COMPLIANCE EVALUATION INSPECTION REPORT
U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION 5

Purpose: NPDES Compliance Evaluation Inspection

Facility: OSI Environmental
912 Tesch Court
Waukesha, Wisconsin 53186

NPDES Permit: WI-S067857

Date of Inspection: November 30, 2022

EPA Inspectors:
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Ray Cullen, Environmental Engineer, (312) 886-0538

Facility Representatives:
John Rosier, Regional Manager, (212) 278-4870
Brian Tracey, Branch Manager, (262) 278-4870

Report Prepared By:
Val Dooling, Environmental Engineer

EPA Inspector Signature and Date:

VALERIE DOOLING
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Date: 2023.02.02 11:38:48 -06'00'

Approver Name and Title:
Ryan J. Bahr, Section 2 Supervisor
Water Enforcement and Compliance Assurance Branch

Approver Signature and Date:

Ryan Bahr
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Date: 2023.02.02 17:26:43 -06'00'

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I. INTRODUCTION

The purpose of the report is to describe, evaluate and document OSI Environmental's compliance with the Clean Water Act (CWA) and its National Pollutant Discharge Elimination System (NPDES) permit at its Waukesha, Wisconsin facility.

II. BACKGROUND

OSI Environmental collects and recycles used oils, fuels, and other petroleum containing liquids from a variety of clients. It does not discharge industrial process water to the sewer but does discharge domestic wastewater to the sewer which ultimately flows to Waukesha Wastewater Treatment Plant. OSI Environmental (OSI) is classified under SIC code 5171, Petroleum Bulk Stations and Terminals, and therefore required to obtain coverage under a NPDES stormwater discharge permit according to its Stormwater Pollution Prevention Plan (SWPPP). OSI Environmental holds an NPDES stormwater Permit issued by Wisconsin Department of Natural Resources (WDNR) for the discharge of stormwater associated with industrial activity under the WPDES (Wisconsin Pollutant Discharge Elimination System) Permit No. WI-S067857. The most recent notice of coverage, issued by WDNR, states that OSI Environmental has coverage under the permit effective March 24, 2021.

III. FACILITY INFORMATION

OSI gets its revenue from two parts, selling used oil and waste collection services such as cleaning tanks or spills. OSI collects waste products from customers, repackages or filters it and sends or sells it offsite. The waste classifications that OSI accepts are hazardous, non-hazardous, or universal and it will not accept infectious or municipal waste. The facility employs around 18 staff and operates on one 6am to 5pm shift Monday through Friday.

According to Mr. Rosier, Regional Manager, the majority of customers are auto dealerships and utilities. The OSI customer base expands by two or three new customers each week. Prior to accepting waste, new customers go through a waste profile. OSI will try to determine the waste profile by using the generator's knowledge; additionally, they will test through Pace Analytical if there is a concern, such as the visual description of the material does not match the profile. The predominant waste type accepted is used oils from machine coolant. Oils are tested for halogens with a field-testing kit and are accepted if under 1000 parts per million. If above, OSI will check for the source of halogens through a rebuttal analysis for the customer and could still accept depending on the source or will accept as off spec oil or hazardous waste.

In the event of an emergency spill cleanup where a waste profile is not immediately performed, Mr. Rosier stated that OSI will contain the waste onsite until it is no longer an emergency then profile it prior to accepting it.

Once used oil has been collected by vacuum truck from automotive, manufacturing or utilities, the solids are removed by filtration, then the oil is transferred to a storage tank to separate out contaminated water. Oily water is stored onsite before it is sent to either Covanta, VLS, or Earth

for treatment. No process wastewater is discharged to the sewer system. OSI has recently built a tank farm onsite for used oil, and prior to this, it was stored in a leased a facility in South Harbor. The used oil is sold to asphalt companies.

OSI does not process hazardous waste onsite. OSI consolidates it and sends it to another company such as Tradebe, Excel or Veolia. OSI will store hazardous waste onsite, unopened, for up to10 days while consolidating a shipment. If OSI accepts hazardous waste from a customer, the customer, not OSI, must sign a certification, and if the final company rejects the waste, it will return it to the customer.

OSI has had changes to the facility in the past year. Construction on a new tank farm, parking lot with stormwater sewers and loading docks for the tank farm started in November 2021. The projects were finalized recently and OSI began using the new tank farm in November 2022.

There is a stormwater drainage pond that falls on part of OSI's property and also on part of their neighbor's property. As part of the construction permitting by the City of Waukesha, OSI reconstructed the banks of the pond in the summer of 2022. According to the SWPPP, the pond is designed to flow to Frame Park Creek and then to the Upper Fox River. However, according to the Regional Manager, the pond has never been high enough to flow out through the outlet.

IV. OPENING CONFERENCE

On November 30, 2022 I, along with Ray Cullen (EPA) drove to the Facility and met with Brian Tracey, OSI Branch Manager at 10:45am. Mr. Tracey requested that Regional Manager, John Rosier join us. At 11:00am, I presented my inspector credentials to both Mr. Tracey and Mr. Rosier. I explained that as part of the inspection EPA would take photographs and asked if anything discussed was Confidential Business Information. Mr. Rosier responded that there was not.

V. SITE VISIT

At 12:30 pm, EPA, Mr. Rosier and Mr. Tracey began to walk around the facility starting at the indoor warehouse then outdoors to the tank farm, stormwater pond and loading areas.

Indoor Warehouse

The warehouse area is an enclosed building with a concrete floor, no floor drains, and two loading docks. There is a berm surrounding the loading dock area (Photos 3 and 5), thus the floor of the warehouse is considered secondary containment for the petroleum stored onsite. The total petroleum storage onsite (including the tank farm and underground storage tank) is approximately 550,000 gallons, according to the Spill Prevention Control and Countermeasure plan prepared November 7, 2022 (SPCC).

The following table lists the petroleum products storage inventory in the warehouse, such as stationary tanks or portable barrels according to the SPCC.

Number	Volume (gallon)	Product

4	7000	Mineral oil
2	3000	Oily Water
1	6000	Oily Water
2	7000	Used Oil
1	2000	Naptha
1	550	Used Oil
1	6000	Antifreeze
4	300	Oil/sludge mix
150	55	Oil/water

Near the loading area, I saw full drums of oily water waiting to be taken to the waste facility (Photo 1) and drums of gasoline ready to be transported to the underground tanks (Photo 2). Drums are offloaded into groups and stored near the loading area prior to processing (Photos 6-7).

There were also drums stored near the antifreeze tank which are waiting to be consolidated to the larger tank (Photo 11) and same for the mineral oil tanks. I noted that some of the drums in the mineral oil area have two labels with different information. Mr. Rosier explained that the clients may not remove the old label from an empty drum before refilling and the OSI labels are the correct ones. Each of the mineral oil tanks has a clipboard that lists the contributing generators, shipping, and analytical results for all the oil in that tank (Photos 15-18).

Tanks are cleaned only if they will be repurposed, and cleaning is done infrequently, according to Mr. Rosier. He guessed that the last time this occurred was two years ago. The tank cleaning process is to drain the tank and squeegee the inside, and this may require confined space entry permits. No water or chemicals are introduced during the cleaning or repurposing process.

There is a hazardous waste room that has intrinsically safe lighting (Photo 24). Hazardous waste may be stored for up to 10 days. I noted some drums labeled as hazardous waste sitting outside the room waiting to be picked up for transfer.

There are seven pump and vacuum vehicles which may be parked in the building. There is a roll off where solids which are contaminated with oil are stored prior to sending them out. These solids are from the oil, antifreeze and mineral oil filters, and in the past, from an oil filter compactor (Photo 8). The compactor was not used at the time of the inspection, but Mr. Rosier said it may be profitable to use again. He stated that there is no fueling onsite, but there may be minor vehicle maintenance onsite such as refilling DEF or windshield fluids. These fluids are stored in the warehouse (Photo 23). Usually, OSI will use their own trucks to collect waste, but occasionally a client may bring in waste using their own trucks. There are two enclosed sumps in the floor of the warehouse which are designed to collect the melted ice and snow from the vehicles but are sealed and not connected to any drain (Photos 4-5). OSI staff will use a vac truck or pump to remove the liquid and transfer to “oily water” waste tank as needed.

There is a maintenance area which has a parts washer, but this does not produce wastewater, according to Mr. Rosier. Drum cleaning is also done in this area. I saw an elevated drum that was draining into an open tote containing oily waste (Photos 21 – 22). Mr Rosier stated that the

discharge from the parts washer is also added to this tote and then it will be sent to Covanta, VLS, or Earth. A water hose in the warehouse is used to fill up the trucks when a client needs pressure washing and does not have access to water at their own site. Mr. Rosier explained that after the water is used, it would be collected by the trucks again as wastewater and not be discharged to a sewer system. There is a sink for hand washing that discharges with the domestic office wastewater to the city sewer.

Outdoor Tank Farm, Pond and Loading Dock

The areas outdoors which were recently constructed are the tank farm, a concrete sidewalk between the north wall of the warehouse and the tank farm (Photos 29-30) and a loading dock for the tank farm (Photo 31). The tank farm consists of one 300,000-gallon single wall tank for used oil and six 30,000-gallon single wall tanks for used oil (Photo 26) which are surrounded by a containment dike (Photo 27). Mr. Rosier stated that each of the tanks are filled individually and are not all at the same level. The containment dike is 42% larger than the minimum required, according to the secondary containment calculation in the SPCC. The loading dock is sloped and has a drain built into the lowest point. Mr. Rosier stated that the drain is plumbed to discharge to the containment dike in the case of spills.

The stormwater outfall is located to the north of the containment dike. All the stormwater drains on the facility are plumbed to this point. According to Mr. Rosier, only one stormwater discharge does not flow towards the pond. This exception is the warehouse roof on the northwest corner which drains west towards a trench (Photo 28). Mr. Rosier stated that this trench drains towards Fox Creek and not to the pond. OSI recently had the stormwater pond banks rebuilt and new riprap was visible. Mr. Rosier pointed out the outlet at the far end of the pond where it discharges to Fox Creek. At the time of the inspection, the surface of the pond was lower than the outlet and it was not discharging. Mr. Rosier stated that he had never seen the pond elevated enough to discharge through the outfall to Fox Creek.

We walked towards the warehouse loading dock which has two sloped truck bays. A stormwater drain, which is plumbed to the stormwater pond, is located at the bottom of the bays. I noted that if a spill were to occur, it could enter the stormwater pond through this drain. Mr. Rosier stated that all drivers remain on site during loading or unloading and were a spill to occur, it would be noticed immediately and secured prior to entering the storm drain. We continued walking to the location of two underground storage tanks (Photo 35) at the side of the warehouse. These tanks total 14,000 gallons and store bad gasoline which will be sent to a re-refinery for processing.

The facility site visit ended at 1:35pm. EPA then began the closing conference which lasted until 1:42pm, then EPA left the facility.

VII. CLOSING CONFERENCE

EPA noted the following areas of concern:

1. Flow from a roof drain flows behind the warehouse and towards a ditch area and not towards the stormwater pond. The drainage map (Appendix C) in the SWPPP dated

December 21, 2022 does not have the roof drains on the western side of the warehouse listed.

2. A stormwater drain is located at the bottom of the sloped warehouse loading dock. There is a possibility that any spill could enter the stormwater drain and flow to the stormwater pond.

3. Waste products received from customers are stored in reused drums prior to consolidation. Some drums have two conflicting labels, one for the drum's previous use that does not match the product that is currently stored the drum, and a second label which OSI Environmental added that lists the current contents.

Documents received during the inspection:

- Stormwater Pollution Prevention Plan, February 27, 2019
- Stormwater Pollution Prevention Plan, December 21, 2022
- Annual Facility Site Compliance Inspection Report for 2020, 2021 and 2022
- Non-Stormwater Discharge Assessments for 2020, 2021 and 2022
- Quarterly Visual Inspection for Ditch: Feb 2020, July 2020, Oct 2020, Jan 2021, April 2021, Sept 2021, Dec 2021, March 2022, and Sept 2022
- Quarterly Visual Inspection for Parking Lot: Feb 2020 Jul 2020, Oct 2020, Jan 2021, April 2021, Sept 2021, Dec 2021, March 2022, and Sept 2022
- Stormwater facility inspection reports: Nov 2019, Feb 2020, July 2020, Oct 2020, Jan 2021, April 2021, Aug 2021, Dec 2021, March 2022, and July 2022
- Facility Inspection Checklist

Appendix A: Inspection Photo Log

OSI Environmental
EPA Inspection November 30, 2022
All photos taken by Ray Cullen, Environmental Engineer, U.S. EPA
Camera: Canon PowerShot SX230 HS

1: IMG_0270
Description: Drums of oily water located near the loading dock, waiting for transfer offsite to the contracted wastewater facility. One drum has a visible “USED OIL FILTERS ONLY” label.
Location: Warehouse
Camera Direction: North
Date/Time: November 30, 2022 12:34 PM

2: IMG_0271
Description: Full drums of bad gasoline, situated near the loading dock, waiting to be transported to the underground tank.
Location: Warehouse
Camera Direction: West
Date/Time: November 30, 2022 12:35 PM

3: IMG_0272
Description: Two loading docks to the right of image. Red arrow (added by EPA to identify location) points to the berm that surrounds the loading dock.
Location: Warehouse
Camera Direction: North
Date/Time: November 30, 2022 12:37 PM

4: IMG_0273
Description: View into open sump in concrete floor of warehouse that is used to collect melted snow off the vehicles and is not connected to a drain. Inspectors noted the sump was dry at the time of the inspection.
Location: Warehouse
Camera Direction: Down
Date/Time: November 30, 2022 12:38 PM

5: IMG_0274
Description: Metal plate covering sump in loading dock area in foreground. Red arrow (added by EPA to identify location) points to the berm surrounding loading area that is in the same location as Photo 3.
Location: Warehouse
Camera Direction: East
Date/Time: November 30, 2022 12:39 PM

6: IMG_0275
Description: Off loading area near the loading dock. Drums of similar wastes will be placed together prior to relocating and processing. Drums labeled “USED GREASE” on left and “USED ANTI-FREEZE” and “USED OIL FILTERS” on right.
Location: Warehouse
Camera Direction: North
Date/Time: November 30, 2022 12:41 PM

7: IMG_0276
Description: Off loading area near the loading dock. Drums of similar wastes will be placed together prior to relocating and processing. Mr. Rosier stated that non-hazardous material is stored on the right.
Location: Warehouse
Camera Direction: North
Date/Time: November 30, 2022 12:43 PM

8: IMG_0277
Description: Oil fiter compacter which is not currently used, according to Mr. Rosier.
Location: Warehouse
Camera Direction: North
Date/Time: November 30, 2022 12:45 PM

9: IMG_0278
Description: Black used oil tank on left and part washer in rear which reads “140 flash Naptha”. Clipboard (on the wall) documents tank inspections and inspectors note that the clipboard lists the current date. Mr. Rosier stated that it is required to be checked weekly but is usually checked daily.
Location: Warehouse
Camera Direction: Northwest
Date/Time: November 30, 2022 12:48 PM

10: IMG_0279
Description: Used oil offloading and filtration prior to sending oil to the tank farm. Used filters (white circles next to orange bucket) are stored under the filter prior to cleaning in parts washer and reuse.
Location: Warehouse
Camera Direction: North
Date/Time: November 30, 2022 12:52 PM

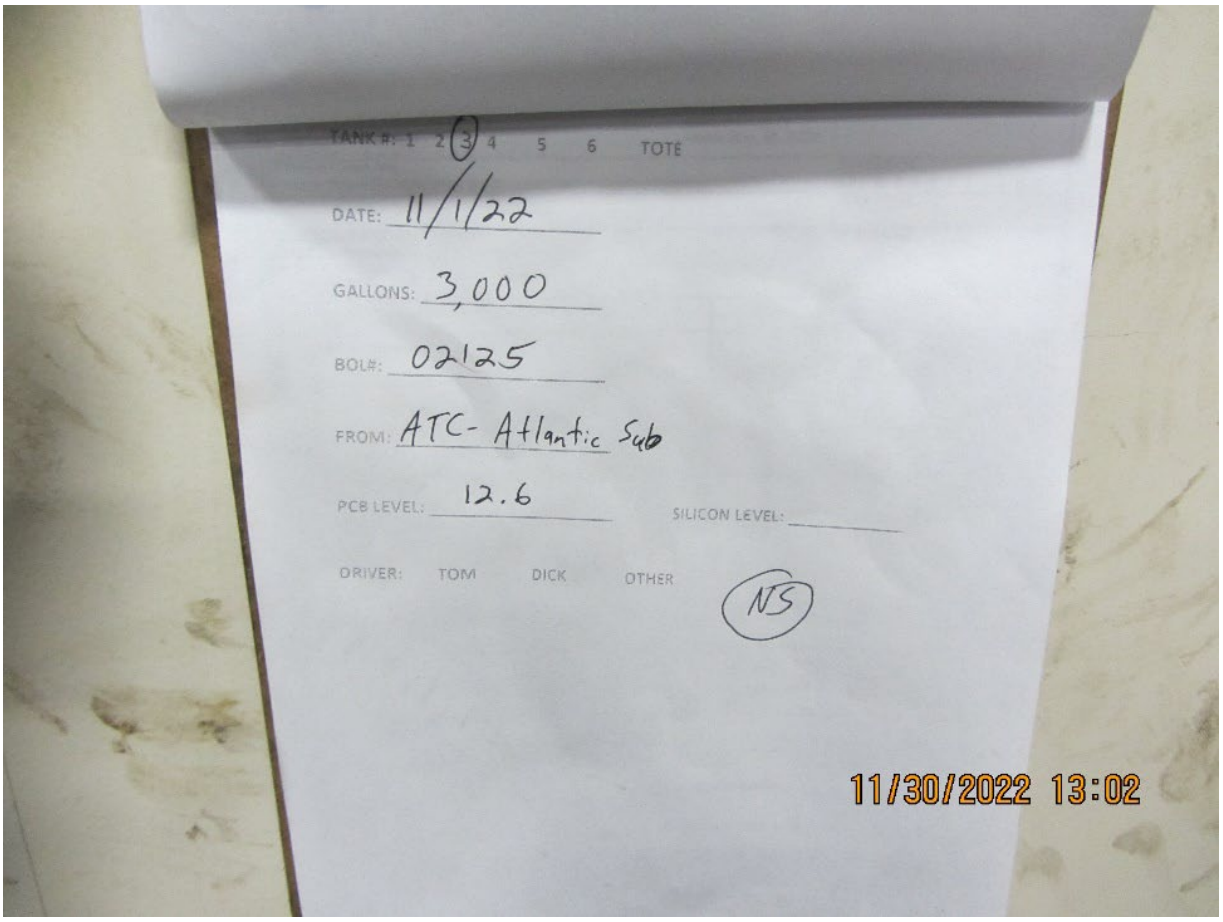
11: IMG_0280
Description: Drums and totes labeled " USED ANTI-FREEZE" in foreground. Used antifreeze tank in background. A coarse filter is in left background below the window.
Location: Warehouse
Camera Direction: West
Date/Time: November 30, 2022 12:53 PM

12: IMG_0281_redacted
Personal Identifiable Information has been redacted from the left side of this photo.
Description: The coarse filter that is used for the antifreeze tank from Photo 11.
Location: Warehouse
Camera Direction: West
Date/Time: November 30, 2022 12:55 PM

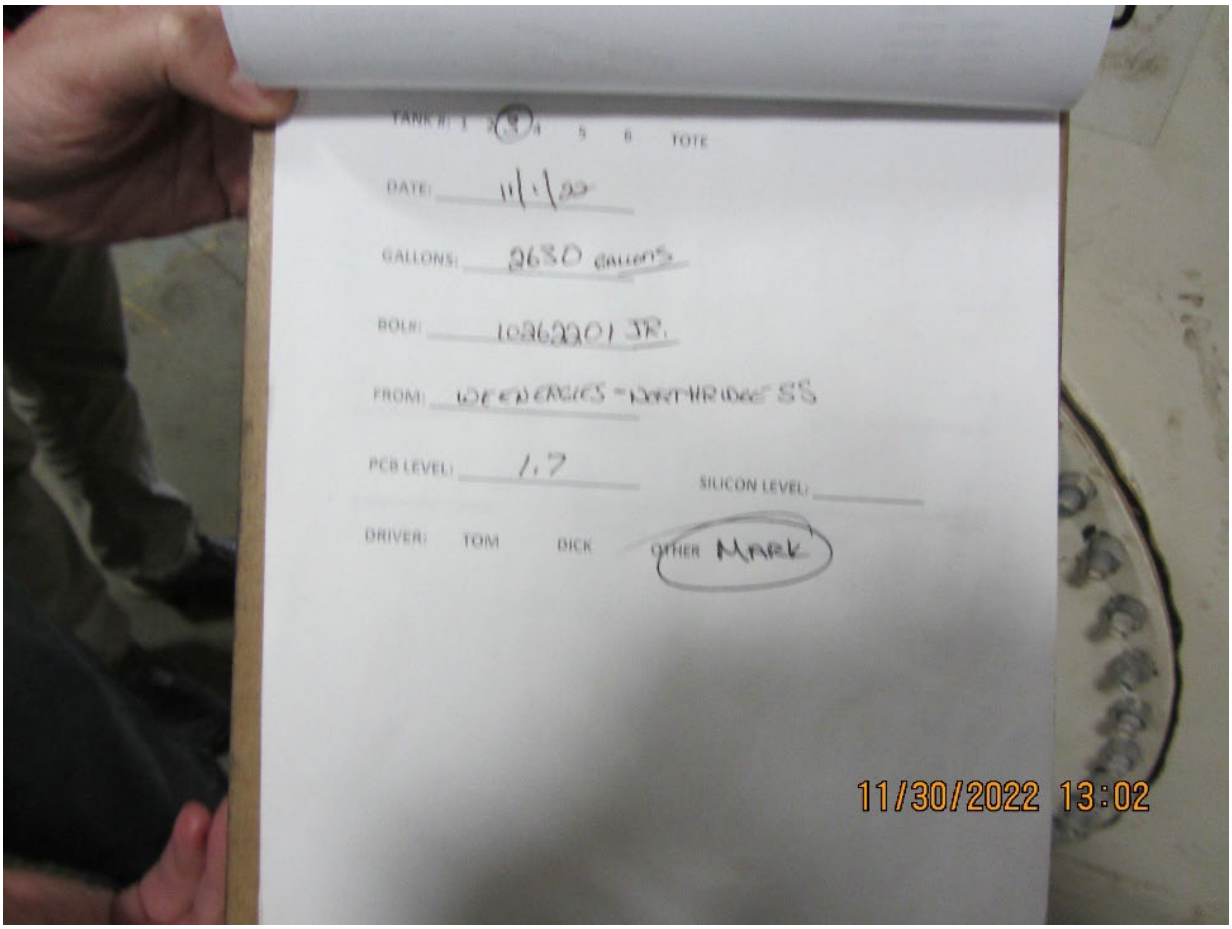
13: IMG_0282
Description: Coarse filter that is used on the mineral oil tanks.
Location: Warehouse
Camera Direction: West
Date/Time: November 30, 2022 12:56 PM

14: IMG_0283
Description: Six 2-49 PPM PCB mineral oil tanks. Each tank has a separate clipboard that lists the products which have been pumped to the tank and their laboratory reports.
Location: Warehouse
Camera Direction: South
Date/Time: November 30, 2022 12:56 PM

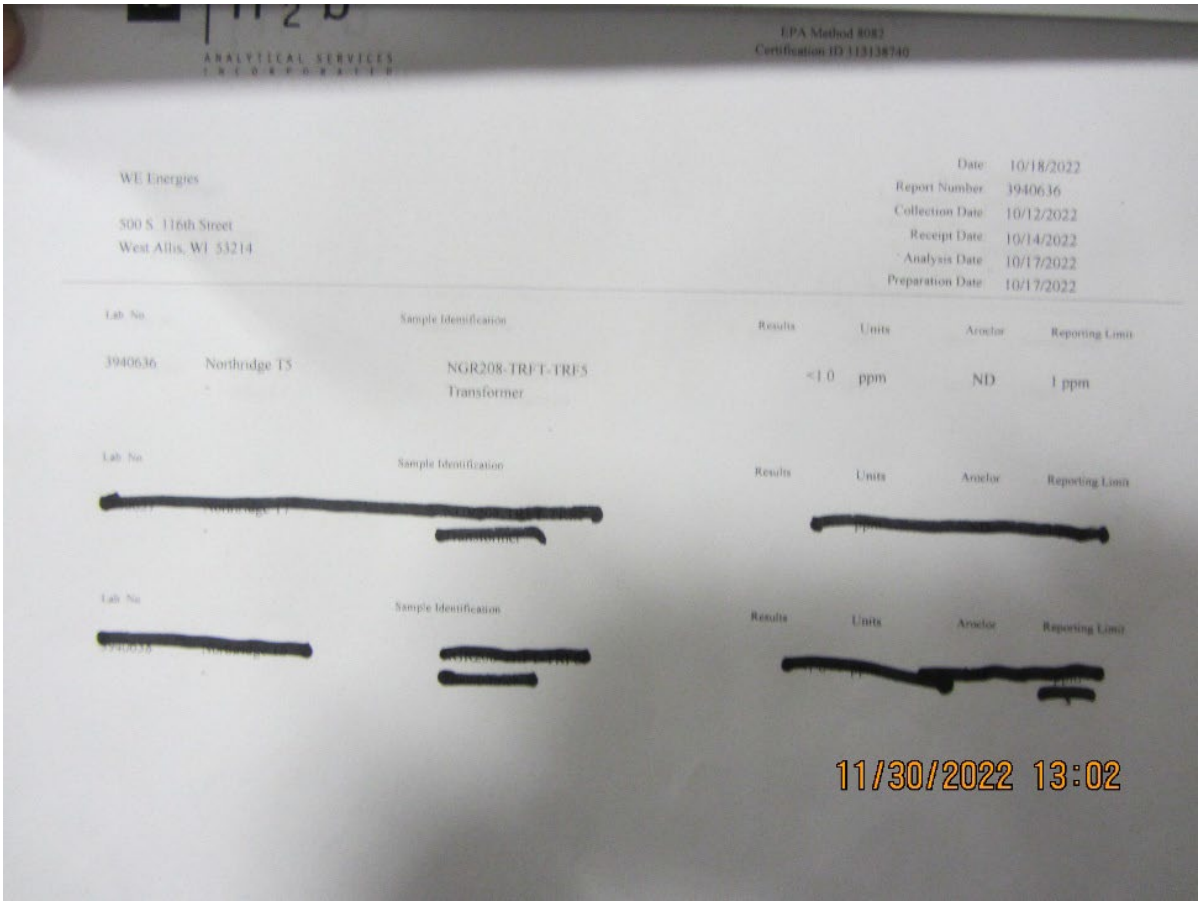
15: IMG_0284
Description: Page from Mineral Oil Tank 3 clipboard which states “Laboratory Test Report - Used Oil”. The report lists density, viscosity, PCB and elemental analysis for an oil sample that was pumped to the tank.
Location: Warehouse
Camera Direction: Down
Date/Time: November 30, 2022 1:01 PM



16: IMG_0285
Description: Page of Mineral Oil Tank 3 clipboard that lists where the mineral oil was received, date, volume and PCB level for product that was pumped to the tank.
Location: Warehouse
Camera Direction: Down
Date/Time: November 30, 2022 1:02 PM



17: IMG_0286
Description: Page of Mineral Oil Tank 3 clipboard that lists where the mineral oil was received, date, volume and PCB level for product that was pumped to the tank.
Location: Warehouse
Camera Direction: Down
Date/Time: November 30, 2022 1:02 PM



18: IMG_0287
Description: Page of Mineral Oil Tank 3 clipboard that lists the laboratory test results. Two other sample results are crossed out, since multiple samples were anlyzed at once but only one was pumped to the tank.
Location: Warehouse
Camera Direction: Down
Date/Time: November 30, 2022 1:02 PM

19: IMG_0288
Description: Oily water tank that is located south of the mineral tanks.
Location: Warehouse
Camera Direction: West
Date/Time: November 30, 2022 1:06 PM

20: IMG_0289
Description: Pan that is used for collecting drips when taking off hose fittings. A yellow liquid is visible in the pan.
Location: Warehouse
Camera Direction: Northwest
Date/Time: November 30, 2022 1:07 PM

21: IMG_0290
Description: Inverted drum dripping into an open tote that is used as parts washer waste collection.
Location: Warehouse
Camera Direction: East
Date/Time: November 30, 2022 1:09 PM

22: IMG_0291
Description: Closer view of the open parts washer waste collection tote and inverted drum from Photo 21.
Location: Warehouse
Camera Direction: Southeast
Date/Time: November 30, 2022 1:09 PM

23: IMG_0292
Description: Storage room for oil, antifreeze and washer fluid for trucks.
Location: Warehouse
Camera Direction: Southwest
Date/Time: November 30, 2022 1:13 PM

24: IMG_0293
Description: Hazardous waste drums stored in intrinsically safe hazardous waste room. Room is at a lower grade than the warehouse floor and a ramp leads into the room. Both blue doors are normally closed, but one was opened to take the photo.
Location: Warehouse
Camera Direction: South
Date/Time: November 30, 2022 1:13 PM

25: IMG_0294
Description: Two 3000 gallon tanks that were not used at the time of the inspection, but are kept as backups.
Location: Warehouse
Camera Direction: Northwest
Date/Time: November 30, 2022 1:19 PM

26: IMG_0295
Description: Used oil tanks in recently constructed tank farm within a cement containment area.
Location: Tank Farm
Camera Direction: East
Date/Time: November 30, 2022 1:22 PM

27: IMG_0296
Description: View to the left of the six tanks from Photo 26 down into the cement containment area.
Location: Tank Farm
Camera Direction: North
Date/Time: November 30, 2022 1:22 PM

28: IMG_0297
Description: Drain spout from roof of warehouse flows down west of warehouse.
Location: Outside Northwest Corner of Warehouse
Camera Direction: Southwest
Date/Time: November 30, 2022 1:24 PM

29: IMG_0298_redacted
Personal Identifiable Information has been redacted from this photo.
Description: Stormwater drain built into the area between the warehouse and tank farm. Stormwater piping flows to the pond according to the SWPPP.
Location: Tank Farm
Camera Direction: East
Date/Time: November 30, 2022 1:24 PM

30: IMG_0299
Description: Stormwater drain built into the area between the warehouse and tank farm. Stormwater piping flows to the pond. Same view as Photo 29 but looking in opposite direction.
Location: Tank Farm
Camera Direction: West
Date/Time: November 30, 2022 1:25 PM

31: IMG_0300
Description: Newly constructed loading area for vehicles purchasing used oil which is stored in the tank farm. Loading dock is at an incline and a drain is located at the lowest area. The drain flows into the containment area.
Location: Tank Farm Loading Dock
Camera Direction: North
Date/Time: November 30, 2022 1:26 PM

32: IMG_0301
Description: Stormwater outfall which flows to the pond. At the time of the inspection, I did not observe any flow. The stormwater drains, shown in Photos 29, 30 and 34, are plumbed to discharge to this stormwater outfall.
Location: Pond
Camera Direction: North
Date/Time: November 30, 2022 1:29 PM

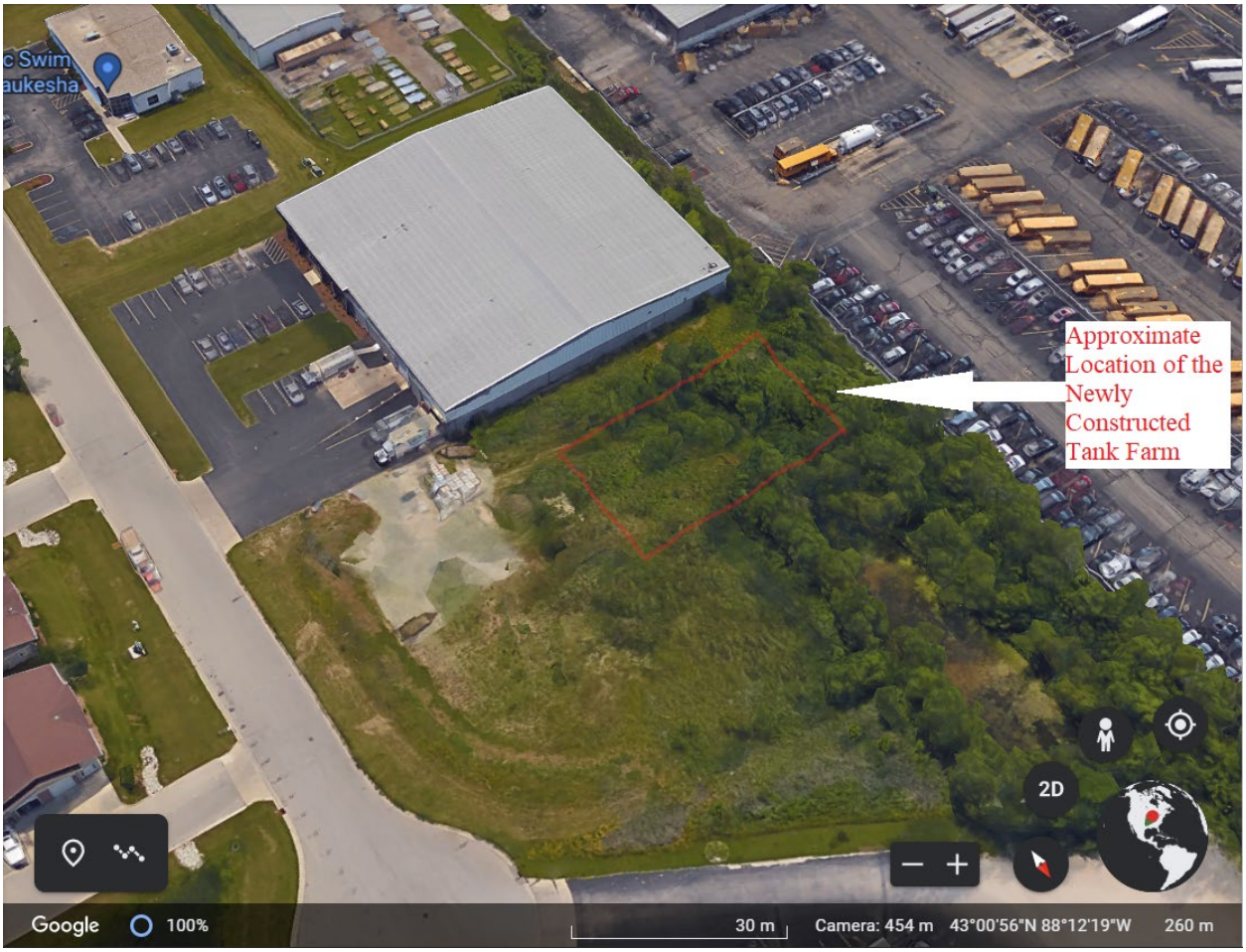
33: IMG_0302
Description: View from the stormwater outfall looking towards the pond. The pond outfall to Fox Creek, visible at the far end of the pond, is located above the surface of the pond.
Location: Pond
Camera Direction: North
Date/Time: November 30, 2022 1:29 PM

34: IMG_0303
Description: Trucks parked at the two warehouse loading docks. The loading area is sloped and a stormwater drain, which leads to the pond, is located at the bottom of the slope.
Camera Direction: Northwest
Date/Time: November 30, 2022 1:31 PM

35: IMG_0304
Description: Manhole plates are visible where two underground gasoline tanks are located. A yellow hazardous spill kit is located nearby against the building.
Location: Outside warehouse
Camera Direction: West
Date/Time: November 30, 2022 1:34 PM

Appendix B: Aerial Images of the OSI Environmental Facility prior to construction of its tank farms and stormwater pond re-edging.

Note: Aerial images from Google Earth obtained January 13, 2023. Images do not represent conditions observed and are only to be used as reference.



Appendix C: Drainage Map from page 22 of Stormwater Pollution Prevention Plan dated December 21, 2022

Facility map shows flow from stormwater drains that enters the stormwater pond. This map omits northwestern roof drain which, according to Mr. Rosier, flows to a trench on the western side of warehouse and not to the stormwater pond.