

REGION 7 Enforcement Division
INSPECTION REPORT

Inspection Date(s):	02/15/2022 - 02/16/2022	Announced: No	
Time:	Entry: About 09:00 AM (CT)	Exit: 11:20 AM (CT)	
Program:	RCRA		
Regulatory Program(s):	Title 40 - ENVIRONMENTAL PROTECTION AGENCY; KANSAS STATE REGULATIONS		
If Access is Denied:	NA		
Company Name:	COBALT BOATS LLC-NORTH		
Facility or Site Name:	COBALT BOATS LLC-NORTH (Cobalt-North)		
Facility/Site Physical Address:	1705 N 9TH STREET		
(City, state, zip code)	NEODESHA, KANSAS 66757		
Type of Operation:	Manufactures pleasure boats.		
Size of Facility:	About 260,000 square feet		
Length of Facility at Location:	Unknown		
Geographic Coordinates:	37.4361, -95.6859		
Mailing address: (Secondary Address)	1715 N 8TH Street		
(City, state, zip code)	Neodesha, Kansas 66757		
County:	Wilson		
Facility/Site Identifier:	KS0000205856		
Media Number:	Unpermitted Facility		
NAICS:	336612 Boat Building		
Lead Inspector:			
Dedriel Gardner	[Signature] DEDRIEL GARDNER	Digitally signed by DEDRIEL GARDNER Date: 2022.03.08 14:52:09 -06'00'	[Date]
	REGION 7	Gardner.Dedriel@epa.gov	(913) 551-7049
Additional Persons Participating in Inspection:			
NA			
Supervisor Review:			
Amber Whisnant	[Signature] AMBER WHISNANT	Digitally signed by AMBER WHISNANT Date: 2022.04.18 20:05:50 -05'00'	[Date]
	REGION 7	whisnant.amber@epa.gov	

SECTION I – INTRODUCTION**Purpose of the Inspection/Objective**

Type of inspection: Routine CEI -Compliance Evaluation Inspection

Inspection Authority: Section 3007(a) of RCRA, as amended.

During the CEI, 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. According to the U.S. Environmental Protection Agency (EPA) RCRAInfo database, Cobalt-North was last inspected by the Kansas Department of Health and Environment (KDHE) on June 25-26, 2019. A notice of non-compliance was left for unlabeled universal waste batteries, an open and unlabeled excluded solvent contaminated wipes container, training records and job titles not maintained, notification of regulated waste not updated, and solid waste related findings of open dumping.

Attendees

Title	Name	Phone	Email	Present in Opening Conf.	Present in Closing Conf.
Lead Inspector	Dedriel Gardner	(913) 551-7049	Gardner.Dedriel@epa.gov	Yes	Yes
EHS Manager	Mike Klauman	(620) 325-7047	mikekl@cobaltboats.com	Yes	Yes
EHS Coordinator	Jason Mrkwa	(620) 325-2653	jasonmr@cobaltboats.com	Yes	No
Maintenance Technician - <90 Day Storage/Still Area	Brandon Speaks	Not obtained	Not obtained	No	No

On February 15, 2022, at about 09:00 (CT), prior to beginning the inspection, I conducted a visual reconnaissance of the facility searching for areas of concern observable from the adjacent roadways. I identified no environmental issues or concerns during this preliminary examination.

Upon arrival at the facility entrance, I introduced myself to the receptionist and asked for the Environmental Health and Safety (EHS) Manager (Mr. Klauman). Mr. Klauman met me in the front lobby where I introduced myself. He escorted me to his office where we waited for Mr. Mrkwa to arrive from the south facility. After Mr. Mrkwa arrived, I introduced myself and presented my credentials and informed them that this was an EPA RCRA inspection. I explained the purpose and procedures of the inspection. I presented them with a copy of RCRA Section 3007(a), which provides inspection authority. I explained my need to collect accurate information and presented them with a copy of Title 18 U.S. Code, Sections 1001 and 1002 regarding false statements and documents. I made them aware of their confidentiality rights and informed them that a Confidentiality Notice would be provided at the end of the inspection to make a confidentiality claim if they so desired.

The RCRA inspection consisted of a discussion of facility operations, waste generation, and waste management; a visual inspection of active waste generation and management areas; and a review of waste management records. During the inspection on February 15, 2022, Messrs. Klauman and Mrkwa were present throughout the inspection and on February 16, 2022, Mr. Klauman was present. During the visual inspection, I met other employees in their respective area as listed in the table above. These additional employees were introduced by Mr. Klauman to answer my questions or escort me through their respective areas.

I conducted a visual inspection, of the buildings/areas listed below. See Attachments 1A and 1B for the aerial location and facility layouts.

Document Photocopies and Photographs were collected as inspection documentation (Attachments 1 through 25 and Photos 1-45). The photo log is included as Attachment 2. Information collected during the inspection is documented on checklists, e-tablet, and log sheets. I reviewed documents including the following: Safety Data Sheets (SDS); contingency plan; training documents, waste profiles; solid waste related documents, weekly container inspections; facility layouts; biennial reports, and manifests/land disposal restriction (LDR) notices.

At the conclusion of the inspection is discussed in Section IV below.

Opening Conference

Facility/Site Description

Facility Info

Number of employees	About 450 total. In the EHS Department, Mr. Klauman is the Manager, and the department has two EHS Coordinators (one at each the north and south facilities) and two EHS Technicians (one at the south facility and will hire one for the north facility). Also, Mr. Speaks manages/handles the hazardous waste (HW) but is a part of Maintenance.
Weather Conditions	Partly sunny, cool
Operating Hours	Office and Sales - 08:00 to 17:00 Monday – Friday, and Manufacturing - 06:00 to 16:30 Monday - Thursday
Safety Training Provided to Inspector(s)?	No
What type of generator facility notified?	Large Quantity Generator (LQG) - Last certified on 11/18/2021, which the agency received it on 12/6/2021 (see Attachment 3 for Site Verification Report)
What type of generator facility verified as?	LQG, small quantity handler of universal waste (SQHUW), and used oil generator
Owner/Operator of site	Owner - Malibu Boats LLC, Loudun, Tennessee as of 7/5/2017, and Operator - Cobalt Boats LLC, Neodesha, Kansas as of 3/25/2008

Process Description

Messrs. Klauman and Mrkwa stated that since the last inspection on June 25-26, 2019, they have had no changes except the production expansion has been completed (see the yellow highlights on Attachment 1B).

Cobalt Boats has three facilities in the Neodesha area. They include the North main production facility where boats are assembled and painted, the South facility where small parts are manufactured, and the West facility where liners are laminated. Mr. Klauman stated that they produce about seven to eight small boats per day, four days per week, and one large cruiser per day. The small boats are manufactured separately from the cruisers although they both go through the same processing steps. Processing includes the following:

1. Mold Prep Area - molds made of fiberglass are purchased from offsite.
2. Gelcoat Booths Area - gelcoats are sprayed onto the molds.
3. Lamination Area (Deck and Hull) - the area consists of one long area divided in half with a lamination process line on each side (decks on one side and the hulls on the other) where fiberglass is either rolled

or chopped and sprayed onto the gelcoat. This one long area has exhaust filters for ventilation. Also, any defects observed may be repaired such as by adding adhesive putty.

4. Pull Station Area - the boats are removed from the molds.
5. Trimming Area - the boats are trimmed (cut, grinded) as needed.
6. Gelcoat Refinish/Repair Area - small repairs and deviations/imperfections are repaired to the gelcoat surface.
7. Assembly Area - all parts (motors, upholstery, cabinets, etc.) are added manually mostly using adhesives, nuts, and bolts.
8. Final Area – Final preparations are done on the boats including testing (the boats are placed in one of two inground water tanks for testing) and wrapping (wrapped in plastic) the boats for shipping
9. Loading Area - Boats are loaded onto trailers and shipped to dealers

Raw materials used onsite include, fiber glass, resin (Attachment 4), acetone (Attachment 5), catalyst (MEKP-925H and Norox MCP-75 Red, Attachments 6 and 7), and gelcoats.

Cobalt-North has support operations onsite including a Maintenance Shop for equipment maintenance (vehicle maintenance is contracted out), and a Quality Control (QC) Lab for testing the resin curing time. No wastewater treatment conducted onsite other than the test tank wastewater discharged to Publicly Owned Treatment Works (POTW) discussed below. Also, the grounds care is contracted out

Waste Streams and Management

Cobalt-North has one Waste Storage Fenced Area. It consists of a chain link fenced area that includes a <90 Day HW Shed, UW Storage Shed (one for lamps and one for batteries), and Acetone Still Shed. Also, they have six HW satellite accumulation areas (SAA) onsite. They include one in the following areas: Lamination Area – Small Boats, Lamination Area – Cruiser Area, Repair Area, Resin Warehouse, <90 Day HW Shed, Acetone Still Shed (see Attachment 1B).

The waste streams discussed during the inspection are included in the Waste Table shown in Attachment 8. Mr. Klauman stated that they do not receive any waste from offsite.

Building(s)

The following areas were visually inspected:

Building/Area/Sub-area	Process Description	Area Of Concern
Mold Prep Area and Gelcoat Booths	Molds made of fiberglass are purchased from offsite. Gelcoats are sprayed onto the molds in gelcoat spray booths that have exhaust filters.	No
Lamination Area (Deck and Hull) – Small Boats	The area consists of one long area divided in half with a lamination process line on each side (decks on one side and the hulls on the other) where fiberglass is either rolled or chopped and sprayed onto the gelcoat. This one long area has exhaust filters for ventilation. Also, adhesive putty may be added as needed for any defects observed. I observed one SAA container of waste acetone and containers of excluded solvent contaminated wipes, and cured waste throughout the area.	Yes

Cruiser Area	Cruisers are manufactured separately from the small boats and have their own separate manufacturing area. This includes upholstery, lamination, final, trim, and assembly. I observed one SAA container of waste acetone and containers of excluded solvent contaminated wipes, and cured waste.	No
Trim (Grind) and Repair Areas	Boats are repaired as necessary to remove any imperfections or defects. I observed a SAA of waste acetone, excluded solvent contaminated wipes, cured waste, and fiberglass dust.	No
Assembly	All parts (motors, upholstery, cabinets, etc.) are added manually mostly using adhesives, nuts, and bolts.	No
Final Area	Final preparations are done on the boats including testing (the boats are placed in one of two inground water tanks for testing), wrapping (wrapped in plastic), and loaded onto trailers for shipping.	No
Resin Warehouse	Three bulk resin product storage tanks and drums of product being stored. One of the three tanks was not being used at the time of the inspection. The tanks feed the resin lines in the Lamination Areas.	Yes
Waste Storage Fenced - I also referred to this area as a Central Accumulation Area (CAA) during the inspection.	This is a chain linked fenced area that contains a <90 Day HW Shed, UW Storage Sheds, Acetone Still Shed and containment pallets near it to store the waste acetone storage drums until they are reclaimed, shed with miscellaneous emergency equipment, and an area for the empty drums to be stored prior to being reused.	Yes
	<u><90 Day HW Shed</u> - This is a three-sided structure as shown in photos 24 and 25.	Yes
	<u>Acetone Still Shed</u> - This is a shed with an open door.	Yes
	<u>UW Storage Sheds</u> – There are two separated covered side by side areas for UW, one for lamps and the other for batteries as shown in photos 26 and 27.	Yes
Maintenance Shop	West side of the shop.	No
Outside	Various materials are stored outside. They include the cured wastes, manufactured boats, miscellaneous parts/equipment, old warranty equipment and boats.	No

SECTION II – OBSERVATIONS AND RECORDS REVIEW**Observations**

I made the following observations in areas visually inspected or records reviewed, otherwise no apparent findings were noted.

Building: Lamination Area (Deck and Hull) - Small Boats	Contains CBI: No
Observation #: DG1-OB-001 – <u>NOPF #2:</u> SAA not at/near the point of generation	Date: 02/15/2022
According to KAR 28-31-262(c)(6), any generator may accumulate 55 gallons or less, in no more than one container, of each type of hazardous waste and one quart or less, in no more than one container, of each type of acutely hazardous waste in containers at or near any point of generation where wastes initially accumulate which is under the control of the operator of the process generating the waste. In the Lamination Area, I observed a SAA 55-gallon drum with about 40 gallons of waste acetone located in-between the Deck and Hull lines. Mr. Mrkwa stated that it was generated between today (February 15, 2022) and yesterday (February 14, 2022). I asked where the HW that is added into this SAA container is generated and Mr. Klauman and Mr. Mrkwa stated from all the small boat's Deck and Hull Lamination Area and from the Gelcoat Booths (see Attachment 1B). Based on this, it did not appear that all the HW added into this drum was generated at or near the point of generation or under the control of the operator, especially from the gelcoat area which is in an adjacent room. Mr. Klauman and Mr. Mrkwa discussed various reasons of why they thought only one SAA drum was used for both areas including for safety reasons.	
Building: Resin Warehouse	Contains CBI: No
Observation #: DG1-OB-005 – <u>NOPF #4b:</u> Not operated to minimize an emergency	Date: 02/15/2022
According to 40 CFR 265.31, facilities must be maintained and operated to minimize the possibility of a fire, explosion, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water which could threaten human health or the environment. In the Resin Warehouse, I observed a waste resin SAA 55-gallon drum with about 45 gallons of waste resin. Mr. Mrkwa stated that the drum contained waste filters and waste from cleaning two Y-screens on the resin tanks pipelines. Also, I observed uncontained waste resin on top of the SAA drum lid, the table next to it, and the small tray under the Y screen area (Photos 9, 31, and 32). The resin remaining in the tray Mr. Mrkwa stated had hardened. Based on the safety handling procedures and conditions to avoid for this flammable liquid discussed on the SDS (Attachment 4), I listed this uncontained HW on the NOPF for failing to operate to minimize the possibility of a fire.	
Building: Waste Storage Fenced Area/<90 Day HW Shed	Contains CBI: No
Observation #: DG1-OB-006 – <u>Discussed but not on NOPF:</u> Unlabeled used oil containers	Date: 02/15/2022
According to 40 CFR 279.22(c)(1), containers used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil." In the <90 Day HW Shed, I observed six containers of used oil as follows: two approximately half full 5-gallon pails (one labeled "Used Oil" and one not labeled), and four 55-gallon drums (one contained 16 full 1-pint jugs of oil to be added to one of the other used oil drums and was	

labeled "Oil", one contained about five gallons and was labeled "Used Oil", and one contained about 45 gallons and the other about 20 gallons and both were labeled "Oil") (see Photos 10, 11, 12, 13, 14, 34, and 45).

Building: Waste Storage Fenced Area/<90 Day HW Shed

Contains CBI: No

Observation #: DG1-OB-007 – **NOPF #3:** Storing potential incompatibles

Date: 02/15/2022

According to 40 CFR 265.177(c), a storage container holding a hazardous waste that is incompatible with any waste or other materials stored nearby in other containers, piles, open tanks, or surface impoundments must be separated from the other materials or protected from them by means of a dike, berm, wall, or other device. The <90 Day HW Shed is basically a three-sided shed with a concrete floor that slopes toward the west. Products and HW (waste resin, used oil, acetone still bottoms) are stored in the shed (see Attachment 1C for HW stored at the time of the inspection). Also, the empty catalyst containers are drained (organic peroxides) in the shed which is a potential incompatible.

Mr. Mrkwa explained that in the past they accumulated all the waste catalyst and manifested it offsite as a HW. Now they accumulate the empty catalyst containers (based on all is pumped out that can be, but a small amount remains) and take them to the <90 Day HW Shed. See Photos 18, 19, 20 and 22 for empty containers waiting to be drained. Even though the containers are determined to be empty because all liquid that can be pumped out has been, enough liquid remains in the containers to be drained out and fill 5-gallon containers. In the HW shed, they place the empty containers on spokes on a narrow open trough that gravity drains into a container that is placed at the bottom on the floor (see Attachment 1C and Photos 11, 12, 20, and 21). On March 7, 2022, Mr. Klauman stated the following: Mr. Speaks drains about 15 to 20 catalyst containers (depends on if draining 1-gallon or 5-gallon size containers) two to three times per week; he places them on the spokes and let them free drain for about five to ten minutes; he shakes the containers as they drip drain, and when the drippage ceases, he recaps the containers; he puts the empty container in the general trash; and they collect about five gallons per month of catalyst for reuse. The filled containers of catalyst are placed in a flammable cabinet shown in Photo 22. The filled containers are returned to the manufacturing floor for reuse. Mr. Mrkwa stated that now they do not routinely generate any waste catalyst since they have been draining and reusing it and have not generated/shipped any since the last shipment in 2019. He stated that they can reuse the catalyst which comes in different colors after they drain and mix all the catalyst into the same container because they use the mixture on boat parts that are undercover and therefore not visible, so color does not matter. He stated that now when any waste catalyst is periodically generated, it would be because it becomes off-spec such as when water gets into it, and it is no longer usable.

The catalyst contains methyl ethyl ketone peroxide (MEKP) (aka. 2-butanone, peroxide) and both catalyst SDS state that the chemical nature is organic peroxides liquid mixture and that the substance or mixture is not classified as oxidizing (see Attachments 6 and 7). It should be noted that the Norox catalysts SDS state that the actual ingredients concentrations are a trade secret. As shown on Attachment 1C, the catalyst is being stored and handled (drained) in the <90 Day HW Shed with potential incompatibles to include routinely generated waste resin, used oil, aerosol liquid, and acetone still bottoms. This is based on the following:

- According to the A Method for Determining the Compatibility of Hazardous Waste, EPA-600/2-80-076, April 1980:
 - **Combustible materials** (used oil and waste resin) are incompatible with **organic peroxides** (catalyst) as the potential consequences are heat generation, fire, and toxic gas generation.
 - **Ketones** (waste acetone) are incompatible with **organic peroxides** (catalyst) as the potential consequence is an explosion; and with **polymerizable compounds** (waste resin) as the potential consequences are violent polymerization and heat generation.

Mr. Mrkwa stated that if the catalyst was a waste and not a product, they would have separated it from the flammable waste, but since it was not a waste they did not. It should be noted that the container storage area weekly inspections log includes checking for incompatibles, although it just asks if the catalyst waste is separated (see Attachment 20 for the latest three). I explained that the regulations require HW to be separated from incompatibles including other wastes and other materials. Also, it should be noted that the containers are stored next to the potentially incompatible heat transfer oil used for the acetone still.

Building: Waste Storage Fenced Area /<90 Day HW Shed

Contains CBI: No

Observation #: DG1-OB-008 – **NOPF #4a:** Not operated to minimize an emergency

Date: 02/15/2022

According to 40 CFR 265.31, facilities must be maintained and operated to minimize the possibility of a fire, explosion, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water which could threaten human health or the environment. On February 15, 2022, I observed a breaker box that did not appear to be fireproof on the south side wall in the <90 Day HW Shed (see Photos 20, 23, 24, 25, and 33). The shed is open on one side as shown in Photo 24. Mr. Speaks stated that it was the breaker box for the building on the south side of the shed. The box was located about eight feet from the 55-gallon drum of waste resin (see Attachment 1C for layout and Photos 20 and 23). I asked Mr. Klauman if they had done any evaluations on having the breaker box in the area with the flammable HW. He was not aware if it was okay or not, but he and Mr. Mrkwa thought it would be ok since it was in an open shed where there would be no vapor build up. I asked Mr. Klauman if he was aware of any National Fire Protection Association (NFPA) requirements that would make this type of box acceptable being in this type of flammable storage area and he was not at the time. Therefore, I listed as a preliminary finding failing to operate to minimize a fire since the breaker box appears to be an unprotected ignition source located in the <90 Day HW Shed where flammable HW are stored. I informed Mr. Klauman that if he was able to locate any NFPA information that showed it was acceptable it would be good to include it in his NOPF response.

On February 16, 2022, Mr. Klauman stated that he had a person from Maintenance go look at the breaker box with him and that person stated that it was like a standard light switch, and that person did not think it was a problem. However, since it was an ignition source, I left it on the NOPF for them to provide EPA with a definite answer on whether it was acceptable according to fire codes.

Building: Waste Storage Fenced Area/Acetone Still Shed

Contains CBI: No

Observation #: DG1-OB-010 – **Requested on NOPF as #5B:** Air emissions compliance info

Date: 02/15/2022

According to 40 CFR 262.34(a)(1)(i), a generator may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, provided that the waste is placed in containers and the generator complies with the applicable requirements of subparts I, AA, BB, and CC of 40 CFR part 265.

Mr. Speaks transports the full SAA containers of waste acetone to a containment pallet on the southwest side of the Acetone Still Shed. He operates the still and stated that he waits until he gets about two or three full drums before he runs the still. The still set up includes a feed drum (explained below) and an approximately 60 gallons capacity still (see Attachment 1D for layout and Photos 28, 29, 30, 39, 40, 41, 42, 43, and 44). Mr. Speaks and Mr. Mrkwa stated that the still is operated as shown on the log in Attachment 9A and 9B. They stated that the efficiency of the still varies based on ambient temperatures, dirtiness of the waste acetone being reclaimed, and other factors.

Mr. Klauman stated, and Mr. Speaks verified, that the waste acetone is pumped from the waste acetone drum into a 55-gallon drum connected to the still that remains in place and is not ever disconnected (henceforth feed

drum) (see Attachment 1D and Photos 28, 29, 39, 40, and 41). Mr. Speaks stated that he pumps a full drum (about 50 gallons) into the feed drum. Then to keep the still operating properly throughout the reclamation cycle, he as needed pumps waste acetone into the feed drum to keep it filled so that when the still's level control drops below a certain level and its pump kicks on, some additional waste acetone is present to be pumped into the still.

Mr. Speaks stated that when he operates the still, he tries to run it for about 10 hours if he is cooking three drums. He stated that if he is cooking one drum, then maybe he operates it for two to three hours depending on how dirty the waste acetone is and the other factors. Mr. Speaks stated that he uses a submersible pump to pump waste acetone from the waste drums into the feed drum. Mr. Speaks stated that the still has a pressure vent which is shown in Photos 42 and 43. He stated that about once every six months he cleans the still with Shipshape Cleaner (see Attachment 18) by adding it into the still and letting it cook for about a week to remove the resin. He then collects the reclaimed Shipshape for reuse, and the still bottoms are accumulated with the acetone still bottoms. Mr. Speaks stated that the bottoms are cake like solid with no free liquids. However, it should be noted that the waste profile for the still bottoms dated April 4, 2019, states that it contains free liquid (see Attachment 10). Also, it should be noted that if the still bottoms are not ignitable at the point of generation, then they may not be D001 or F003 hazardous waste. Also, Mr. Klauman stated that they do maintenance on the still annually.

I did not observe any tagging of pumps and connections on the waste acetone still equipment (see Photos 28, 29, 30, 39, 41, 42, 43, and 44). I asked Mr. Klauman if they have evaluated the waste acetone still set up for RCRA air emissions 40 CFR Subparts AA/BB/CC applicability/compliance or if they were complying with any Clean Air Act (CAA) requirements. Mr. Klauman did not know and asked what the RCRA air emissions rules were. I briefly explained and Mr. Klauman stated that he would have to ask their corporate person. Therefore, I asked that this additional information be provided to EPA.

Mr. Klauman called their corporate office during the inspection and stated that he asked Mike Fontinell for help regarding this air emissions question. Mr. Klauman stated that Mr. Fontinell stated that he believed they are complying with the CAA 40 CFR Part 63 Subpart VVV Maximum Achievable Control Technology (MACT) for Boat Manufacturers. Mr. Klauman stated that Mr. Fontinell stated that he had contacted their consultant and determined that they are subject to the Part VVV, acetone is not a hazardous air pollutant (HAP) or a volatile organic compound (VOC), and they are not permitted due to 40 CFR 261.6(d). Mr. Fontinell also responded to him that the vent on the still was a rupture disc and therefore was only operational when the still was not operating. Mr. Klauman stated that they have the still operator's manual and will look up this equipment and respond to the additional information request. I agreed as they will then be able to explain if they are or are not subject the RCRA air emissions standards and if not, which exemption are they claiming.

Building: Waste Storage Fenced Area/UW Storage Shed

Contains CBI: No

Observation #: DG1-OB-009– **NOPF #1:** UW unlabeled, undated, and uncontained/opened **Date:** 02/15/2022

According to 273.14(a), UW batteries (i.e., each battery), or a container in which the batteries are contained, must be labeled or marked clearly with any one of the following phrases: "Universal Waste - Battery(ies)," or "Waste Battery(ies)," or "Used Battery(ies);" In the <90 Day HW Shed, I observed an approximately 3/4th full UW batteries pail labeled and dated September 20, 2021, on top of a file cabinet (see Photo 15), although, on a desktop, I observed six loose unlabeled and undated UW batteries (includes lithium) (see Photos 16 and 17).

According to 40 CFR 273.13(d)(1), a SQHUW must contain any lamp in containers or packages that are structurally sound, adequate to prevent breakage, and compatible with the contents of the lamps. Such

containers and packages must remain closed and must lack evidence of leakage, spillage or damage that could cause leakage under reasonably foreseeable conditions. Also, according to 40 CFR 273.14(e), each lamp or a container or package in which such lamps are contained must be labeled or marked clearly with one of the following phrases: "Universal Waste - Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)". I observed about 10 loose unlabeled and undated UW 4-foot fluorescent lamps and two loose metal halide UW lamps on a desktop (see Photos 16 and 17). Mr. Speaks stated that Maintenance is in the process of changing out spent lamps throughout the facility. He stated that they started bringing the spent lamps I observed in this HW shed on Friday (February 11, 2022) and Monday (February 15, 2022) and it takes about a couple of days to process (containerize, label, date) the UW. In the UW Shed, I observed three boxes of UW that included the following: one box of 4-foot UW fluorescent lamps labeled and dated October 27, 2021; one box of 4-foot UW fluorescent lamps labeled and undated (started Friday, February 11, 2022); and UW box with metal halide lamps that was originally thought to be undated, but later determined to be dated March 1, 2021. Also, as noted after the inspection and discussed with Mr. Klauman on March 7, 2022, the box of metal halide lamps was not closed as required due to an unsecured lid (see Photo 26).

According to 40 CFR 273.15(c), A SQHUW who accumulates UW must be able to demonstrate the length of time that the UW has been accumulated from the date it becomes a waste or is received. Cobalt-North places the UW lamps in boxes and marks it with the accumulation start date. They also label the batteries on pallets (see Photo 27) and in containers (see Photo 15). As stated above, the six loose UW batteries and the approximately 10 loose UW lamps on the desktop in the <90 Day HW Shed and the one box in the UW Shed were not dated.

Corrected - During the inspection, the lamps were containerized, and the containers were labeled, dated, and closed (see Photos 37 and 38).

Records Review

Record: Contingency Plan – Requested on NOPF as #5A: Revised contingency plan		AOC: Yes
Ref #: DG1-RR-001	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
Mr. Klauman provided me with the current contingency plan dated 5/27/2020 (Attachment 19). He stated that he knew the plan was inadequate and therefore had hired a contractor to update the plan. Mr. Klauman stated that he was hired about a year ago on February 8, 2021, and started with working on their safety requirements and was now getting started with working on their environmental requirements. He stated that the contractor was onsite about two weeks ago and they are projected to have the revised plan by the end of the month. I reviewed the current plan, and the contents of the plan as required by 40 CFR 265.52 did not appear to include or was inadequate in the following areas: • Description of the emergency equipment capabilities. • The emergency coordinators (EC) listed were Mr. Mrkwa and Darin Ashenfelter. Mr. Klauman stated that Mr. Ashenfelter was acting as EHS Manager until Mr. Klauman was hired, although Mr. Ashenfelter is no longer in EHS, he is currently still onsite. • Unclear descriptive evacuation signals. The plan states only that the PA system and or radios are used to signal a take cover or shelter in place situation. • The plan stated that "Cobalt Boat emergency response coordinator will contact the LEPC when a fire or spill cannot be managed by onsite personnel". It also stated that "employees should respond by isolating		

the area and notify the emergency response coordinator. The emergency response coordinator shall initiate spill response.” However, the plan does not clearly describe the actions the employees will take when LEPC does not have to be called and a fire can be managed by onsite personnel. It should be noted that I did not see any training related to employees responding to HW related fires.

- Mr. Klauman and Mr. Mrkwa stated that Mr. Speaks works in the Waste Storage Fenced Area alone but has a two-way radio he wears on his body. I asked what happens if Mr. Speaks has a HW related issue. Mr. Klauman stated that the radio contacts Maintenance who then contacts help as appropriate. I asked when the EC is contacted and Mr. Klauman stated that Mr. Speaks would contact them, i.e., the EHS ECs, if there is a HW related emergency (e.g., a spill). However, this does not appear to be what the contingency plan states as the procedures to be followed in an HW related emergency.

Since the plan is in the process of being updated, I asked that it be sent to EPA when updated.

Mr. Klauman stated that there is an alarm horn in the <90 Day Storage Area, however Mr. Speaks cannot activate it. The Maintenance Shop is located about 50 to 75 ft north of the Waste Storage Fenced Area (see Attachment 1B). Therefore, it would appear to be difficult for Mr. Speaks to have constant voice and visual contact in case of an emergency. However, Mr. Klauman stated that Mr. Speaks would use his two-way radio or his personal cell phone to contact help in an HW related emergency. Mr. Klauman stated that also Maintenance personnel also periodically comes by and check on Mr. Speaks.

Record: Annual Report		AOC: No
Ref #: DG1-RR-003	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
Mr. Klauman provided copies for review and to show that they are being maintained onsite as required.		
Record: Biennial Reports		AOC: No
Ref #: DG1-RR-004	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
Mr. Klauman provided copies for review and to show that they are being maintained onsite as required. The last Biennial Report was certified on January 16, 2020.		
Record: Inspections		AOC: No
Ref #: DG1-RR-005	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
Weekly HW container inspections are being conducted and a log maintained. I randomly reviewed inspection documents for the past year and no findings were noted (see Attachment 20 for latest three).		
Record: Manifests		AOC: No
Ref #: DG1-RR-006	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
Manifests and LDR notices are maintained and tracked as shown on the 2021 tracking log in Attachments 11A and 11B. I randomly reviewed about six manifests and LDR notices during the past three years, and I observed no apparent findings. Only one manifest shipment had been made in 2022 to date (Attachment 11A).		

Record: Notification – SQG and LQG		AOC: No
Ref #: DG1-RR-007	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
The HW notification had been last certified on November 18, 2021, and received on December 6, 2021, (see Attachment 3 for Site Verification Report). It remains current according to Mr. Mrkwa.		
Record: Personnel Training – Discussed but not on NOPF: Training not documented for one		AOC: Yes
Ref #: DG1-RR-008	Reviewed By: Dedriel Gardner	Reviewed Date: 02/18/2022
I asked if the employees that handle HW receive any contingency plan training as required by 40 CFR 265.16(a)(2). Mr. Klauman and Mr. Mrkwa explained that just the EHS employees receive contingency plan training as they are the ECs. I asked if Mr. Speaks who works in the Waste Storage Fenced Area and operate the still receive contingency plan training. Mr. Klauman stated no, but he receives RCRA HW training. Mr. Klauman stated that the RCRA HW training covers what to do in case of a spill and emergency response in general. I asked Mr. Klauman if Mr. Speaks received specific HW related emergency training for this facility for the HW he handles. Mr. Klauman stated yes and that it is covered during the RCRA HW training class even though he does not receive the contingency plan training. He stated that Mr. Speaks knows what to do in a HW related emergency as he is trained on it. I advised that he includes Mr. Speaks in on the specific contingency plan training and document as such. I asked Mr. Klauman if he had a training plan/program that discusses who would be trained on what and when as required by 40 CFR 265.16(d)(3). He provided me the current plan which is included as Attachment 21 which did not include this frequency information. Attachment 21 also included the contract with the training consultant and documented training for 2021. Mr. Klauman also provided his, Mr. Mrkwa's and Mr. Speaks's job descriptions which did not contain the information. However, Mr. Klauman looked back at their 2017 plan and saw where it was included. I advised him to update their current plan with this frequency information. Mr. Mrkwa stated that UW training is included in their RCRA training. I did not see where Mr. Mrkwa had documented 2021 contingency plan training (see Attachment 21, page 6 for sign in sheet). Mr. Mrkwa stated that he attended the training but must have just not signed the sheet. They had emails between him and Mr. Klauman discussing Mr. Mrkwa taking the training. I informed them that training is required to be documented as required by 40 CFR 265.16(d)(4).		

SECTION III – AREAS OF CONCERN

The presentation of areas of concern does not constitute a formal compliance determination or violation.

Building: Waste Storage Fenced Area – <90 Days HW Shed, UW Shed, and Acetone Still Shed		
NOPF #1 – UW batteries and lamps with no documented length of accumulation; UW batteries and lamps not labeled, and UW lamps not contained. Also, an unsecured lid on one box of UW lamps noted after the inspection.	Citations: 40 CFR 273.13(d)(1), 273.14(a), 273.14(e), and 273.15(c)	Sections: DG1-OB-009

Building: Lamination Area (Deck and Hull) – Small Boats		
NOPF #2 – SAA container of waste acetone not at or near the point of generation and under the control of the operator.	Citations: KAR 28-31-262(c)(6)	Sections: DG1-OB-001
Building: Resin Warehouse		
NOPF #3 – Storing potentially incompatibles in the <90 HW Day Shed.	Citations: 40 CFR 265.177(c)	Sections: DG1-OB-007
Building: Waste Storage Fenced Area (< 90 Day Storage Area) – HW Shed, UW Shed, and Acetone Still Shed		
NOPF #4A – Not operating to minimize the possibility of a fire by not having a fireproof breaker box in the <90 HW Shed.	Citations: 40 CFR 265.31	Sections: DG1-OB-008
NOPF #4B – Not operating to minimize the possibility of a fire by having uncontained waste resin.	Citations: 40 CFR 265.31	Sections: DG1-OB-005
Not listed on the NOPF – Used oil containers not labeled “Used Oil” – three containers labeled “Oil” and one had no labels.	Citations: 40 CFR 279.22(c)(1)	Sections: DG1-OB-006
Records:		
Not listed on the NOPF – No documented 2021 contingency plan training for Mr. Mrkwa.	Citations: 40 CFR 265.16(d)(4)	Sections: DG1-RR-008

SECTION IV – FOLLOW UP

Records		
Follow Up Requested on NOPF as #5A - The contingency plan was in the process of being updated with the final version expected within a couple of weeks. Therefore, I asked that it be sent to EPA when updated – Listed on NOPF as #5A		Section: DG1-RR-001
Building: Waste Storage Fenced Area – Acetone Still Shed		
Follow Up Requested on NOPF as #5B - I asked that information be provided to EPA regarding whether the acetone still is subject to the air emission requirements of 40 CFR 265 Subpart AA/BB/CC- Listed on NOPF as #5B.		Section: DG1-OB-010

Closing Conference

On February 16, 2022, at the conclusion of the inspection, I held a closing conference with Mr. Klauman. I provided him with a Receipt for Documents (Attachment 22) and a Confidentiality Notice (Attachment 23) which he signed as acknowledgement of receipt. No confidential business information (CBI) claims were made. I summarized my findings and recommendations and provided Mr. Klauman with a Notice of Preliminary Findings (NOPF), which he signed to acknowledge receipt (Attachment 24). I provided inspection and compliance assistance documents during the inspection and afterwards although Mr. Klauman stated that he was familiar with the KDHE website (see Attachment 25A for February 17, 2022, email) that included the following:

- RCRA Section 3007(a)
- Title 18 U.S. Code, Sections 1001 and 1002
- Confidentiality Notice (Top page of the completed carbonless transfer set)
- Notice Regarding Proprietary/Confidential Business Information Submitted To Or Collected By EPA In Connection With Inspections Receipt for Documents and Samples
- Notice of Preliminary Findings with Instructions for Responding on back of form (Top page of the completed carbonless transfer set)
- Homeland Security Anti-Terrorism Standards (EPA Handout)
- Environmental Compliance Assistance Centers (EPA Handout)
- U.S. EPA Small Business Resources (EPA Handout) (emailed July 24, 2021)
- Kansas Compliance Assistance Publications
- A Method for Determining the Compatibility of Hazardous Waste, EPA-600/2-80-076, April 1980 (emailed March 7, 2022)

I followed the inspection procedures detailed in the RCRA CEI Standard Operating Procedure (SOP) 2321.1, unless noted otherwise. Any authorized Federal regulatory citations noted in this report are as adopted by reference in the authorized Kansas regulations.

On February 28, 2022, I attempted to contact Mr. Klauman by phone and learned that he was out for the week, therefore I left a message for Mr. Mrkwa to give me a call. Soon after that I received an email from Mr. Klauman who stated that Mr. Mrkwa forwarded my message to Mr. Klauman, and we made arrangements for me to call him Monday (March 7, 2022) (see Attachment 25B). On March 7, 2022, I contacted Mr. Klauman with additional questions and clarifications. This included discussing the questions I emailed ahead of time, him emailing me a pdf version of the acetone still log, and my emailing him a book on determining the compatibility of wastes (see Attachment 25C).

SECTION V – LIST OF ATTACHMENTS**Document Log**

Attachment #	Document Name	# Pgs	Contains CBI	Contains PII	Uploaded By	Date Received
1	Facility Aerial Photo and Facility Layouts	--	--	--	--	--
1A	Aerial Photo	1	No	No	Dedriel Gardner	NA, From Internet

1B	Facility Layout	1	No	No	Dedriel Gardner	2/15-16/2022
1C	<90 Day HW Shed Layout	1	No	No	Dedriel Gardner	NA, Created
1D	Acetone Still Shed Layout	1	No	No	Dedriel Gardner	NA, Created
2	Photo Log and Layout of Locations (45 photos)	26	No	No	Dedriel Gardner	NA, Created
3	RCRAInfo Notification/Verification Report	1	No	No	Dedriel Gardner	NA, Completed
4	SDS - Resin	21	No	No	Dedriel Gardner	2/15-16/2022
5	SDS - Acetone	6	No	No	Dedriel Gardner	2/15-16/2022
6	SDS - Catalyst MEKP-925H	26	No	No	Dedriel Gardner	2/15-16/2022
7	SDS - Catalyst Norox MCP-75 Red	29	No	No	Dedriel Gardner	2/15-16/2022
8	Waste Table	6	No	No	Dedriel Gardner	NA, Created
9	Acetone Still Logs	--	--	--	--	--
9A	2022 Acetone Still Log	2	No	No	Dedriel Gardner	2/15-16/2022
9B	2021 Acetone Still Log	13	No	No	Dedriel Gardner	2/15-16/2022
10	Acetone Still Bottoms Waste Profile	5	No	No	Dedriel Gardner	2/15-16/2022
11	HW Shipping Documents	--	--	--	--	--
11A	2-8-2022 Manifest (Waste Gasoline, Still Bottoms, and Waste Resin) and LDR Documents	4	No	No	Dedriel Gardner	2/15-16/2022
11B	2021 HW Shipping Log	1	No	No	Dedriel Gardner	2/15-16/2022
12	Solvent Wipes Management Plan	4	No	No	Dedriel Gardner	2/15-16/2022
13	Special Waste Authorization (SWA) 22-0121 for Excluded Solvent Wipes	2	No	No	Dedriel Gardner	2/15-16/2022
14	Wipes Analyses	14	No	No	Dedriel Gardner	2/15-16/2022
15	SDS Oil	8	No	No	Dedriel Gardner	2/15-16/2022
16	SWA 22-0120 for Boat Manufacturing Waste	2	No	No	Dedriel Gardner	2/15-16/2022
17	Waste Analysis for Cured Wastes, Clean-up Materials, Grinding Fiberglass Dust, Gelcoat and Lamination Exhaust Filters, and Upholstery Waste	16	No	No	Dedriel Gardner	2/15-16/2022
18	SDS Shipshape Cleaner	6	No	No	Dedriel Gardner	2/15-16/2022
19	Contingency Plan	10	No	No	Dedriel Gardner	2/15-16/2022
20	Latest Three Weekly HW Container Inspections	3	No	No	Dedriel Gardner	2/15-16/2022

21	Training Plan, Training Consultant's Agreement, and 2021 Documented Training	6	No	No	Dedriel Gardner	2/15-16/2022
22	Receipt for Documents	1	No	No	Dedriel Gardner	NA, Completed
23	Confidentiality Notice	1	No	No	Dedriel Gardner	NA, Completed
24	NOPF	2	No	No	Dedriel Gardner	NA, Completed
25	EPA and Cobalt-North Emails	--	--	--	--	--
25A	2/17/2022 Email to Mr. Klauman with Compliance Assistance Links	2	No	No	Dedriel Gardner	NA, Created
25B	2/28/2022 Email to Mr. Klauman for set up of call on 3/7/2022	2	No	No	Dedriel Gardner	NA, Created
25B	3/7/2022 Email to Mr. Klauman with Compliance Assistance Link	5	No	No	Dedriel Gardner	NA, Created
TOTAL # PAGES		228				