

REPORT OF RCRA COMPLIANCE EVALUATION INSPECTION

At
CEI Equipment Co., Inc. - DBA KT PACER
5555 16th Avenue SW
Cedar Rapids, Iowa 52404
(319) 449-3915

EPA ID Number: None

On

July 13, 2022

By

U.S. ENVIRONMENTAL PROTECTION AGENCY
Region 7
Enforcement and Compliance Assurance Division (ECAD)

1.0 INTRODUCTION

At the request of the Enforcement and Compliance Assurance Division, I conducted a Resource Conservation and Recovery Act (RCRA) compliance evaluation inspection (CEI) at CEI Equipment Company, Inc., DBA KT PACER (KT PACER), located in Cedar Rapids, Iowa, on July 13, 2022. The CEI was conducted under the authority of Section 3007(a) of RCRA, as amended. The facility had not been inspected previously for RCRA compliance. I collected the information and data necessary to determine compliance with the applicable regulatory and statutory requirements. The inspection report and attachments present the results of the CEI.

2.0 PARTICIPANTS

KT PACER:

Carl J. Kirpes, President, approximately one and one-half years with the company and seven months as President.

Dan McDowell, Consultant (Contractor), previously employed by KT PACER for 10 years (telephonic contact).

Dan Smock, Production Manager, approximately three years with the company.

Chad Langfitt, Painting Supervisor, approximately one year with the company.

U.S. Environmental Protection Agency (EPA):

H. D. "Doug" Bryant, CPP, PCI, Civil Investigator, SEE, ECAD/Chemical Branch/RCRA Section (Lead Inspector)

Tiffany DeLong, Life Scientist, ECAD/Chemical Branch/RCRA Section

3.0 INSPECTION PROCEDURES

Prior to beginning the inspection, Ms. DeLong and I conducted a visual reconnaissance of KT PACER on July 12, 2022, searching for areas of concern observable from the adjacent roadway. No environmental issues or areas of concern were observed during this preliminary examination.

Ms. DeLong and I arrived unannounced at KT PACER at approximately 08:30 hours, July 13, 2022. We parked outside the facility in a large parking lot. Ms. DeLong and I entered the facility and an employee welcomed us to the facility in an entry lobby. I asked to meet with Mr. Roy Gaddis, identified as the client contact. The employee stated that Mr. Gaddis was no longer with the company. I briefly explained the purpose of this CEI, and the employee summoned Mr. Kirpes to the lobby. We exchanged introductions and I briefly explained the purpose of this inspection. Mr. Kirpes directed us to a conference room that was used throughout this inspection.

After exchanging pleasantries and business cards (Attachment 1), I started my entrance briefing. I presented my EPA credentials to Mr. Kirpes. I next presented Mr. Kirpes a copy of RCRA section 3007(a), which provides inspection authority. I explained my need to collect accurate information and presented him a copy of Title 18 U.S. Code, Sections 1001 and 1002. He was made aware of his confidentiality rights and was informed that a Confidentiality Notice would be provided at the end of the inspection to make or not to make any claims. Mr. Kirpes acted as the official KT PACER representative throughout this inspection.

The inspection consisted of an entry briefing, a discussion of facility operations, waste generation and waste management, a review of waste management records, and a visual inspection of the waste generation and management areas. A site map/diagram of the facility was prepared and annotated after the inspection (Attachment 2).

Document photocopies and 15 photographs were collected as inspection documentation (Attachments 1-14). Information collected during the CEI was recorded on a checklist and in field notes. I followed the inspection procedures discussed in the RCRA Compliance Evaluation Inspection Standard Operating Procedure (No. 2321.1C), unless noted differently.

At the conclusion of the inspection, I conducted an exit briefing, during which I summarized my findings and recommendations with Mr. Kirpes. I provided Mr. Kirpes a *Confidentiality Notice*, which he signed, indicating no confidentiality claims were made by the facility (see Attachment 3). I provided Mr. Kirpes a *Receipt of Documents and Samples* which he signed acknowledging receipt (Attachments 4). I provided Mr. Kirpes a *Notice of Preliminary Findings* which he signed acknowledging receipt (Attachment 5).

The following inspection documents and compliance assistance handouts were left with the facility:

Section 3007 Inspections Sheet (EPA Handout)

RCRA Facility Access Information Sheet (EPA Handout)

United States Code Annotated (EPA Handout)

Notice Regarding Proprietary/Confidential Business Information Submitted to or Collected by EPA in Connection with Inspections (EPA Handout)

Notice of Preliminary Findings (EPA Handout)
Instructions for Responding to a Notice of Preliminary Findings (NOPF) (Reverse of NOPF)
U.S. EPA Small Business Resource Information Sheet (EPA Handout)
Solvent-Contaminated Wipes Final Rule Chart (EPA Handout)
Excluded Solvent-Contaminated Wipe Rule (IDNR Handout)
Battery Recycling/Disposal (IDNR Handout)
Universal Wastes Including Aerosol Cans (IDNR Handout)
Environmental Compliance Assistance Centers (EPA Handout)
e-Manifest Fact Sheet (EPA Handout)
Emergency Response Program (EPA Handout)
Managing Your Hazardous Waste: A Guide for Small Business (EPA Handout)

4.0 FINDINGS AND OBSERVATIONS

4.1 Facility Information and Operations

KT PACER designs, builds, services, and sells animal feed trailers and truck bodies. The facility began operating at this location in 1976. The facility has changed ownership over the years and began doing business as (DBA) KT PACER in 2018. The main manufacturing facility occupies approximately 49,500 square feet under roof. The company owns/leases four additional buildings that are used for various functions, e.g., shipping and receiving, parts storage, etc. The facility operates in a light industrial area southwest of Cedar Rapids, Iowa. The facility has approximately 140 employees working 24 hours a day, five days a week (Monday-Friday). The North American Industry Classification System (NAICS) code for this facility is 336212 – Truck Trailer Manufacturing.

4.2 RCRA Status

The facility Hazardous Waste Site Info Verification Report for Inspector identifies the facility as a very small quantity generator (VSQG) of D001, D018 characteristic and F003 listed HW. Mr. McDowell confirmed telephonically that KT PACER consistently generated less than 100 kg of HW monthly. Mr. Kirpes stated that KT PACER converted all fluorescent lighting fixtures to light emitting diode (LED) lighting approximately three years ago. I did not observe any waste being managed as universal waste (UW). Mr. Kirpes stated that KT PACER generates used oil and used oil filters. I confirmed by my visual inspection and by reviewing documentation that KT PACER generates less than 100 kg of HW monthly. Therefore, I inspected KT PACER as a very small quantity generator (VSQG) of HW and a generator of used oil.

4.3 Facility Waste Streams and Management

Mr. Kirpes stated that KT PACER purchases raw materials, e.g., sheet aluminum, sheet steel, 3rd party parts, meters, valves, wiring harnesses/lighting, paint and thinner, hydraulic fluid, and diesel fuel. Metal is cut, shaped, formed, welded, assembled, and painted on site. Mr. Kirpes added that some parts are galvanized off-site by a third-party vendor, AZZ Galvanizing-Rockford, 1925 Kishwaukee Street, Rockford, Illinois.

Mr. Kirpes explained that between 80-90 percent of the trailers/trucks manufactured by KT PACER are made of aluminum and are not painted. He added, however, that steel trailer and truck components of these trailers/trucks are painted in a paint booth that is approximately 40 feet by 25 feet, capable of accommodating a full trailer. Painting products used in the paint booth include a gray primer product (Attachment 6), a Black urethane paint product (Attachment 7), a White urethane paint product (Attachment 8), and a paint thinner product (Attachment 9). Mr. Kirpes was advised to carefully examine the paint product safety data sheets (SDS) for the primer and white paint product as they contained barium sulfite that could potentially contaminate rags and masking materials. Mr. Langfitt stated that the thinner product is used to clean paint hoses and paint guns, in addition to thinning paint products. Mr. Smock stated that KT PACER operates a five-gallon solvent reclamation system that is housed inside the “Still Room” (Attachment 2).

KT PACER receives HW management support from Heritage-Crystal Clean (Heritage), 4312 W. Minnesota Street, Suite C, Indianapolis, Indiana (EPA ID# ILR00013062). A HW waste characterization profile documented by Heritage for this paint related waste stream shows that the waste stream is managed as D001 and D035 characteristic and F003 and F005 listed HW, UN 1263 Waste Paint Related Material (Attachment 10). Heritage also picks up and transports used oil and used oil filters off-site for recycling.

The following waste streams are managed by KT PACER:

General Trash: Mr. Kirpes stated that KT PACER generates approximately one eight-cubic yard roll-off container of general trash Monday, Tuesday, Wednesday, and Friday. The general trash consists of waste office paper, lunch wastes, and packing materials. Mr. Kirpes stated that the general trash has been determined to be non-RCRA hazardous, by virtue of product and process knowledge. The general trash is picked up by ABC Disposal Systems, Inc. (ABC), 113 Reynolds Place, Hiawatha Iowa, and transported off-site to the Cedar Rapids/Linn County Solid Waste Agency, 1954 County Home Road, Marion, Iowa, for sanitary landfill disposal.

Waste Cardboard: Mr. Kirpes stated that KT PACER generates approximately one eight-cubic yard roll-off container of waste cardboard Monday, Wednesday, and Friday. The waste cardboard has been determined to be non-RCRA hazardous, by virtue of product and process knowledge. The waste cardboard is picked up and transported off-site by ABC for recycling.

Scrap Metal: Mr. Kirpes stated that KT PACER generates scrap metal from manufacturing activities. The scrap metal is collected in one 40 cubic yard roll-off container. The container is emptied as required. The scrap metal has been determined to be non-RCRA hazardous, by virtue of product and process knowledge. The scrap metal is picked up and transported off-site either by Alter Metal Recycling-Cedar Rapids (Alter), 6305 11th Street SW, Cedar Rapids, Iowa, or NEWCO Recycling, 1515 E. 22nd Street, Anderson, Indiana, for recycling.

Waste Aerosol Cans: Mr. Smock stated that KT PACER generates approximately 10 RCRA-empty waste aerosol cans weekly. The waste aerosol cans include glass cleaner and similar cleaning products, brake cleaner, battery cleaner, penetrating oil, and spray paint. The waste aerosol cans are punctured using an aerosol puncturing system located inside the “Still Room” and placed in a 55-gallon container located outside the “Still Room.” Mr. Smock stated that the waste

punctured aerosol cans have been determined to be empty and non-RCRA hazardous by virtue of product and process knowledge. He stated that the RCRA-empty, non-hazardous aerosol cans are disposed in the general trash. I provided compliance assistance regarding management of any hazardous waste aerosol cans as UW during my exit briefing.

Used Oil: Mr. Kirpes stated that KT PACER generates approximately 275 gallons of used oil every three months from manufacturing activities. The used oil is poured into a receptacle located in the Shipping Building (recently converted from the Service Building) that is connected directly by pipe to an approximate 330-gallon tote located inside an enclosure located on the south side of the Shipping Building. Used oil is pumped out and transported off-site by Heritage for recycling.

Used Oil Filters: Mr. Kirpes stated that KT PACER generates approximately one 55-gallon container of hot-drained used oil filters annually. The used oil filters are gravity hot-drained into the used oil receptacle and are managed as used oil. The used oil filters are picked up and transported off-site by Heritage for recycling.

Waste Floor Dry: Mr. Kirpes stated that KT PACER generates between 50-75 pounds of waste floor dry weekly. Mr. Kirpes stated that waste floor dry is used to absorb hydraulic fluid from the manufacturing floor. He stated that the waste floor dry is disposed in the general trash. He added that there are no free-flowing liquids when the floor dry is disposed in the general trash and the waste floor dry has been determined to be non-RCRA hazardous by virtue of process knowledge.

Waste Paint: Mr. Langfitt stated that KT PACER generates between five to 10 gallons of waste paint annually. The waste paint is collected in five-gallon containers inside the paint booth. The waste paint is managed as D001 and D035 characteristic and F003 and F005 listed HW based on product and process knowledge. When full, the five-gallon containers are stored outside the “Still Room” for pick up and transport off-site by Heritage for fuel blending.

Spent Solvent: Mr. Langfitt stated that KT PACER generates approximately five gallons of spent solvent weekly. The spent solvent is managed as D001 characteristic and F003 and F005 listed HW, based upon product and process knowledge. The spent solvent is collected in a five-gallon container located inside the paint booth. When full, the five-gallon container of spent solvent is transported from the paint booth to the “Still Room” where it is placed into a five-gallon solvent reclamation system for solvent recovery. Mr. Langfitt stated that the reclamation system is between 50-75 percent effective, returning between two and one-half to three gallons of reclaimed solvent for every five gallons of spent solvent reclaimed in the distillation system. The recovered solvent is returned for use in the paint booth. The waste distillation residue (still bottoms) waste stream is discussed below.

Waste Still Bottoms: Mr. Langfitt stated that KT PACER generates approximately one 55-gallon container of waste still bottoms annually. The waste still bottoms are collected in a 55-gallon container located inside the “Still Room.” The waste still bottoms are managed as D001 and D035 characteristic and F003 and F005 listed HW, based upon product and process knowledge. The waste still bottoms are picked up and transported off-site by Heritage for fuel blending.

Waste Paint Booth Filters: Mr. Langfitt stated that KT PACER generates between 25 to 50 pounds of waste paint booth filters twice monthly. The waste paint booth filters have been determined to be non-RCRA hazardous, by virtue of product and process knowledge. The waste paint booth filters are disposed in the general trash.

Waste Wooden Pallets: Mr. Kirpes stated that KT PACER generates approximately one 40-cubic yard roll-off container of waste wooden pallets, every two weeks. The waste wooden pallets have been determined to be non-RCRA hazardous, by virtue of product and process knowledge. The waste wooden pallets are picked up and transported off-site by ABC for recycling.

Soiled Cloth Shop Rags: Mr. Kirpes stated that KT PACER generates approximately 100 soiled cloth shop rags weekly; 75 soiled cloth shop rags are generated in the manufacturing area and approximately 25 soiled cloth shop rags are generated in the painting area. The cloth shop rags generated in the manufacturing area are used to clean truck and trailer parts, work surfaces, and operator hands. These cloth shop rags are soiled by dirt, dust, and grease. The soiled cloth shop rags generated in the painting area are used to clean parts being painted, painting equipment, and paint guns. I asked Mr. Kirpes if soiled cloth shop rags used in the painting area could have been contaminated with paint and solvent, to which he responded affirmatively. This matter is discussed in more detail below during my visual inspection observations of the facility. Mr. Kirpes stated that all of the soiled cloth shop rags are laundered on-site using a conventional washer and dryer.

Process Wastewater: Mr. Kirpes stated that KT PACER operates a large wash bay that is used to wash tractors and trailers during maintenance activities. He stated that the process waste water consists of water, detergent, dirt, sand, and road debris and is non-RCRA hazardous, by virtue of process knowledge. He stated that the drain was cleaned out every two years and the sand and debris collected in the drain was removed and transported to the landfill. The dirt and debris removed from the drain was determined to be non-RCRA hazardous, by virtue of product and process knowledge. He added that the process wastewater is discharged through the sanitary sewer system to the Northwest Water Treatment Plant, 7807 Ellis Road, Cedar Rapids, Iowa. Mr. Kirpes was not aware of the volume of process wastewater generated by KT PACER.

4.4 Visual Inspection of Facility Waste Stream Management

Ms. DeLong and I conducted a visual inspection of the facility with Messrs. Kirpes and Smock. Mr. Langfitt joined us during the visual inspection of the painting area. The visual inspection was conducted to observe waste stream management practices and document regulatory compliance. Photographs, checklists, and field notes were used to document observations made during the visual inspection. A Photo Log was created, and photos taken during the inspection appear in Attachment 11.

I observed two closed five-gallon containers of waste paint managed as D001 and D035 characteristic and F003 and F005 listed HW on a wooden pallet located outside the “Still Room” as shown in Photo 1, Attachment 2. Mr. Langfitt stated that the two five-gallon containers were being staged for pick up by Heritage. The containers were closed, labeled as Hazardous Waste, and bore a pictogram describing the nature of the contents of the containers. The left container contained

approximately one gallon of HW; the right container was full of HW. Mr. Langfitt explained that the two five-gallon containers had been moved from the “Still Room” where they were normally stored.

I observed the “still Room” shown in Photo 2, Attachment 2. The “Still Room” was a small metal shed that was used for product storage as well as the HW central accumulation area (HWCAA).

I observed one full, closed, labeled 55-gallon container filled with still bottoms generated by the solvent reclamation unit housed within the “Still Room” (Photo 3, Attachment 2). The 55-gallon container was labeled with the words Hazardous Waste and bore a pictogram describing the nature of the container’s contents. A close-up photo of the label affixed to the container of still bottoms is shown in Photo 4, Attachment 2. This container was being managed as D001 and D035 characteristic and F003 and F005 listed HW. Mr. Langfitt explained that he had contacted Heritage to come pick up the HW because he had “just filled” the 55-gallon container of HW still bottoms.

I observed the solvent reclamation unit housed inside the “Still Room” shown in Photo 5, Attachment 2.

I observed an aerosol can puncturing system located inside the “Still Room” (Photo 6, Attachment 2).

I observed an approximate 55-gallon plastic container located outside the “Still Room” that was used to collect empty paint product containers and punctured aerosol cans (Photos 7 and 8, Attachment 2).

I observed the entrance to the paint booth (Photo 9, Attachment 2). I observed two closed, labeled five-gallon containers inside the paint booth. Each five-gallon container contained approximately one gallon of liquid. Mr. Langfitt explained that he separated waste paint and spent solvent because it was more efficient to reclaim solvent from a spent solvent waste stream that did not include paint solids. The five-gallon container shown on the left in Photo 9 contained spent solvent and the five-gallon container on the right contained waste paint. Both of the containers were managed as D001 and D035 characteristic and F003 and F005 listed HW. Mr. Langfitt explained that he took the five-gallon container of spent solvent from the paint booth to the “Still Room” and distilled a batch of spent solvent. He stated that this was a weekly event. I observed paint booth filters inside the paint booth, shown in Photo 11, Attachment 2.

I asked Mr. Smock if the cloth shop rags used in the painting area were used to wipe painting equipment and paint guns for cleaning. He responded affirmatively. I asked Messrs. Kirpes, Smock, and Langfitt if KT PACER had conducted a HW determination on the cloth shop rags used to clean equipment and paint guns in the painting area, to which they responded negatively. **KT PACER must conduct a HW determination on the soiled cloth shop rags used to clean equipment and paint guns in the painting area (NOPF No. 1, Attachment 5).**

I observed an unlabeled receptacle intended to collect used oil located inside the Shipping Building (Photo 12, Attachment 2). Mr. Kirpes explained that the Shipping Building was being converted from an automotive maintenance building, where used oil was routinely generated during vehicular

preventive maintenance activities. I observed that the receptacle was not labeled with the words “Used Oil” as required by 40 CFR §279.22(c)(1). I observed pipes connected to the receptacle leading through the south wall of the Shipping Building to an approximate 330-gallon plastic tote (Photo 13, Attachment 2) located inside an enclosure (Photo 14, Attachment 2) on the south side of the Shipping Building. The unlabeled plastic tote contained approximately eight inches of what appeared to be used oil. I asked Mr. Kirpes if the liquid in the plastic tote was used oil, to which he responded affirmatively. I observed a label affixed to the exterior of the enclosure housing the approximate 330-gallon tote intended for used oil, as shown in Photo 14, Attachment 2. The enclosure bore a label with the words “Used Oil” as annotated on Photo 14. **KT PACER must label receptacles containing used oil with the words “USED OIL” in accordance with 40 CFR §279.22(c)(1) (NOPF 2, Attachment 5).**

I observed general trash roll-off containers, a container for scrap metal, and miscellaneous waste wood outside the manufacturing building (Photo 15, Attachment 2).

No other environmental issues or areas of concern were observed during this visual examination.

4.5 Documentation

While on site, I verified the three most recent shipments of HW documented by Heritage-Crystal Clean Bills of Lading (BOL), Attachments 12 and 13 and Safety-Kleen uniform hazardous waste manifest (UHW) (Attachment 14). Safety-Kleen previously provided HW management services to KT PACER and was replaced by Heritage in the mid-2020 calendar year timeframe. I did not observe any discrepancies with the shipping documentation maintained by the facility.

5.0 SUMMARY

I documented the following preliminary findings during this CEI:

NOPF No. 1: 40 CFR §279.22(c)(1): Failure to label containers of used oil with the words “USED OIL” (Attachment 5).

NOPF No. 2: 40 CFR §262.11(a): Conduct a HW determination on soiled cloth shop rags used in the painting area (Attachment 5).

Other than the items specifically noted in this narrative, I observed no additional issues or potential findings. However, further EPA review may change or add to my findings.

HURLEY BRYANT
(Affiliate)

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Date: 8/15//2022

H. D. "Doug" Bryant, CPP, PCI
Civil Investigator, SEE

AMBER WHISNANT

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Amber Whisnant
Chief, RCRA Section, Chemical Branch
Enforcement and Compliance Assurance Division

Attachments:

- 1) Business Card (1 page)
- 2) Site Map/Diagram (1 page)
- 3) Confidentiality Notice (1 page)
- 4) Receipt of Document and Samples (1 page)
- 5) Notice of Preliminary Findings (1 page)
- 6) Safety Data Sheet (SDS), AMERICOAT Pearl Gray Resin (18 pages)
- 7) SDS, AMERICOAT 450H Black Resin (16 pages)
- 8) SDS, AMERICOAT 450H White Resin (17 pages)
- 9) SDS, AMERICOAT 65 Thinner (15 pages)
- 10) Heritage-Crystal Clean Wastestream Survey Form, (2 pages)
- 11) Photo log (2 pages) and Photos (15 pages)
- 12) Heritage-Crystal Clean Bill of Lading (BOL) dated January 6, 2021 (1 page)
- 13) Heritage-Crystal Clean BOL dated November 5, 2020 (1 page)
- 14) Safety-Kleen UHWM 007281902SKS, dated May 26, 2020 (1 page)