

Region 6 - Enforcement & Compliance Assurance Division

INSPECTION REPORT

Inspection Date(s):	12/06/2022 to 12/08/2022	
Media Program:	RCRA	
Regulatory Program(s)	Transporter/Transfer Facilities	
Company Name:	Port of Galveston and Tenants	
Facility Name:	Port of Galveston and Tenants	
Facility Physical Location:	123 25 th St. 8 th floor	
(city, state, zip code)	Galveston, TX 77550	
Mailing address:	123 25 th St. 8 th Floor	
(city, state, zip code)	Galveston, TX 77550	
County/Parish:	Galveston	
Facility Phone Number	409-766-6203	
Facility Contact:	Brett Milutin	Executive Deputy Port Director
	bmilutin@portofgalveston.com	
FRS Number:	NA	
Identification/Permit Number:	NA	
Media Identifier Number:	TXD020819694	
NAICS:	488310 – Port and Harbor Operations	
SIC:	NA	
Personnel participating in inspection:		
Debra Pandak	US EPA Region 6	Lead Inspector
Bill Mansfield	US EPA Region 6	Inspector
Erin Young-Dahl	US EPA Region 6	Inspector
Dedriel Gardner	US EPA Region 6	Inspector
Katie Phillips	TCEQ	Inspector
Casey Holley	TCEQ	Inspector
Oindrila Das	TCEQ	Inspector
Brett Milutin	Galveston Wharves	Executive Deputy Port Director
Matt Robertson	Galveston Wharves	Junior Harbormaster
Laura Camcioglu	Galveston Wharves	Director
Kierra Vogel	McLeod, Alexander, Powel and Apffel, P.C.	Attorney
EPA Lead Inspector Signature/Date		
	Debra Pandak	Date
Supervisor Signature/Date		
	Jeffery Yurk	Date

Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

EPA Region 6 inspectors Bill Mansfield, Erin Young-Dahl and Dedriel Gardner and I, arrived at the Port of Galveston office, 123 25th St. Galveston, TX at 0900 hrs. on 12/06/2022 for an announced inspection. The inspection focused on compliance with the Resource Conservation and Recovery Act (RCRA), transporter and transfer facility requirements in 40 CFR Part 263. We met with Brett Milutin, Deputy Director, and other Port and Texas Commission on Environmental Quality (TCEQ) representatives (Appendix 2). I presented my credentials to Mr. Milutin and informed him that this was an EPA inspection of Port property and tenant facilities focusing on transportation and transfer of solid and hazardous waste arriving at the Port from incoming vessels.

The Port of Galveston (POG) and its tenants were selected for inspection based on an Environmental Justice and Regional initiative to evaluate facilities at ports receiving solid waste and the transfer or transport of RCRA regulated hazardous wastes.

This report serves as documentation of all onsite activities and observations during the inspection of the various Port tenants. Photographs were taken by TCEQ during the inspection and are in Appendix 1. A list of the tenant locations visited are in Appendix 3.

FACILITY DESCRIPTION

Since October 1940, the Port of Galveston (POG), or the Galveston Wharves, was designated by the City of Galveston Charter and is operated by the Board of Trustees of the Galveston Wharves.

Located on the upper Texas coast at the mouth of Galveston Bay in the Gulf of Mexico, the POG handles all types of cargo including containers, dry and liquid bulk, breakbulk, Ro-Ro, refrigerated and project cargoes and cruise lines with over 300,000 sq. ft and a tourist development area with shops and restaurants. The Port is 849-acres with 10 terminals and 26 docks and over 14,000 feet of berth on Galveston and Pelican islands.

Section II - OBSERVATIONS

Day 1 – 12/06/2022

An opening meeting was held with POG representatives, as listed in Appendix 2, in the Port office located on the 8th floor. Introductions were made, attendees signed the attendance log, and I provided a summary of the purpose of EPA's visit and EPA's authority under Section 3007 of the Resource Conservation and Recovery Act, to perform the inspection.

Mr. Milutin provided an overview of the Port operations. With the aid of a wall mounted aerial photo, he identified the locations of all lessees/tenants and a summary of tenant operations. (Appendix 3 is an

aerial photograph provided by the POG prior to the inspection showing the Port pier and terminal locations and tenants.) Information provided during the meeting is summarized as follows:

- Gulf Copper and Manufacturing Corp. operates as a tenant on Port property on Pelican Island.
- The POG is the only port in the U.S. that transports explosive cargo used primarily by the mining industry in the U.S. The entire offloading process usually takes less than 2 hours. This activity takes place at Pier 34.
- The cruise industry in Galveston is the 4th largest by passenger volume in the Nation. Cruise lines offload solid waste into dumpsters located on the cruise terminals. Dumpster service is provided by Republic Services. Slop or bilge removed from ships is transferred directly to a barge service or a tanker truck on the dock.
- Spoils dredged from the Galveston channel are permitted by the Army Corps of Engineers. Spoils are tested before they are placed in one of several locations on Pelican Island.
- The west side of the Port receives and manages heavy cargo – large equipment, tractors, etc.
- Pelican Island Storage Terminal (PISTI) currently operates under the POG certificate of adequacy (COA), but there is ongoing conversation with the U.S. Coast Guard for PISTI to have its own COA.
- The POG does not coordinate the removal of waste from ships. This activity is typically managed by a ship agent. Most waste removed from ships is moved directly to truck on the docks or ships. There is rarely an instance when waste is grounded to the dock.

After the review of Port operations and tenants, EPA, TCEQ and POG representatives commenced with a tour of the Port led by Mr. Milutin. During each tenant visit, EPA completed a checklist designed for assessing transfer and transportation facilities. The list of tenants visited is found in Appendix 4.

Terminal #1/Pier 25 and Terminal #2/Pier 28

The EPA-TCEQ Team and I were escorted to Cruise Terminal #1/ Pier 25 at 1100 hrs. on December 6, 2022. Mr. Milutin introduced us to POG employee Fabian Irish, Assistant Cruise Terminal Manager, who led a tour of both Cruise Terminal #1/ Pier 25 and Cruise Terminal #2/ Pier 28.

Terminal #1/Pier 25 is leased to Carnival Cruise Lines. Cruise Terminal #1/Pier 25 is where Carnival cruise ships load and unload passengers and solid waste (slops, household garbage) via services from Metro Ports (Stevedoring). Mr. Irish provided a tour of the storage area and outdoor dumpster area where all supplies and wastes move through the terminal. On departure and arrival days, the facility is in full operation from approximately 0600 hrs. to 1800 hrs.

In the storage area, I saw a large cardboard box with the words “OIL SPILL” written on it, with a yellow overpack container adjacent to the box (Appendix 1). Mr. Irish confirmed with Mike Nelson, of Metro Port, those are components of an unused spill kit. Other materials in the storage area included cardboard, supplies for ships and discarded furniture.

Approximately six trash dumpsters located outside of the storage area contained ship garbage and are scheduled for pickup twice per week. Mr. Irish said there is not supposed to be any hazardous waste coming on shore from the cruise ships. Several photographs were taken by TCEQ of the dumpsters including a view of the contents inside a dumpster (Appendix 1).

We departed Cruise Terminal #1/Pier 25 and moved to Cruise Terminal #2/Pier 28. Mr. Irish continued to lead the tour.

Terminal #2/Pier 28 is shared by Carnival, Princess (a subsidiary of Carnival), and Disney Cruise Lines. An area west of the terminal is used to store supplies and wastes moving on or off ships. The area is an open-sided shelter with a metal roof. The area was empty except for a maintenance storage box, shelving, and pallets (Appendix 1).

As the EPA-TCEQ team and I were escorted back to the terminal, I observed eight blue metal drums behind Terminal #2/Pier 28 marked "Chevron Delo 710 LE SAE 20W-40" and was told it was a type of oil. The drums were partially full, appeared to be in good condition, and stored on pallets (Appendix 1). POG representatives said the drums were unloaded from a Disney Cruise Lines ship on Friday, December 2, and the drums were scheduled for pickup on Wednesday, December 7. I was told Metro Ports Stevedoring would have a record of receipt. (See Section IV for additional information regarding the 8 blue metal drums.) Disney and Carnival use Metro Ports, and Princess uses Ceres for Stevedoring and terminal management when ships are in port.

Pier 12

EPA-TCEQ team and I arrived at Pier 12, leased to Marine Spill Response Corporation (MSRC), at 1156 hrs. MSRC is the largest oil spill response organization in the United States. Two oil spill response vessels are docked at this location until called upon for marine spills or disasters. POG representatives said there is some ship maintenance performed here to maintain the response capabilities of the vessels. We observed a small storage shed with maintenance equipment and cans of paint. Marine Spill and Response does not have any space leased for storage.

Terminal/Pier 10

EPA-TCEQ team and I arrived at Terminal/Pier 10, leased to Royal Caribbean Cruise Lines, at 1225 hrs. The Royal Caribbean terminal is a joint venture between Royal Caribbean and Ceres. Ceres' partnership role is the operation of the terminal for Royal Caribbean. At the terminal we met Ceres representatives Mike Zeiseman (General Manager), Justin Butler (Terminal Manager), and Robert Henkel (Vice President of Operations and Galveston Cruise). The dock on the west side of the terminal is used as a drop-off, loading, and staging area for cruise ship supplies and materials. Cruise ships offload sludge (engine oils) and ash from the incineration of waste aboard ships, and immediately load these wastes onto trucks ready and waiting upon ship arrival. Robert Henkel did not immediately know the destination of the ash, or characteristics of the ash for hazardous waste determination. Transport and disposal of the ash is contracted

nationally through Royal Caribbean. Mr. Henkel also stated that Royal Caribbean hires a vendor such as Stericycle to dispose of waste from ships. All paperwork related to waste disposal is retained by Royal Caribbean.

Terminal/Pier 10

EPA-TCEQ team and I entered the BMW Group space on Pier 10 at 1247 hrs. The BMW facility receives vehicle imports and provides a staging area for vehicles prior to offsite distribution. BMW readies vehicles for transport and may perform minor maintenance of vehicles, if necessary. Vehicles are transported to the POG via K-Line chartered vessels on non-cruise days. Facility representatives Nathan Norris (VDC Facility Manager) and Ronny (Production Manager) told us that onsite painting operations generate paint waste, which is managed as a Universal Waste per Texas regulations and pickup by Safety-Kleen. No wastes are removed from the vessels delivering cars to the dock.

Due to meeting obligations for Mr. Milutin, the tour was truncated at 1300 hrs. and will resume at 1030 hrs. on 12/07/2022.

Day 2 – 12/07/2022

As coordinated with Mr. Milutin, EPA and TCEQ met the POG representatives at their office on 123 25th St. at 1030 hrs. to continue the tour of the Port.

Piers 16 and 18

EPA-TCEQ team and I entered Pier 16 and 18 at 1055 hrs. on December 7, 2022. Del Monte is the Leasee at the piers. We were met by Nate Jankowiak, the Safety Officer for Gulf Stevedoring. Del Monte receives fruits (e.g., bananas and pineapples) from Ecuador and Guatemala at the piers. The facility operates around the clock on delivery days, typically Mondays, and staffs the front office during daylight business hours on other workdays. When a fruit shipment arrives, Gulf Stevedoring (contracted service provider) employees unload the fruit containers. The fruit is inspected for bugs before taken offsite for distribution. After the ship is unloaded, workers load resin and plastic from Houston into the empty containers and re-load those containers with the plastic products onto the ship. From ship arrival to departure, turnaround is generally less than 24 hours.

Del Monte keeps a diesel tank outside to use in truck operations. Used oil is generated during oil changes and placed into containers, which are then put onto pallets and collected every 4-6 months by H & H Recycling. Approximately every three weeks, a barge pulls up alongside the ship to collect fuel and oil products.

Piers 30 and 32

EPA-TCEQ team and I entered the Archer Daniel Midland (ADM) facility at 1128 hrs. on December 7, 2022, and met Nick Floyd, General Manager of ADM. ADM operates on Piers 30 and 32 with 24/7 operations. The facility exports wheat, soybean, sorghum, and corn and

operates a grain elevator and maintains grain silos. ADM unloads product from railcars, places it into silos, then loads it onto ships for export. No wastes are removed from the ships.

Pier 34

The EPA-TCEQ team and I entered the Metro Ports Stevedoring space, located at Pier 34 for project cargo, at 1140 hrs. on December 7, 2022. There, we met with Clayton Stinecipher, the General Manager, and Matt Burris. Metro Ports is contracted by GE, Vestes, Acciona/Nordex and Seimens/Gamesa to move renewable wind energy equipment and machinery, load grain onto ships for Archer Daniel Midland, and discharge urea from ship to rail cars for CHS Inc.

Metro Ports also moves Class 1 explosive products received at the port in DOT 20-foot intermodal containers. Metro Ports oversees the immediate offloading of the explosives that arrive by ship onto flatbed trucks. The entire offloading process usually takes less than 2 hours. Trucks are escorted by two firefighting units and three police cars to ensure safety. There are strict Department of Transportation (DOT) and POG guidelines associated with the receipt and transport of the Class 1 explosives, one of which is that explosives cannot be stored at the Port. Mr. Milutin said an MSI Bulletin describes this process.

Metro Ports contracts with Crystal Clean (EPA ID# ILR000130062) in support of its own waste generation removal. Metro Ports does not provide any other removal services from ships entering Pier 34.

Pier 35

CHS Inc. occupies Pier 35, where urea is imported and off loaded for further transport across the U.S. EPA-TCEQ team and I entered the CHS Inc. facility at 1159 hrs. on December 7, 2022. CHS is a Metro Ports customer. We spoke again with Clayton Stinecipher of Metro Ports Stevedoring and to a CHS employee familiar with facility processes named Jason. The facility is manned 24/7 and accepts and stores urea used in fertilizers. The urea arrives via ship, is unloaded onto conveyor belts, taken into a large, covered warehouse and stored until it is loaded into railcars and shipped offsite for distribution. The CHS urea is usually sourced in the Middle East and 8 to 11 shipments are received per year, depending on demand. CHS does not accept any oily waste from the ships. Urea spills on the ground are promptly cleaned up with a shovel and placed into a container before being taken to a scrap pile. Scrap urea has a value and is sold at a discount to farmers or other small users.

Pier 39 and 40

Wallenius Wilhelmsen Logistics (WW) operates at Pier 39 and 40 providing support logistic services for heavy / large cargo. EPA-TCEQ team and I entered space leased by WW 1217 hrs. on December 7, 2022. We met the General Manager of the facility, a man named Tracy. WW is owned by parent agency Wilhelmsen Ship Services and operates Monday through Friday during daylight business hours (8am – 4pm) and as required when shipments arrive or depart. WW moves large cargo for the military, agriculture, and construction industries and typically manages 6 to 8 ships per month. Shipments may include fuel tankers, fire extinguishers,

tractors, etc. Any cargo that runs on fuel only has enough fuel to move from ship to truck or vice versa, so there is no excess fuel to manage. The parent company owns the ships and WW deals only with the cargo; any waste coming off ships is pumped into slop trucks and reported to customs.

After a lunch break, Mr. Milutin continued the tour onto Pelican Island located north across the Galveston Channel. The tour includes visit to the following locations and companies:

Pelican Island - SEABEE Dock

Pelican Island Storage Terminal (PISTI) is located at the SEABEE dock. The EPA-TCEQ team and I met the Pelican Island Storage Terminal, Inc. (PISTI) terminal manager, Ronnie Steelman, at the facility at 1445 hrs. on December 7, 2022. PISTI leases the SEABEE dock on the north side of the Port of Galveston. The facility is manned as needed when ships come in to offload oil or fuel. PISTI unloads and stores oils and fuels for various oil company clients. The fuel is stored prior to additional transport per their customers. Products received include bunker fuels, carbon black oil, and low/high sulfur slurries from offshore platforms, but they do not take slops. PISTI generally manages 2 ½ - 3 million barrels/month. The facility does not own any barges; they just unload and store oils and fuels before they are re-shipped on ships. We asked if they ever manage tank bottoms, and Mr. Steelman responded that it is the responsibility of the ship from which they came to empty the tanks and dispose of this waste.

Pelican Island - T & T Marine

The EPA-TCEQ team and I arrived at T&T Marine (T&T) located on Pelican Island at 1513 hrs. on December 7, 2022, where we met Safety Director Ben Cobb and General Manager for vessel operation Ryan Brown. T&T is a marine response company that does marine salvage missions, firefighting, and oil spill cleanup. T&T also facilitates crew changes and supplies stores for anchored vessels. T&T offers waste removal of trash from manned vessels and provides vessels with diesel exhaust fluid; these agreements are made with Customs and Border Control and with the US Department of Agriculture. T&T works closely with the Coast Guard and the Texas General Land Office during oil spills and response to natural disasters.

On US-flagged vessels, garbage that is retrieved is placed in a garbage dumpster and taken by a local commercial disposal firm. Any oils or slops are pumped onto a vacuum truck from Delesco and taken offsite for disposal and/or reclamation. T&T representatives say the facility does not receive any hazardous waste or oils. In the event of an emergency response, the facility arranges appropriate transport and disposal for hazardous waste ahead of time. We departed the facility at 1540 hrs.

Section III – AREAS OF CONCERN

- Terminal #2 - eight drums on pallets observed on the dock. The contents were labeled as an oil lubricant, but it was not clear if these drums were wastes or products being stored on the dock.
- Tenants that identify as receiving waste from vessels.

- Incinerator ash from cruise ships.

Section IV – FOLLOW UP

- During the POG tour, Mr. Milutin said he would provide a copy of MSI Bulletin on Class I Explosive procedures at the POG. This document was received via E-mail during the inspection.
- After the inspection Mr. Milutin provided communication on the status of the paperwork related to 8 metal drums located at Pier 28 Cruise Terminal #2. POG is actively investigating the drums and has opened a criminal investigation.

Section V – LIST OF APPENDICES

Appendix 1 – Photo Log – 7 photos taken 12/06/2022

Appendix 2 – Opening Conference Attendees List

Appendix 3 – Aerial Photo of Port of Galveston Terminals/Piers and Tenants

Appendix 4 – List of Port of Galveston Tenants Visited

Appendix 1

Photograph Log



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 1

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas

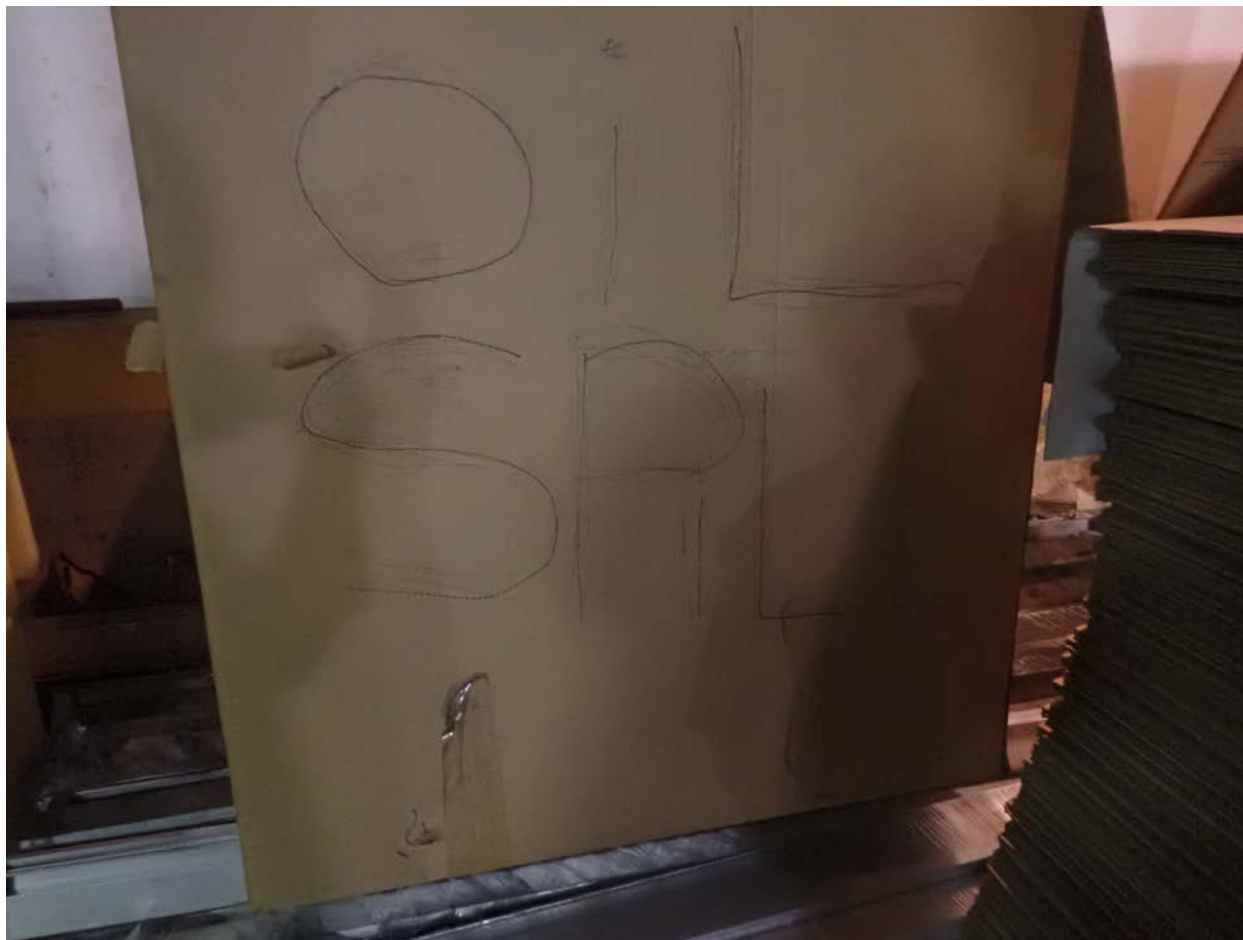


Photo #	PC060224.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: Box where an oil spill kit is located at Cruise Terminal #1 warehouse where items enter or exit cruise ships. Not seen in photo is a yellow spill kit container for use if a spill occurs.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 2

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060225.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: At Terminal #1. View inside box holding spill pads associated with the oil spill kit.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 3

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060226.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: Solid waste roll-offs outside the warehouse at Cruise Terminal #1. Roll-offs receive solid waste from cruise ships. Photo number PC060227.jpg is a duplicate photo of PC060226.jpg and is not included in the photo log.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 4

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060228.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: View inside roll-off showing type of solid wastes.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 5

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060229.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: View of storage area at Cruise Terminal #2 where items enter or exit cruise ships.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 6

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060230.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: View of Cruise Terminal #2 storage area and ADM Grain in background.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 7

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060231.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: View of 9 drums on Cruise Terminal #2. Some were empty, others partially empty. Leftmost drum in photo was empty.	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 8

Location: Port of Galveston		
City: Galveston	County/Parish: Galveston	State: Texas



Photo #	PC060232.jpg
Date:	12/06/2022
Camera:	TCEQ - Olympus Tough TG-6 model number is IM015
Photographer:	Casey Holley, Inspector TCEQ
Witness:	Debra Pandak, Katie Phillips, Oindrila Das
Description: View of label on blue drums on Cruise Terminal #2.	

Appendix 2

Opening Conference Attendee List

U.S. EPA Region 6, Inspection at the Port of Galveston
Opening Conference Attendee List

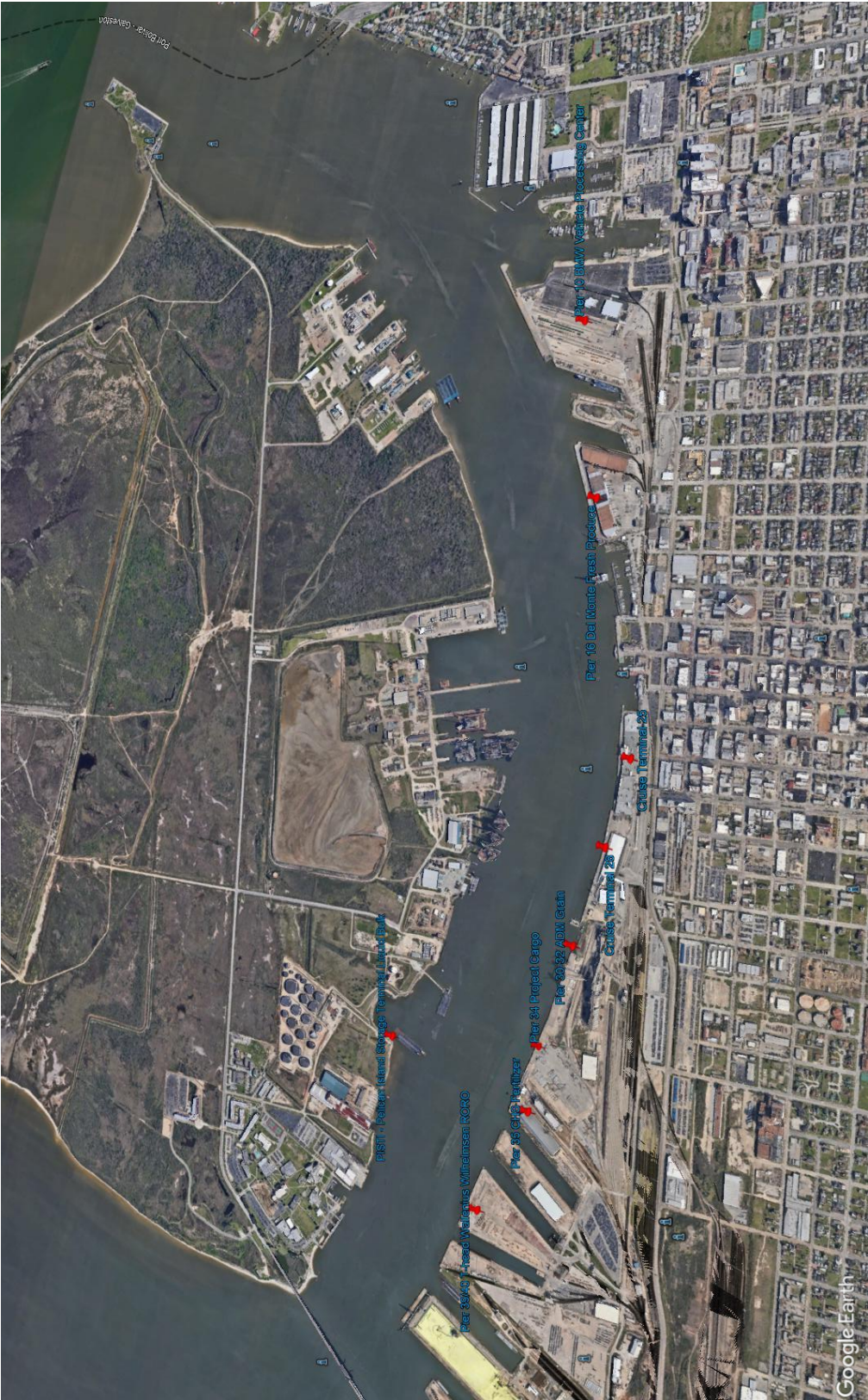
Name	Affiliation	Title/Role
Debra Pandak*	US EPA Region 6	Lead Inspector
Bill Mansfield*	US EPA Region 6	Inspector
Erin Young-Dahl*	US EPA Region 6	Inspector
Dedriel Gardner*	US EPA Region 6	Inspector
Katie Phillips*	TCEQ	Inspector
Casey Holley*	TCEQ	Inspector
Oindrila Das*	TCEQ	Inspector
Brett Milutin*	Galveston Wharves	Executive Deputy Port Director
Matt Robertson*	Galveston Wharves	Junior Harbormaster
Laura Camcioglu	Galveston Whares	Director
Kierra Vogel*	McLeod, Alexander, Powel and Apffel, P.C.	Attorney

* Individuals on the tour of Port.

APPENDIX 3

Aerial Photo of Port of Galveston Terminals/Piers and Tenants

(Provided by POG on 09/16/2022)



Appendix 4

List of Port of Galveston Tenants Visited

List of Port of Galveston Tenants Visited

Name	Location
Port of Galveston	123 25 th St. 8th Fl
BMW Vehicle	Pier 10
Ceres / Royal Caribbean Terminal	Pier 10
Marine Spill Response Corp	Pier 12
Del Monte Fresh Produce	Pier 16 - 18
Cruise Terminal #1	Pier/Terminal #25
Cruise Terminal #2	Pier/Terminal #28
ADM Grain Company	Pier 30-32
Metro Cruise Services/Suderman	Pier 34, 35, 25, 28
Wallenius Wilhelmsen Logistics	Pier 37
CHS Inc.	Pier 35
Pelican Island Storage Terminal	Pelican Island SEABEE Dock
T&T Marine	Pelican Island