

INSPECTION REPORT

Inspection Entry Date/Time	02/24/2025 09:30 AM (CT)	Announced: No	
Inspection Exit Date/Time	02/24/2025 01:03 PM (CT)	Access: Granted	
Regulatory Program	RCRA		
Type of Inspection	Compliance Evaluation Inspection (CEI)		
Facility or Site Name	Allied Oil & Supply Inc. DBA RelaDyne		
Facility/Site Identifier	MOR000028811		
Facility/Site Physical Address	5150 E Front St		
City, State, Zip Code	Kansas City, MO 64120-1138		
County/Borough	Jackson County		
Generator Status	Non-Generator		
NAICS	42471, 42472		
Type of Operation	Lubricant Wholesaler		
Geographic Coordinates	39.130823, -94.520486		
Permit Number (If Applicable)	Not Applicable		
Lead Inspector:	AMY Digitally signed by AMY THOMPSON Date: 2025.03.26 09:15:15 -05'00'		
Amy Thompson	THOMPSON		[Date]
	EPA REGION 7	Thompson.Amy@epa.gov	(913) 551-7384
Supervisor Review:	AMBER WHISNANT Digitally signed by AMBER WHISNANT Date: 2025.04.02 17:02:53 -05'00'		
Amber Whisnant	AMBER WHISNANT		[Date]
	EPA REGION 7	whisnant.amber@epa.gov	

SECTION I – INTRODUCTION

Site Entry and Purpose of the Inspection

Type of inspection: Compliance Evaluation Inspection (CEI)

At the request of the Enforcement Compliance and Assurance Division, I conducted a Resource Conservation and Recovery Act (RCRA) unannounced CEI at Allied Oil & Supply Inc., DBA RelaDyne, located at 5150 E Front Street in Kansas City, Missouri, at 9:30AM on February 24, 2025. I presented credentials to and informed Shannon Johnson, D&L Manager, and Marty Herman, Area Business Manager, that this was an EPA Region 7 inspection to determine compliance with the RCRA. Mr. Johnson called Susan Tyler, the Director of Environmental Compliance for RelaDyne and requested that she join the inspection party via telephone. The CEI was conducted under the authority of Section 3007(a) of RCRA, as amended. 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. In addition, information gathered prior or subsequent to the inspection from a review of USEPA, State, and public records may be included in this report. The CEI consisted of a discussion of facility operations, waste generation, and waste management; a review of waste management records; and a visual inspection of waste generation and management areas. Document

photocopies and photographs were collected as inspection documentation (Appendixes 1-2). A total of four photographs were collected and a photolog was prepared (Appendix 1). I followed the inspection procedures discussed in the RCRA CEI Standard Operating Procedure (No. 2321.1E), unless noted differently.

A drive-by of the facility was conducted prior to entering the building. No areas of concern were noted. I entered the building's office with Meredith Stumbaugh and introduced myself as an EPA inspector to conduct a RCRA compliance inspection and requested to see Kim Holz who is listed as the site contact. Mr. Johnson introduced himself and explained that Ms. Holz was a corporate contact who did not work at the facility and that he would accompany me on the inspection. I provided my credentials to him and discussed the reason and general procedures of the inspection. The facility was last inspected for RCRA compliance on October 9, 2015, by the Missouri Department of Natural Resources (MoDNR). The following findings were cited at that inspection: 1. 10 CSR 25-11.279(2)(B)4.B - Failure to properly manage used oil and not dispose of into the environment or cause a public nuisance, 2. 10 CSR 25-11.279(1) - Failure to store used oil in containers that are not leaking, 3. 10 CSR 25-11.279(1) - Failure to label or mark containers/aboveground tanks clearly as "Used Oil," 4. 10 CSR 11.279(2)(C) - Failure to close containers of used oil stored outdoors and 5. 10 CSR 25-11.279(1) - Failure to stop, contain, and clean up any spills or leaks of used oil and properly manage waste. Finding 3 was repeated on this inspection.

Attendees

Title/Organization	Name	Phone	Email	Opening Conf.	Closing Conf.
Lead Inspector/EPA REGION 7	Amy Thompson	(913) 551-7384	Thompson.Amy@epa.gov	Yes	Yes
Inspector/MoDNR	Meredith Stumbaugh		Meredith.Stumbaugh@dnr.mo.gov	Yes	Yes
Director of Environmental Compliance/RelaDyne, Inc.	Susan Tyler	(512) 639-3288	susan.tyler@reladyne.com	Yes	Yes
Area Business Manager/RelaDyne, Inc.	Marty Herman			Yes	Yes
D&L Manager/RelaDyne, Inc.	Shannon Johnson			Yes	Yes

Opening Conference

I explained the purpose and procedures of the inspection and presented Mr. Johnson, Ms. Tyler, and Mr. Herman with a copy of RCRA Section 3007(a), which provides inspection authority. I explained my need to collect accurate information and presented a copy of Title 18 U.S. Code, Sections 1001 and 1002 regarding false statements and documents. I discussed their confidentiality rights and informed the inspection party that a Confidentiality Notice would be provided at the end of the inspection to make a confidentiality claim, if desired. According to the Hazardous Waste Site Information Verification Report, RelaDyne operates as a Very Small Quantity Generator (VSQG) of D001 and D018 characteristic hazardous wastes. I asked Mr. Johnson to review the Hazardous Waste Site Information Verification Report (Appendix 2 - Attachment 2), which I provided during the inspection. He indicated that there were no changes. From my review of the RCRAInfo database, RelaDyne had notification on-file as a Large Quantity Generator (LQG) of D001 and D018 characteristic hazardous wastes from November 2023 to July 2024. In August 2024, provided notification to the MoDNR as a VSQG of D001 and D018 characteristic hazardous wastes. Based on my review of their monthly hazardous waste generation rate and manifest data, I determined RelaDyne to be a non-generator of hazardous waste. At the time of the CEI, I did not observe any hazardous waste being generated or accumulated on-site.

Facility/Site Information

Number of employees	38
Length of Facility at Location	Since 1998
Operating Hours	7:30 AM-4:30 PM Monday - Friday
Safety Training Provided to Inspector(s)?	No
Size of Facility	85,000 square feet
What type of generator facility notified?	VSQG
What type of generator facility verified as?	Non-Generator
Weather Conditions	Day 1 – Sunny 60° F

Process Description

Allied Oil & Supply Inc., DBA RelaDyne is a lubricant wholesaler of petroleum products such as passenger car motor oils, heavy duty engine oils, and industrial lubricants. This facility operates out of a portion of a single building in the northeast industrial district of Kansas City, MO. Allied Oil & Supply Inc. began as a small family-owned operation with seven locations throughout the Midwest. The Kansas City, MO location has been in operation since 1998 and formerly included a tire division and oil distribution division, occupying the entire building. Allied Oil & Supply Inc. sold the tire division in 2019, located on the east side of the building, now occupied by Bauer Built Tire and Services. In 2021, the oil distribution portion of Allied was sold to RelaDyne.

RelaDyne operated as a lubricant wholesaler and used oil processor. The facility provided used oil filtration services, called "RelaDyne Reliability Services" (RRS). However, RRS were discontinued at the site in 2024. The RRS process included on-site used oil removal from customer process equipment, filtering the oils on-site, and returning the clean oil into the equipment. According to Ms. Tyler, the process from this point should have been that the wastes generated from the RRS process would stay at the customer location and remain the responsibility of the customer. However, this process was not followed, and oily sludge wastes that were generated at customer locations were returned to the RelaDyne facility. These wastes were stored in two 18,000-gallon aboveground tanks along the west side of the facility.

The facility had a second process which generated waste that was also added to the aboveground storage tanks. RSS participated in underground storage tank removals. When the underground storage tanks at client locations were removed petroleum contaminated groundwater would backfill the pit where the underground storage tank was. The petroleum contaminated groundwater, possibly referred to as "petroleum contact water" or similar, was then pumped out and transported back to the RelaDyne facility and added to the aboveground storage tanks with the oily sludge wastes. These waste streams were transported by RelaDyne to the facility using vac-trucks, drums, or intermediate bulk containers.

The facility would then wait for the used oil and petroleum to rise to the top, where it was vacuumed off and reclaimed as used oil through Valicor. The remaining water was allowed to evaporate continuously. Employees at the site had no experience with hazardous waste and therefore no institutional knowledge of RCRA. During this time the facility did not consider it waste and therefore no waste determination had been conducted. Ms. Tyler stated that this process had been occurring at the facility for at least 10 years, well prior to RelaDyne's

acquisition of the site. When RelaDyne acquired the site, an environmental audit was conducted. This process was not fully understood by the auditor or was inadvertently misrepresented at this time. According to Ms. Tyler, there was not a consistent on-site management process for these wastes.

In September of 2023, there was a fire in the Warehouse Area located at the center of the building. Although the aboveground storage tanks along the west side of the building were not impacted, the fire prompted an audit from the corporate RelaDyne Environmental Health and Safety (EHS) staff. The EHS staff then identified the procedural error in which customer wastes were being accumulated on site and initiated a lengthy cleanout of the oily sludge waste tanks. RelaDyne hired a third-party contractor, Environmental Restoration LLC (Olathe, KS), to conduct and oversee the cleanout activities. A waste determination was conducted on the oily sludge waste at this time. Analytical results indicated that the oily sludge was hazardous waste, and D001 and D018 waste codes were applied. The cleanout began in September of 2023 and officially concluded in September of 2024. The last off-site shipment of oily sludge hazardous waste was in July of 2024. During the time of the oily sludge waste cleanout, RelaDyne operated as an LQG. RelaDyne had initially submitted paperwork for episodic generation, however the cleanout ended up being more than a one-time cleanout event. Refer to Appendix 2 - Attachment 3 for the uniform hazardous waste manifests generated during the cleanout.

Waste Streams:

Oily Sludge: Hazardous waste oily sludge waste is no longer generated at the facility. The last wastes from this process were shipped off site in July of 2024. The oily sludge was generated from used oil that was recycled at various customer sites and the sludges returned to the RelaDyne. The oily sludge waste was potentially contaminated with heavy metals, benzene, fuels, and solvents. The facility applied D001 and D018 waste codes and disposed of the waste through Hazmat Inc. in Kansas City, MO.

Oily Wash Water: The facility generates oily wash water from cleaning activities around the site. Other similar waste streams are added to the wash water, such as oil-based red dye. The red dye is used to color products. Drillage from the Red Dye Fill Area is captured in 5-gallon containers and added to the oily wash water. The oily wash water is stored in 275-gallon and 330-gallon totes in the Tank Farm Area. The facility generates between 4,000 and 6,000 gallons of oily wash water annually. The wash water is disposed of through Valicor in Kansas City, MO. I was unable to get clear information on whether this waste was disposed of as used oil or as non-hazardous waste.

Flush Oil: Flush oil is generated when the facility switches products and flushes the lines used to fill product from tanks into smaller containers for sale. Flush oil is not considered used oil and may be blended for sale as a product or used at the facility for equipment maintenance, compressors, etc. Retain samples are included in the flush oil. Retain samples are kept at the facility for one year and then are managed as flush oil.

Oily Rags: Oily rags are generated from cleaning activities. The oily rags are stored in 5-gallon step cans throughout the facility and are laundered with Cintas in Kansas City, MO. The facility generates less than 30-gallons of oily rags per month.

Universal Waste: The facility does not generate any universal waste.

Scrap Metal: Empty metal drums generated at the facility are recycled as scrap metal through Dallas Steel Drums in Dallas, TX.

The facility does not generate aerosol cans.

Building(s)

SECTION II – OBSERVATIONS

Observation #: AT4-OB-001	Date: 02/24/2025	Contains AOC: Yes	Contains CBI: No
Person Interviewed:		Title:	
In the Tank Farm Area, I observed four totes (one 330-gallon tote and three 275-gallon totes) used to hold oily wash water generated from cleaning the floors. Two of the three 275-gallon totes were full of oily wash water and were not marked with the words "Used Oil." I asked Ms. Tyler if the wash water was managed as used oil. She stated that she did not know. Later during the inspection, Mr. Johnson provided me with an invoice from Valicor, the disposal company for the oily wash water. The invoice described the oily wash water as "Non-Regulated Oily Wastewater (Used Oil)." See photos 2-3. The invoice from Valicor is included in Appendix 2 - Attachment 4. On the west exterior side of the building, I observed three unlabeled 5-gallon containers full of a black liquid. I asked the inspection party what was stored in the containers. Mr. Johnson explained that the containers were probably full of used oil that was not generated at the facility. The facility leaves their gate open during the day and occasionally containers of used oil are dumped at the facility, against the normal operating procedures. Ms. Tyler explained that this was likely because the facility used to accept oily sludge from customers were used to this practice. Mr. Johnson opened the containers and verified that they were containers of used oil. The inspection party was unaware of these containers of used oil. Mr. Johnson regularly tours the facility and stated that the containers must have been dropped off some time that morning. The containers of used oil were not marked with the words "Used Oil." Containers of used oil dropped off at the facility are managed and disposed of as used oil through Valicor. Ms. Tyler explained that because of this problem RelaDyne is seeking to increase security measures at the site, which has been challenging. See photo 4. Notice of Preliminary Finding (NOPF) 1: 10 CSR 25-11.279(1) - Failure to mark containers of used oil with the words "Used Oil."			
Photo(s) 1. IMG-2025022410401040102588105.jpg 2. IMG-202502241045054552461638.jpg 3. IMG-2025022410455645562100731.jpg 4. IMG-202502241051015113754125.jpg			

SECTION III – RECORDS REVIEW

Record: Contingency Plan		AOC: No
Ref #: AT4-RR-001	Reviewed By: Amy Thompson	Reviewed Date: 02/24/2025
I asked Ms. Tyler if the facility had maintained a contingency plan at the site when the facility was operating as a LQG (November 2023 to July 2024). Ms. Tyler stated that she did not believe that there was any contingency plan, but that she would contact other EHS staff and Environmental Restoration LLC staff involved in the cleanout to verify. Ms. Tyler confirmed that the facility did not have a contingency plan at any point during the cleanout. <i>*After further review, it appears that the facility failed to maintain a contingency plan per 10 CSR 25-5.262(1) incorporating 40 CFR 262.34(a)(4) referencing 40 CFR 265.53(a).</i>		
Record: Inspections		AOC: No
Ref #: AT4-RR-002	Reviewed By: Amy Thompson	Reviewed Date: 02/24/2025

I asked Ms. Tyler if the facility had conducted weekly inspections of the Hazardous Waste Accumulation Area when the facility was operating as a LQG (November 2023 to July 2024). Ms. Tyler was not sure. She conferred with other EHS staff and Environmental Restoration LLC staff involved in the cleanout to verify. Ms. Tyler confirmed that no weekly hazardous waste inspections were conducted at any point. **After further review, it appears that the facility failed to conduct weekly hazardous waste inspections per 10 CSR 25-5.262(1) incorporating 40 CFR 262.34(a)(1)(i) referencing 40 CFR 265.174.*

Record: Manifests**AOC:** No**Ref #:** AT4-RR-003**Reviewed By:** Amy Thompson**Reviewed Date:** 02/24/2025

I reviewed three years' worth of uniform hazardous waste manifests for the facility. I did not observe any concerns.

Record: LDR Notices/Documents**AOC:** No**Ref #:** AT4-RR-004**Reviewed By:** Amy Thompson**Reviewed Date:** 02/24/2025

I reviewed three years' worth of land disposal restrictions for the facility. I did not observe any concerns.

Record: Personnel Training**AOC:** No**Ref #:** AT4-RR-005**Reviewed By:** Amy Thompson**Reviewed Date:** 02/24/2025

I asked Ms. Tyler if RelaDyne's employees and contractors who participated in the hazardous waste management had completed annual hazardous waste training. Ms. Tyler stated that she was not sure but assumed that they had. Ms. Tyler requested the training records from the contractors who had participated in the cleanout. Mr. Johnson had signed a uniform hazardous waste manifest, in addition to the contractors. Mr. Johnson was not aware that this was considered management of hazardous waste and therefore did not receive hazardous waste training.

After the conclusion of the inspection, I received the training program and training certificates of the contractors. The Department of Transportation (DOT) training program did not appear to cover topics pertaining to RCRA hazardous waste management (except for DOT hazard classification and placard identification and labeling). The training is included in Appendix 2 - Attachment 5 and the 2024 and 2025 training certificates are included in Appendix 2 - Attachment 6. The November 2024 and January 2025 training certificates appear to be 8-hour HAZWOPER refreshers for a total of three contractors. **Further EPA review is needed to determine if personnel training requirements (per 10 CSR 25-5.262(1) incorporating 40 CFR 262.34(a)(4) referencing 40 CFR 265.16) were followed during the facility's LQG operation from November 2023 to July 2024.*

SECTION IV – AREA OF CONCERN

The presentation of Area(s) of Concern does not constitute a formal compliance determination or violation.

Building:**Area:****Sub-area:**

AT4-OB-001

NOPF 1: 10 CSR 25-11.279(1) - Failure to mark containers of used oil with the words "Used Oil."	Citations:	Sections:
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**Further EPA review will be needed to determine if the facility was in compliance with LQG standards (weekly inspections, emergency preparedness and prevention, and personnel training) during LQG operation from November 2023 and July 2024.*

SECTION V – CLOSING CONFERENCE AND FOLLOW UP

Closing Conference

I summarized the findings and recommendations with Mr. Johnson, Mr. Herman, and Ms. Tyler. I provided Mr. Johnson with a Confidentiality Notice which He signed as acknowledgement of receipt (Appendix 2 - Attachment 7). Mr. Johnson made no confidentiality claims. I also provided Mr. Johnson with a Receipt for Documents and Samples and NOPF, which Mr. Johnson signed as acknowledgement of receipt (Appendix 2 - Attachments 8 and 9). No compliance assistance documents were provided to the facility at the conclusion of the CEI.

SECTION VI – SAMPLING ACTIVITIES AND ANALYTICAL RESULTS

No sampling was conducted.

SECTION VII – LIST OF APPENDICES

1. Photo Log
2. Document Log