Permittee:
Southern Drydock, Inc.
1901 Hill Street
Jacksonville, FL 32202

Final Permit No.: 0310577-001-AC
Facility ID No.: 0310577
SIC No(s).: 34
Project: Abrasive Blasting and Painting Operation

This permit is for the construction of a boat repair facility that includes a floating dock and landside operations. This facility is located at 1901 Hill Street, Jacksonville, Duval County, FL 32202; UTM Coordinates: Zone 17, 439.65 km East and 3355.27 km North; Latitude: 30° 19' 40" North and Longitude: 81° 37' 40" West.

This permit is issued under the provisions of Chapter 403, Florida Statutes (FS) and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297, Florida Administrative Code (FAC). The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans, and other documents, attached hereto or on file with the Neighborhoods Department, Environmental Quality Division (Department) in accordance with the terms and conditions of this permit.

Operation Permit Application Due Date: **November 1, 2012**
Expiration Date: **February 1, 2013**

Neighborhoods Department
Environmental Quality Division

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Robert Steven Pace, P.E., Manager
Air Quality Branch

RSP/DH

Section I. Facility Information

Subsection A. Facility/Project Description

This permit is for the construction of a vessel repair facility that includes a floating dry dock and landside operations.

There are two processes at the facility: Coating Operations and Blasting Operations. Each of these operations occurs both land side and on the dry dock.

Landside Operations: Miscellaneous parts are received from customers or are fabricated in the Fabrication Shop landside. After receipt or fabrication, they are sent to the blast area where they are blasted with Black Beauty (slag). The blast area consists of three (3) buildings. Two are small and used to blast small fabricated parts. The other building is larger and taller and is used for large fabricated parts that will not fit into the other two buildings. After blasting, the smaller parts are returned to the paint building where they are primed. The large fabricated parts are primed in the larger building where they were blasted.

Dry dock Operations: Vessels are brought in over the dry dock and are lifted out of the water. The hull is then inspected. Following the inspection, if required the hull is blasted with Black Beauty (slag) and then painted. During these operations, a shroud is erected on the dry dock so that dust and overspray are confined.

The facility is a synthetic non-Title V source of air pollution because the operational limit assumed by the owner will limit the potential emissions of regulated air pollutants to less than 100 tons per year and the potential emissions of Hazardous Air Pollutants (HAP) to less than 10 tons per year (single HAP) and less than 25 tons per year (total HAPs) pursuant to Rule 62-210.200, FAC, and Rule 2.301, JEPB.

Subsection B. Summary of Emission Unit (EU) ID Nos. and Brief Descriptions

EU No.	EU Description	Control Device
001	Coating Operations	Low Solvent Coatings
002	Blasting Operations	Reasonable Precautions

Subsection C. Relevant documents

Air construction permit application received March 29, 2012

Section II. Facility Wide Conditions

Subsection A. General Conditions

1. The terms, conditions, requirements, limitations, and restrictions set forth herein are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.141, 403.727, or 403.859 through 403.861, FS. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.

2 This permit is valid only for the specific process and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.

3. As provided in subsections 403.087(6) and 403.722(5), FS, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations. This permit

is not a waiver of or approval of any other department permit that may be required for other aspects of the total project which are not addressed in this permit.

4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgement of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.

5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore, nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.

7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at reasonable times, access to the premises where the permitted activity is located or conducted to:

   a. Have access to and copy any records that must be kept under conditions of the permit;
   b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and
   c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

   Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:

   a. A description of and cause of noncompliance; and
   b. The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the noncompliance. The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.111 and 403.73, FS. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.

10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance; provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.

11. This permit is transferable only upon Department approval in accordance with Rules 62-4.120 and 62-730.300, FAC, as applicable. The permittee shall be liable for any noncompliance of the permitted activity until the transfer is approved by the Department.

12. This permit or a copy thereof shall be kept at the work site of the permitted activity.

13. This permit also constitutes:
    ( ) Determination of Best Available Control Technology (BACT)
    ( ) Determination of Prevention of Significant Deterioration (PSD)
    ( ) Certification of Compliance with State Water Quality Standards (Section 401, PL 92-500)
    ( ) Compliance with New Source Performance Standards

14. The permittee shall comply with the following:

    a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
    b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by this permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
    c. Records of monitoring information shall include:

        1. The date, exact place, and time of sampling or measurements;
        2. The person responsible for performing the sampling or measurements;
        3. The date(s) analyses were performed;
        4. The person responsible for performing the analyses;
        5. The analytical techniques or methods used;
        6. The results of such analyses.

15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.
    [Rule 62-4.160, FAC, and Rule 2.1401, JEPB]

Subsection B. Specific Conditions

1. Any revision(s) to a permit (and application) shall be submitted to and approved by the Department prior to implementing.
   [Rule 62-4.080(2), FAC, and Rule 2.1401, JEPB]

2. The facility shall be subject to City of Jacksonville Ordinance Code, Title X, Chapter 360 [Environmental Regulation], Chapter 362 [Air and Water Pollution], Chapter 376 [Odor Control], and JEPB Rule 1, [Final Rules with Respect to Organization, Procedure, and Practice].

3. The facility shall be subject to JEPB Rule 2, Part Nos. I through IV, and Part Nos. X through XIV.

4. Permittee shall submit an Annual Operation Report to the Permitting Authority for this (these) emission unit(s) on the form(s) supplied for each calendar year on or before April 1.
   [Rule 62-210.370(3), FAC, and Rule 2.301, JEPB.]

5. The construction/modification shall reasonably conform to the plans and schedule submitted in the application. If the permittee is unable to complete construction on schedule, the Department must be notified in writing sixty (60) days prior to the expiration of the construction permit. A new schedule and request for an extension of the construction permit must be submitted.
[Rule 62-4.080(3), FAC, and Rule 2.1401, JEPB]

6. To obtain a permit to operate, the permittee must demonstrate compliance with the conditions of the construction permit and submit a complete application for an Air Operating Permit. The permittee shall submit the application fee to the Department ninety (90) days prior to the expiration date of the construction permit. The permittee may continue to operate in compliance with all terms of the construction permit until its expiration date. Operation beyond the construction permit expiration date requires a valid permit to operate.
[Rule 62-210.300(2), FAC, and Rule 2.301, JEPB]

7. No person shall cause, let, permit, suffer or allow the emissions of unconfined particulate matter emissions from any activity, including vehicular movement; transportation of materials; construction, alteration, demolition or wrecking; or industrially related activities such as loading, unloading, storing or handling; without taking reasonable precautions to prevent such emissions. Reasonable precautions include the following:
   a. Reduced speed for vehicular traffic.
   b. Use of dust suppressants or wetting agents.
   c. Use of paving or other asphaltic materials.
   d. Removal of particulate matter from paved roads and/or other paved areas by vacuum cleaning or wetting prior to sweeping.
   e. Covering of trucks, trailers, front end loaders and other vehicles or containers to prevent spillage of particulate matter during transport.
   f. Use of mulch, hydro seeding, grassing and/or other vegetative ground cover on barren areas to prevent or reduce particulate matter from being windblown.
   g. Use of hoods, fans, filters and similar equipment to contain, capture and vent particulate matter.
   h. Enclosure or covering of conveyor systems.
   i. Sprinkling or otherwise wetting of conveyor systems.

   [Rule 62-296.320(4)(c)., FAC, and Rule 2.1101, JEPB]

8. HAP emissions shall be limited to less than 10 TPY for any single HAP and to less than 25 TPY for any combination of HAPs in order to insure that the facility is a synthetic non-Title V source for HAPs. TPY shall be defined as a 12 month rolling total (Applicant's request).
[Rule 62-210.200(305), FAC, and Rule 2.301, JEPB.]

9. <u>General Pollutant Emission Limiting Standards. Objectionable Odor Prohibited.</u> The permittee shall not cause, suffer, allow, or permit the discharge of air pollutants which cause or contribute to an objectionable odor.
[Rule 62-296.320(2), FAC, and Rule 2.1101, JEPB.]

10. The permittee shall submit all compliance related notifications and reports required of this permit to:

Neighborhoods Department
Environmental Quality Division
214 North Hogan Street, 7th Floor
Jacksonville, FL 32202
Telephone: (904) 255-7100
Fax: (904) 588-0518

11. Any reports, data, notification, certifications, and requests required to be sent to the United States Environmental Protection Agency, should be sent to:

Environmental Protection Agency Region 4
Air, Pesticides and Toxics Management Division
Atlanta Federal Center
61 Forsyth Street
Atlanta, GA 30303–3104
Telephone: (404) 562-9155
Fax: (404) 562-9163

Section III. Emission Units and Conditions

Emission Unit No. 001- Coating Operations

Emission Unit Description – Coatings are applied by spray and direct application to marine vessels and parts.

Control Device – Low Solvent Coatings

Essential Potential to Emit Parameters

1. This emissions unit is allowed to operate continuously, i.e., 8,760 hrs/yr.
[Rule 62-210.200(PTE), FAC, and Rule 2.301, JEPB]

Emission Limitations and Standards

2. Reasonably Available Control Technology (RACT) requirements including **Volatile Organic Compounds (VOC) and Nitrogen Oxides (NOx) Emitting Facilities** [Rule 62-296.500(1 & 2), FAC, and Rule 2.1101, JEPB], shall apply to surface coatings applied to miscellaneous metal parts and products other than the exterior of a marine vessel for this emission unit. These same RACT requirements shall not apply to surface coatings applied to the exterior of a marine vessel.

3. Surface coatings applied to miscellaneous metal parts and products other than the exterior of a marine vessel shall not exceed a maximum VOC content of 3.5 pounds per gallon, excluding water. Surface coatings applied to the exterior of a marine vessel are exempt from any RACT VOC content limitation.
[Rules 62-296.513(1)(b)10., and 62-296.513(2)(a)2.FAC, and Rule 2.1101, JEPB]

4. VOC emissions shall be limited to less than 25 TPY (Applicant's request).
[Rule 62-4.070(3), FAC, and Rule 2.1401, JEPB.]

5. General Pollutant Emission Limiting Standards. Volatile Organic Compounds (VOC) Emissions or Organic Solvents (OS) Emissions. The permittee shall allow no person to store, pump, handle, process, load, unload, or use in any installation, VOC or OS without applying known and existing vapor emission control devices or systems deemed necessary and ordered by the Department.
[Rule 62-296.320(1)(a), FAC, and Rule 2.1101, JEPB]

Test Methods and Procedures

6. Testing for demonstration of compliance, upon request, shall be performed in accordance with EPA RM Method 24 (as described in 40 CFR 60, Appendix A) for VOC. Manufacturers data sheets with VOC contents may be substituted.
[Rule 62-297.401(24), FAC and Rule 2.1201, JEPB]

Recordkeeping and Reporting Requirements

7. Records shall be kept on a monthly basis of coatings, process solvents, clean-up solvents, and other VOC and HAP containing material applied (used). Records shall be compiled on a monthly basis for the following:
    a. Volume (gallons) and type of each solvent applied
    b. Volume (gallons) and type of each coating applied
    c. Certification of as-supplied VOC content of each coating or the results of EPA RM 24
    d. Certification of as-applied VOC content of each coating or the results of EPA RM 24
    e. HAP content of coatings and solvents
    f. Total VOC emissions
    g. Total and individual HAP emissions

    Records shall be maintained for a minimum of five (5) years and made available to the Department upon request.
    [Rule 62-4.070(3), FAC, and Rule 2.1401, JEPB.]

8. Quarterly 12 month rolling total reports of VOC emissions and quarterly 12 month rolling total reports of total and individual HAP emissions shall be submitted to the Department. The quarterly reports shall be submitted by the 30th day of the following month after the end of each quarter (January - March, April - June, July - September, and October - December). The final report, which is due by the 30th of January for the quarter of October - December, shall include a synopsis of the preceding year.
    [Rule 62-4.070(3), FAC, and Rule 2.1401, JEPB.]

Emission Unit No. 002- Blasting Operations

Emission Unit Description – Blasting operations occur on the landside and dry dock using Black Beauty (slag). The landside blast area consists of three (3) buildings. Two are small and used to blast small fabricated parts. The other building is larger and taller and is used for large fabricated parts that will not fit into the other two buildings. The dry dock is used for the blasting of the exterior of vessels.

Essential Potential to Emit (PTE) Parameters

1. This emissions unit is allowed to operate continuously, i.e., 8,760 hours/year.
    [Rule 62-210.200(PTE), FAC, and Rule 2.301, JEPB]

2. The maximum annual abrasive blast media usage shall not exceed 1,800 tons per year (tons/yr) of blast media.
    [Rule 62-210.200(PTE), FAC, and Rule 2.301, JEPB]

Reasonable Precautions

3. Unconfined particulate matter (PM) emissions shall be controlled by using reasonable precautions.
    [Rule 62-296.320(4)(c)2., FAC, and Rule 2.1101, JEPB]

4. The following work practices shall constitute reasonable precautions for abrasive blasting and related activities:

    a. Wet blast, or black beauty in a wet, slurry constituency, will be used whenever operationally possible.
    b. All abrasive blast media transport containers, including hoppers for transfer of unused blast media, and trucks for the transport of spent blast media, shall be designed and maintained to eliminate spillage during on and off loading. During transportation from one point to another, the top of all containers/hoppers shall be covered to prevent spillage or blowing of the blast media.

c. All blasting of miscellaneous components not fixed to a ship or barge shall be carried out inside the three buildings within the blast area.
d. A dust and overspray confining shroud shall be erected whenever abrasive blasting or coating operations are conducted on the drydock.

[Rule 62-4.070(3), FAC, and Rule 2.1401, JEPB]