proposing to exclude the Groundwater Protection Standards in the HSWA Permit and specify only surface water standards as applying to groundwater, at the point of discharge to the Industrial Seaway. EPA contends that both sets of standards apply to the facility. Surface water standards apply at the point of discharge to the Industrial Seaway, and Groundwater Protection Standards apply to groundwater throughout the facility and offsite (e.g., north of the potentiometric ridge). Groundwater Protection Standards have been established by the State of Mississippi as being applicable to groundwater in the uppermost aquifer, pursuant to MHWMR 264.92 and 264.100(f). Furthermore, the State of Mississippi has deemed the State's groundwater to be a potential drinking water source, and thus, groundwater standards, based upon potential ingestion of groundwater, apply.

Reichhold has requested to establish a single groundwater Media Cleanup Standard (MCS) for each COC to allow the Permittee to more clearly demonstrate compliance. One MCS for each COC could be established based upon the most stringent of the MCS applying throughout the facility or at the surface water discharge point; however, this approach is not recommended. It is anticipated that the separate standards will ultimately be used to demonstrate achievement of final cleanup goals, and the Permittee will need to know which standard applies to groundwater underlying the facility, and which applies at the point of discharge to the Industrial Seaway.

Table 2 will remain the same, with the exception of addressing Reichhold's sixth comment on MDEQ's Post-Closure Permit. Reichhold noted that the Groundwater Protection Standards for aniline and o-toluidine are below Reichhold's laboratory reporting limits for these compounds. See EPA's response to Comment *ii*.

9. Appendix D: Statement of Basis, Table 3 Site Specific Performance Standards.
Reichhold requests that Table 3 be replaced with the attached, revised Table 3. The table has been modified to more clearly specify the Remedy Component, the associated Performance Standard, and Demonstration details.

Table 3 Site Specific Performance Standards

Current Remedy Component	Remedy Performance Standard	Demonstration	Action to Be Taken Based on Demonstration
Air Sparge (AS) system	Reduce concentrations of COCs in groundwater (GW) to allow natural attenuation to achieve MCSs over time. Reduce concentrations of COCs in GW to allow the rate of reduction to reach an asymptote; indicating that continuation of active remedy is having negligible effect.	1) Annual GW monitoring of the AS monitoring wells (MWs-18RS, -215, -22S, -315, -35S) to demonstrate that remaining concentrations of COCs in GW have reached levels that will naturally attenuate. 2) COC concentrations in the AS monitoring wells (MWs-18RS, -	The AS system will be shut down and decommissioned when Remedy Performance Standards 1 or 2 have been successfully demonstrated and approved by EPA. triggered before Remedy Performance
	on concentrations.	215, -225, -315, -355) do not decrease by more than 5% over a five year period. If Remedy Performance Standard 2 is	Standard 1 is achieved, the Permit will submit an alternate remedy proposal for contaminant reductio a Technical Impracticability demonstration for approval by EPA.
Hydraulic Containment 1) Barrier Wall with upgradient hydraulic control along Industrial Seaway 2) Plume stability monitoring north of the potentiometric divide	Provide hydraulic containment, such that GW with COCs above MCSs does not migrate off-site. An inward hydraulic gradient is maintained along the engineered control (EC) barrier wall at all times. Confirm that GW with concentrations of COCs greater than the MCSs do not migrate past the northern boundary	1) Semiannual measurement of GW elevations from wells & piezometers on either side of the wall. 2) Annual GW monitoring of the permitted northern site boundary control monitoring wells, MW-16S, MW-32S, MW-33S, and MW-34S.	In the event that: 1) well and piezometric data do not show an inward gradient, or 2) northern boundary well data show plume migration to the north, the Permittee will submit a plan to th EPA describing additional ECs to be implemented to meet the performance standard.
Implementation of the following ICs: 1) Prevention of GW well installation or extraction of GW in uppermost aquifer; 2) Restriction of property to commercial and/or industrial land use; 3) Prevention of surface or subsurface demolition, excavation, drilling, utility work or other activities that could create contaminant exposure; and 4) Prevention of unacceptable indoor air inhalation risks via IAVI through the construction of habitable buildings limited to specific portions of the facility and/or use of construction	Eliminate GW and soil contaminant exposure to receptors.	Environmental covenant put in place to ensure that ICs are met.	ICs will remain in place until a successful demonstration of reducti in GW and soil contaminant levels shows acceptable risk, as approved b EPA.
specifications that eliminate potential exposure	Drougat disates a test in the Land City		
Length Cover	contents.	Inspection of the surface of the cover & recording of inspection results annually.	Ruts, areas of erosion, or breaches w be repaired within 30 days of observed condition.

Notes:

AS – Air Sparge

GW - Groundwater

MCS – Media Cleanup Standards

EC – Engineering Controls

COC - Contaminant of Concern

IAVI – indoor air vapor intrusion

IC – Institutional Control

EPA RESPONSE: The modifications to Table 3 have been made, as follows:

- (1) As requested by Reichhold, EPA added as a Remedy Performance Standard for Hydraulic Containment, "Confirm that groundwater with concentrations of COCs greater than the MCSs does not migrate past the northern boundary."
- (2) As requested by Reichhold, EPA deleted the requirement to demonstrate for the Hydraulic Containment standard using "Maintenance of ECs (barrier wall and hydraulic control system)."
- (3) As requested by Reichhold, EPA added the specification for monitoring MW-16S and removed the specification for monitoring wells MW-01D and 04D, to demonstrate that groundwater with concentrations of COCs greater than the MCSs do not migrate past the northern boundary.
- (4) For clarity, EPA added an action to be taken to demonstrate the Treatment Remedy Component: "Treatment (air sparging, an alternate remedy, and/or monitored natural attenuation) will remain in place until groundwater monitoring data collected in accordance with the SAP demonstrate that COC concentrations in groundwater are below MCSs, or a Technical Impracticability demonstration is made."
- (5) For clarity, EPA added an action to be taken to demonstrate the Hydraulic Containment Remedy Component: "2) Hydraulic Containment will remain in place until groundwater monitoring data collected in accordance with the SAP demonstrate that COC concentrations in groundwater are below MCSs."

The following changes, requested by Reichhold, were not made to Table 3:

- (1) EPA did not specify monitoring of the specific wells (MW-18RS, MW-21-S, MW-22S, MW-31S, and MW-35S) solely to demonstrate the Air Sparge performance standard. It is likely that data from other monitoring wells, such as MW-29S, may need to be used to demonstrate achievement of the performance standard.
- (2) For clarity, EPA did not change the Treatment Remedy Component, "Air Sparge System, followed by Monitored Natural Attenuation" to "Air Sparge System."
- (3) "Regional Administrator" was not replaced with "EPA" in Table 3. This term is defined in the HSWA Permit as meaning "the Regional Administrator for the EPA Region in which the facility is located, or his/her designee."

10. Appendix F: Sampling and Analysis Plan.

Reichhold requests that Appendix F be replaced with the attached, final SAP. The SAP has been modified to more clearly specify the monitoring required by each permit, as well as monitoring that is not permit-required, but conducted by Reichhold to support remedy operations and monitoring. The primary difference between the SAP included in the draft permit and the revised version is in Table 2, as referenced in Section 1.3. Notwithstanding this request, Reichhold refers back to Comment 4 above, noting the fact that both the EPA and MDEQ permits each include the SAP as an appendix. There is the potential to create confusion if one agency requests a monitoring change not requested by the other. The addition of an EPA oversight paragraph to Module IV, as requested in Comment 5 to the MDEQ permit, may alleviate the potential for confusion/dual regulation.

EPA RESPONSE: The changes to the SAP, requested by Reichhold, include changes to Tables 1 and 2. EPA accepted the requested changes to Table 2. However, EPA disagrees with Reichhold's requested modifications to Table 1, as there are two sets of groundwater cleanup standards that apply (throughout the facility and at the point of discharge to the Industrial Seaway). See EPA's response to General Comment *ii* and Reichhold's eighth comment on the EPA HSWA Permit.

Reichhold has commented that both the HSWA and Post-Closure Permit include a SAP as an appendix. The revised Post-Closure Permit and the revised HSWA Permit reference one SAP, Appendix F of the HSWA Permit. Section IV.G. of MDEQ's Post-Closure Permit has been revised to state that the approved groundwater monitoring program is specified in Appendix F of EPA's HSWA Permit. See EPA's response to General Comment *i*.

Other Changes Made to the HSWA Permit:

- 1) A "Duty to Reapply" condition is being added to Section I.D., as this is required by 40 CFR §§ 270.10(h) and 270.30(b) and is standard language required in all EPA HSWA permits. The following paragraph has been added to the Permit, using EPA's standard HSWA permit language: "If the Permittee will continue an activity allowed or required by this Permit, after the expiration date of this Permit, the Permittee shall submit a complete application for permit renewal per 40 CFR § 270.30(b), at least one hundred eighty (180) calendar days before this Permit expires, unless permission for a later date has been granted by the Regional Administrator."
- 2) The words "Contaminants of Concern" have been added to Section II.F.2. to define COC.
- 3) Appendix B (Schedule of Compliance): A footnote was added to clarify that Corrective Measures Implementation and Effectiveness Reports present annual results of groundwater monitoring, landfill cap inspections, and effectiveness evaluations for Engineering Controls and source reduction.
- 4) Appendix D (Statement of Basis): COC has been defined as "Contaminant of Concern" in Section 3. of the Statement of Basis.
- 5) Appendix D (Statement of Basis): In Sections 3. and 9.B. of the Statement of Basis, the following institutional control, "prohibiting surface or subsurface demolition, excavation and other activities that could create exposure to contamination," is replacing "maintaining the ECs." Maintenance of the ECs is not an IC; this was incorrectly written in the Statement of Basis and is inconsistent with Section II.I.3. of the HSWA Permit. EC maintenance requirements are specified in Permit Condition II.F.2. The IC, "Restricting surface and subsurface demolition, excavation, drilling, utility work or other activities that could create exposure to contaminants in soils," should replace "Maintaining ECs that could prevent groundwater with concentrations of COCs at levels above the site-specific MCSs from migrating to the Industrial Seaway" and "Maintaining the integrity of the existing landfill cap."