



STATE OF MISSISSIPPI  
PHIL BRYANT  
GOVERNOR  
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY  
GARY C. RIKARD, EXECUTIVE DIRECTOR

November 14, 2014

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. William Skinner  
VT Halter Marine, Pascagoula Operations  
900 Bayou Casotte Parkway  
Pascagoula, MS 39581

**Re: VT Halter Marine, Pascagoula Operations  
Agreed Order No. 6474 14**

Dear Mr. Skinner:

Enclosed you will find a copy of Agreed Order No. 6474 14, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Gary Rikard, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Mohammad Yassin at (601) 961-5195.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Sanders".

Chris Sanders, P.E.  
Chief, Environmental Compliance and Enforcement Division

Enclosure  
cc: Mohammad Yassin

Agency Interest No. 6292  
ENF20140002

BEFORE THE MISSISSIPPI COMMISSION  
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON  
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO. 6474 14

VT HALTER MARINE, INC.  
900 BAYOU CASSOTE PARKWAY  
PASCAGOULA, MISSISSIPPI 39568

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and VT Halter Marine, Pascagoula Operations, Respondent, in the above captioned cause and agree as follows:

1.

By letter dated June 19, 2014, Respondent was contacted by Complainant and notified of the following alleged violations at its facility located at 900 Bayou Cassote Parkway, Pascagoula Jackson County, Mississippi:

AIR

- A. In violation of Mississippi Air Emission Regulations, Title 11, Part 2, Chapter 1, Rule 1.3.C(1), Respondent causes, permits, or allows the emission of particles or other contaminants from the facility in amounts or of such duration to be injurious to humans, animals, plants, or property, or to be a public nuisance, or create a condition of air pollution. *Specifically, Respondent caused or permitted the handling and/or transporting of dredge spoil, dirt, and/or other materials from the construction area in a manner which allows or may allow unnecessary amounts of particulate matter to*

*become airborne. Haul roads were not wetted to control dust. Also, sandblasting and painting operations conducted on-site were conducted in such a manner that may allow unnecessary amounts of particulate matter to become airborne. Also, Respondent failed to clean dirt and wastes from concreted areas of the yard, or to wet them or use other controls to minimize emissions. Respondent has no maintenance or inspection records for air pollution controls, and there was evidence of lack of proper maintenance.*

- B. In violation of Mississippi Air Emission Regulations, Title 11, Part 2, Chapter 1, Rule 1.3.C(2), Respondent's activities had potential to allow dust, fumes, gases, mist, odorous matter, vapors, or combinations thereof to escape from its facility (including from buildings and equipment) in such a manner and amount that may cause a nuisance to property other than that from which it originated and/or to violate other provisions of this regulation. *Specifically, dust, fumes, mist, odorous matter, vapors, or combinations thereof may escape from the shotblast operations (including its control devices and the building in which it is located) and from the sandblasting and painting areas.*
- C. In violation of 40 CFR 63.783(b)(1) (shipbuilding MACT), Respondent failed to ensure that at all times the facility was operated and maintained in a manner consistent with safety and good air pollution control practices for minimizing emissions. *Open containers of solvents, spilled wastes that weren't promptly cleaned up, and numerous other problems can be included in this category.*
- D. In violation of permit condition 3.D.1 and 40 CFR 63.783(b)(2) (shipbuilding MACT), Respondent failed to ensure that all handling and transfer of VOHAP-containing materials to and from containers, tanks, vats, drums, and piping systems was conducted in a manner that minimizes spills.
- E. In violation of permit condition 3.D.2 and 40 CFR 63.783(b)(3) (shipbuilding MACT), Respondent has failed to ensure that all containers, tanks, vats, drums, and piping systems were free of cracks, holes, and other defects and remain closed unless materials were being added to or removed from them. *Numerous paint and solvent containers were open. Many containers were damaged, with several leaking.*

## Hazardous Waste

- F. In violation of Mississippi Hazardous Waste Management Regulations (MHWMR), 40 CFR 262.34(a)(1)(i), and 40 CFR 265.171, Respondent was using containers that were not in good condition, or had begun to leak, to hold hazardous waste, and had not transferred the hazardous waste to a container in good condition or otherwise managed the waste in compliance with regulations. *Examples are paint-related wastes in the paint storage building and Satellite Accumulation Areas (SAAs).*
- G. In violation of MHWMR, 40 CFR 262.34(a)(4), and 40 CFR 265.51(b), Respondent failed to immediately clean up leaks and spills. *Spills and leaks inside the paint storage building, in SAAs, and in the 90-day storage area had not been promptly cleaned.*
- H. In violation of MHWMR, 40 CFR 262.34(a)(1)(i), and 40 CFR 265.173(a), numerous containers of Hazardous Waste were not closed during storage, except when it was necessary to add or remove waste. *Examples were open containers in boat boxes, dumpsters, waste receptacles, and other areas.*
- I. In violation of MHWMR and 40 CFR 262.34(a)(2), the date upon which each period of accumulation began was not clearly marked and visible for inspection.
- J. In violation of MHWMR and 40 CFR 262.34(a)(3), while being accumulated on-site, each container was not labeled or marked clearly with the words "Hazardous Waste."
- K. In violation of Section 17-17-27(4) of the Solid Wastes Disposal Law of 1974, Miss. Code Ann. § 17-17-27(4) [Section 3005 of RCRA, 42 U.S.C. § 6925], Respondent treated hazardous waste. *Evaporation meets the definition of "treatment" in MHWMR 260 [40 C.F.R. § 260.10] since it reduces the volume of the hazardous waste and would therefore require a permit or interim status.*
- L. In violation of MHWMR and 40 CFR 262.12(c), Respondent offered their hazardous waste to transporters and/or to treatment, storage, or disposal facilities that had not received an EPA identification number. *Respondent placed Hazardous Wastes into containers (roll-off box, trash cans, boat boxes, etc.) bound for a Subtitle D landfill.*
- M. In violation of MHWMR, 40 CFR 262.34(c)(1)(i), and 40 CFR 265.173(a), Respondent failed to keep containers of Hazardous Waste in SAAs closed during storage, except

when necessary to add or remove waste. *Containers of Hazardous Waste in SAAs were open while no waste was being added to or removed from them.*

- N. In violation of MHWMR and 40 CFR 262.34(c)(2), Respondent had failed to mark containers in the SAAs with the date the 55-gallon containers became full. *Respondent was transferring the drums to the 90-day storage area before dating them.*
- O. In violation of MHWMR, 40 CFR 262.34(a)(1)(i), and 40 CFR 265.35, Respondent failed to maintain aisle space to allow the unobstructed movement of personnel, fire protection equipment, spill control equipment, and decontamination equipment in the 90-day storage area.
- P. The mixing of incompatible wastes has occurred on at least two occasions in violation of:
- (a) MHWMR, 40 CFR 262.34(a)(1)(i), and 40 CFR 265.17(a), Respondent failed to take precautions to prevent accidental ignition or reaction of ignitable or reactive waste. *Incompatible waste was not separated and protected from sources of ignition or reaction, spontaneous ignition, and radiant heat. While ignitable or reactive waste was being handled, Respondent did not have "No Smoking" signs conspicuously placed wherever there was a hazard from ignitable or reactive waste.*
  - (b) MHWMR, 40 CFR 262.34(a)(1)(i), and 40 CFR 265.17(b), Respondent treated, stored, or disposed of ignitable or reactive waste, and mixed or commingled incompatible wastes, or incompatible wastes and materials, so that it:
    - (1) Generated extreme heat or pressure, fire or explosion, or violent reaction;
    - (2) Produced uncontrolled toxic mists, fumes, dusts, or gases in sufficient quantities to threaten human health;
    - (3) Produced uncontrolled flammable fumes or gases in sufficient quantities to pose a risk of fire or explosions;
    - (4) Damaged the structural integrity of the container of waste; and/or
    - (5) Through other like means threatened human health or the environment.
  - (c) MHWMR, 40 CFR 262.34(a)(1)(i), and 40 CFR 265.31, Respondent failed to maintain and operate the facility to minimize the possibility of a 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.

- (d) MHWMR, 40 CFR 262.34(c)(1)(i), and 40 CFR 265.173(b), Respondent handled or stored containers of Hazardous Waste in SAAs in a manner which could rupture the containers or cause them to leak.
- (e) MHWMR, 40 CFR 262.34(a)(1)(i), and 40 CFR 265.177, Respondent placed incompatible wastes, or incompatible wastes and materials in the same container.
- Q. In violation of MHWMR and 40 CFR 262.34(c)(2), Respondent accumulated more than 55 gallons of hazardous waste at or near a point of generation (in the 30-cubic yard dumpster) without complying within three days with the requirements of 40 CFR 262.34(a). *A 55-gallon drum of incompatible wastes was placed into a dumpster the previous week prior to inspection and there were at least four 5-gallon containers of hazardous waste also in the dumpster.*
- R. In violation of MHWMR and 40 CFR 262.23(a)(1), Respondent failed to sign the manifest certification by hand.
- S. In violation of MHWMR, 40 CFR 279.22, and 40 CFR 279.22(b), Respondent was storing used oil in containers and/or aboveground tanks that were leaking. *A large amount of fluid had leaked into secondary containments. It is noted that 40 CFR 279.20(2) allows vessel owners/operators to be co-generators, but Respondent failed to provide the required notification.*
- T. In violation of MHWMR, 40 CFR 279.22, and 40 CFR 279.22(d)(3), Respondent failed to clean up and properly manage released used oil and other materials.
- U. In violation of MHWMR, 40 CFR 279.22, and 40 CFR 279.22(c), Respondent stored oil in containers and/or tanks that were not clearly labeled or marked with the words "Used Oil." *At least three containers or aboveground tanks were used to store Used Oil and were not properly labeled.*
- V. In violation of MHWMR and 40 CFR 273.14(e), Respondent failed to label or mark two containers of universal waste lamps with one of the following phrases: "Universal Waste—Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)."

- W. In violation of MHWMR and 40 CFR 273.15(c), Respondent was unable to demonstrate the length of time that universal wastes had been accumulated from the date it became a waste or was received. *Neither the universal waste lamps nor their containers were dated and Respondent had no other method which clearly demonstrated the length of time that the universal waste had been accumulated.*
- X. In violation of MHWMR and 40 CFR 112.8(c)(2), Respondent failed to construct all bulk storage tank installations so that a secondary means of containment will contain the entire capacity of the largest single container and sufficient freeboard to contain precipitation.
- Y. In violation of MHWMR and 40 CFR 112.8(c)(6), Respondent failed to regularly test or inspect each aboveground container for integrity, frequently inspect the outside of the container, and keep comparison records.
- Z. In violation of MHWMR and 40 CFR 112.8(c)(10), Respondent failed to promptly correct visible discharges and remove any accumulations. *Respondent failed to adequately manage liquids in secondary containments.*

#### **Baseline Industrial Storm Water**

- AA. In violation of permit ACT7, condition S-1 and ACT5, condition T-7(5)(D), Respondent failed to provide protected storage areas for chemicals, paints, solvents, ... and other potentially toxic materials. *Large amounts of paint were stored outside the paint storage building with no protection from the elements or passing vehicles.*
- AB. In violation of permit ACT7, condition S-1 and ACT5, condition T-6(3), Respondent failed to implement appropriate measures to limit erosion. *No silt fences, hay bales, or other controls were being used.*
- AC. In violation of permit ACT7, condition S-1 and ACT5, condition T-6(4); Respondent failed to implement a preventive maintenance program involving the inspection and maintenance of storm water management devices. *Respondent failed to adequately manage liquids in secondary containments.*
- AD. In violation of permit ACT7, condition S-1; and ACT5, condition T-7(6); Respondent failed to promptly clean up spills and leaks.

- AE. In violation of permit ACT7, condition S-1; and ACT5, condition T 6(5)(B); Respondent, by not covering outdoor waste receptacles, had failed to provide good housekeeping.
- AF. In violation of permit ACT7, condition S-1; and ACT5, condition T-3(4); Respondent failed to have a monthly updated list of significant spills and leaks.
- AG. In violation of permit ACT14, condition T-15, Respondent failed to report releases into the environment of hazardous substances, oil, and pollutants or contaminants, which pose a threat to applicable water quality standards or causes a film, sheen or discoloration of waters of the State.
- AH. In violation of permit ACT7, condition S-1; and ACT5, condition T-8(9); Respondent failed to perform jar tests as part of their routine visual site inspections.

#### **Large Construction Storm Water**

- AI. In violation of permit ACT6, condition S-1 and ACT5, conditions T-2 and T-3, Respondent failed to:
- (1) Control storm water volume and velocity within the site to minimize soil erosion;
  - (2) Control storm water discharges, including both peak flow rates and total storm water volume, to minimize erosion at outlets and to minimize downstream channel and stream bank erosion;
  - (3) Minimize the amount of soil exposed during construction activity;
  - (4) Minimize the disturbance of steep slopes ...
  - (6) Provide and maintain natural buffers around surface waters, direct storm water to vegetated areas to increase sediment removal and maximize storm water infiltration, unless infeasible; ...and
  - (8) Direct storm water to vegetated areas, brush barriers, silt fences, hay bales, etc. to aid in the filtration, infiltration, velocity reduction and diffusion of the discharge; ...
- Respondent failed to include pumping operations in Storm Water Pollution Prevention Plan (SWPPP) as a construction activity and therefore, no appropriate controls for this operation were listed.*
- AJ. In violation of permit ACT6, condition S-1 and ACT5, condition T-4, Respondent had



failed to initiate vegetative stabilization measures whenever any clearing, grading, excavating or other land disturbing activities have temporarily or permanently ceased on any portion of the site and will not resume for a period of fourteen days or more. *The appropriate temporary or permanent vegetative practices are required to be implemented within seven calendar days.*

*As a further violation of this permit condition, Respondent was not using these specific BMPs though the SWPPP does not contain written justification as to why they were not deemed infeasible:*

- (A) Buffer zones will be maintained between land disturbing activities and perennial water bodies. A minimum 150-foot buffer zone is recommended.*
- (B) Topsoil should be stockpiled and used in areas that will be re-vegetated. When final grade is reached it should be distributed to a minimum depth of 2 inches on 3:1 slopes and 4 inches on flatter slopes.*
- (C) Heavy equipment use in areas to be re-vegetated should be avoided. If compaction cannot be avoided, the top 4 inches of the soil bed should be tilled before re-vegetation. Any necessary fertilizer or other soil amendments should be added during the tilling process.*

AK. In violation of permit ACT6, condition S-1 and ACT5, condition T-6(B), Respondent failed to provide, for steep slopes (> 3:1), silt fences or equivalent sediment controls for all down slope boundaries (and for those side slope boundaries deemed appropriate by individual site conditions). *Respondent had not included in the SWPPP written justification as to why this specific control is not deemed feasible.*

AL. In violation of permit ACT6, condition S-1 and ACT5, condition T-7(E), Respondent failed to maintain natural areas and supplement them with silt fence and fiber rolls around project perimeter. *Respondent alleged that it is not feasible to maintain natural areas, but failed to utilize a silt fence or similar controls, such as fiber rolls. Respondent had not included in the SWPPP written justification as to why natural areas was not deemed feasible.*

AM. In violation of permit ACT6, condition S-1 and ACT5, condition T-7(F), Respondent was not phasing (scheduling or sequencing construction activities) so as to concentrate

work in certain areas to minimize the amount of soil that is exposed at one time.

*Respondent had not included in the SWPPP written justification as to why this specific control was not deemed feasible.*

- AN. In violation of permit ACT5, condition T-1, Respondent failed to identify pumping operations as a potential source of pollution. *The SWPPP did not describe and ensure the implementation of specific best management practices for pumping operations.*
- AO. In violation of permit ACT6, condition S-1 and ACT5, condition T-14 (page 18), Respondent failed to maintain vegetation, erosion and sediment controls and other protective measures. *Respondent failed to inspect all controls at least weekly in accordance with Permit ACT6, condition S-4.*
- AP. In violation of permit ACT7, condition L-1, Respondent failed to keep storm water discharges free from: ...
- (2) Eroded soils and other materials that will settle to form objectionable deposits in receiving waters,
  - (3) Suspended solids, turbidity and color at levels inconsistent with the receiving waters ...
- AQ. In violation of permit ACT12 condition T-2, Respondent failed to take all reasonable steps to minimize or prevent any discharge in violation of this permit which is likely to adversely affect human health or the environment.
- AR. In violation of permit ACT12, condition T-11, Respondent failed to all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which were installed or used by the coverage recipient to achieve compliance with the conditions of this permit including the SWPPP.

2.

In lieu of a formal enforcement hearing concerning the violation(s) listed above, Complainant and Respondent agree to settle this matter as follows:

- A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$144,545.00. Respondent shall pay this penalty to MDEQ within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive

Director. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality

Attn: Jennifer Parish

P.O. Box 2339

Jackson, MS 39225

- B. Respondent shall conduct an engineering study using third-party engineer(s), beginning within thirty days of execution of this Order. The study shall include:
1. Determine the maximum wind speed at which blasting (sandblasting and shotblasting) and painting may be conducted safely, while using reasonable control technologies without causing observable off-plant property impact(s);
  2. Determine conditions when use of the water truck, sweeper, and/or vacuum truck is needed to suppress dust emissions below nuisance levels off-site;
  3. Determine ventilation needed from capture devices (buildings, tents, and shrouded or curtained areas) where blasting (sandblasting or shotblasting) is occurring. The study shall also determine the control device(s) to be used to reduce Particulate Matter emissions from subject areas below nuisance levels off-site;
  4. Determine ventilation needed from capture devices (buildings, tents, and shrouded or curtained areas) where painting or solvent use is occurring. The study shall also determine the control device(s) to be used to reduce associated emissions below nuisance levels off-site;
  5. Determine Best Management Practices (i.e. curtain heights, curtain types, height of operations, etc.) necessary for blasting and painting operations where curtains are used to provide adequate control of pollutants.

This engineering study should be certified by a professional engineer registered in Mississippi. The engineering study shall be complete and submitted to MDEQ within 150 days of execution of this Order. Within 60 days of receipt of said study, MDEQ may approve, disapprove, or modify the study's recommendations (for control techniques, operating parameters, training, implementation schedules, etc.).

- C. Until implementation of the approved engineering study:
1. Respondent shall keep a continuous log of wind direction and wind velocity during such times as blasting and/or painting are being conducted.
  2. Respondent shall use the sweeper and vacuum truck on an as-needed basis to clean paved areas. A daily log shall be kept showing the hours of operation of each, and the areas cleaned.
  3. Respondent shall use a water truck to minimize errant dust from leaving the facility. A daily log shall be kept showing the hours of operation, the amount of water used, and the areas sprayed.
  4. Sandblasting and painting activities shall be conducted only in buildings or fully tented, shrouded, or curtained areas. Buildings shall have negative air pressure and be ventilated through filters during sandblasting and painting operations. Shrouds or tents are to fully enclose the sandblasting or painting work area. If curtains are used, they shall completely encircle the work area and be a minimum of 10 feet higher than the piece(s) being blasted and/or painted.
  6. Revised SWPPPs for Baseline and Construction Storm Water permits shall be submitted and controls installed within fourteen days of execution of this Order.
- D. Respondent shall construct a building to house blasting and paint activities to minimize storm water contact and air emissions, not later than June 30, 2015. During blasting and painting operations, said structure is to have negative air pressure and be vented through filters. A daily log of the pressure differential inside and outside the building shall be maintained. A daily log of the pressure differential across the filters shall be maintained.
- E. Not later than fourteen days after this Agreed Order has been executed by the MDEQ Executive Director, Respondent shall submit the required SPCC plan.

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the

event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

ORDERED, this the 13<sup>TH</sup> day of NOVEMBER, 2014.

MISSISSIPPI COMMISSION ON  
ENVIRONMENTAL QUALITY

BY: 

GARY C. RIKARD  
EXECUTIVE DIRECTOR  
MISSISSIPPI DEPARTMENT  
OF ENVIRONMENTAL QUALITY

AGREED, this the 10 day of NOVEMBER, 2014.

VT HALTER MARINE, PASCAGOULA OPERATIONS

BY: [Signature]

TITLE: CEO

STATE OF MISSISSIPPI

COUNTY OF JACKSON

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named William E. Skinner who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the Chief Executive Officer of VT Halter Marine, Pascagoula Operations and is authorized to sign and enter this Agreement.

SWORN AND SUBSCRIBED BEFORE ME, this the 10<sup>th</sup> day of November, 2014.

D. Margaret Gambrell  
NOTARY PUBLIC

My Commission expires: June 18, 2018

