FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
NORTHWEST DISTRICT BRACH OFFICE
470 HARRSION AVENUE
PANAMA CITY, FLORIDA 32401

RICK SCOTT
GOVERNOR

HERSCHEL T. VINYARD JR.
SECRETARY

April 10, 2013

SENT VIA EMAIL
darrylfales@preferredmaterials.com

Darryl Fales
President
Preferred Materials – Panama City
1901 B East 15th Street
Panama City, Florida 32405

Dear Mr. Fales:

A Department representative inspected your facility to determine compliance with the Air Quality Operating Permit. The program identification number for this facility is **0050043**. Your permit **expires on October 25, 2017**. This letter applies only to activities covered by the Air Resource Management Program.

The Panama City Branch Office reported a status of In Compliance for your facility. The inspection report is enclosed. Your facility compliance status may be subject to further review by the District Program Office.

The assistance you provided is appreciated. If you have any questions, your local contact is Mark Sumner at (850) 767-0046 or mark.c.sumner@dep.state.fl.us .

Sincerely,

Michael Mathews
Environmental Manager

MM/cms

Enclosure

c: Ms. Mary Beth Curle, FDEP Pensacola (mary.beth.curle@dep.state.fl.us)
Ms. Carol Melton, FDEP Pensacola (carol.melton@dep.state.fl.us)
Mr. Kevin Harrington, Preferred Materials (kharrington@preferredmaterials.com)
Mr. Hank Belcher, Preferred Materials (hank.belcher@preferredmaterials.com)

CONCRETE BATCHING PLANT

COMPLIANCE INSPECTION CHECKLIST

Environmental Compliance

INSPECTION TYPE: ANNUAL (INS1, INS2) ☒ COMPLAINT/DISCOVERY (CI) ☐
RE-INSPECTION (FUI) ☐ ARMS COMPLAINT NO:

AIRS ID#: 0050043 **DATE:** 2/25/13 **ARRIVE:** 8:15 **DEPART:** 10:30

FACILITY NAME: PREFERRED MATERIALS-PANAMA CITY

FACILITY LOCATION: 1901-B E 15TH ST

PANAMA CITY 32405-6113

OWNER/AUTHORIZED REPRESENTATIVE: DARRYL FALES **PHONE:** (239)992-1400
Email: DarrylFales@preferredmaterials.com **Mobile:**
CONTACT NAME: Kevin Harrington **PHONE:** (407)402-4861
Email: kharrington@preferredmaterials.com **Mobile:**
ENTITLEMENT PERIOD: 10/25/2012 (effective date) / 10/25/2017 (end date)

Facility Section

PART I: INSPECTION COMPLIANCE STATUS (check ☑ only one box)

☒ IN COMPLIANCE ☐ MINOR Non-COMPLIANCE ☐ SIGNIFICANT Non-COMPLIANCE

PART II: ONSITE INTRODUCTORY MEETING

(check ☑ only one box for each question)

1. Name(s) of facility representative(s): Kevin Harrington

Brief Notes: I met with Kevin Harrington and was given access to all areas of this facility and all required records. At the time of this inspection Beatty Environmental Services conducted the 2013 VE testing on the cement and flyash silos.

2. Is the Authorized Representative still DARRYL FALES? ---------- ☒ Yes ☐ No
If no, who is?: NA

If different, did the facility provide an administrative update within 30 days? ---------- ☒ N/A ☐ Yes ☐ No

3. Is the facility contact still Kevin Harrington? ---------- ☒ Yes ☐ No
If no, who is?: NA

4. Will facility be conducting VE test(s) during today's inspection? ---------- ☒ Yes ☐ No
If yes, was the compliance authority notified at least 15 days in advance? ---------- ☐ N/A ☒ Yes ☐ No

Emissions Unit Section

4 –CENTRAL DUST COLLECTION SYSTEM subject to Reasonable Precautions

PART I: FILE REVIEW PRIOR TO INSPECTION

(check ☑ only one box for each question)

1. Date of last inspection: 2/1/12
2. Did the emissions unit use reasonable precautions during the last inspection? ---------- ☒ Yes ☐ No
   If not: a. Did the inspector perform a general VE test (20% opacity)? ---------- ☐ Yes ☒ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ------- ☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

PART II: FIELD OBSERVATIONS – Rule 62-296.414(2), F.A.C.

(check ☑ only one box for each question)

Unconfined Emissions from Truck Loading and Unloading, Hoppers, Storage and Conveying Equipment, Conveyor Drop Points, Roads, Parking Areas, Stock Piles, and Yards

1. Does the owner/operator of the concrete batching plant take reasonable precautions to control unconfined emissions by:

   a. Management of roads, parking areas, stock piles, and yards, which shall include one or more of the following:
      1) paving and maintenance of roads, parking areas, stock piles, and yards? ---------- ☒ Yes ☐ No
      2) application of water or environmentally safe dust-suppressant chemicals when necessary to control emissions? ---------- ☒ Yes ☐ No
      3) removal of particulate matter from roads and other paved areas under control of the owner/operator to re-entrainment, and from building or work areas to reduce airborne particulate matter? ---------- ☒ Yes ☐ No
      4) reduction of stock pile height, or installation of wind breaks to mitigate wind entrainment of particulate matter from stock piles? ---------- ☒ Yes ☐ No

   b. Use of spray bar, chute, or partial enclosure to mitigate emissions at the drop point to the truck? ---- ☒ Yes ☐ No

2. If reasonable precautions not being taken:
   a. Did the inspector perform a general VE test (20% opacity)? ----------☐ N/A ☐ Yes ☒ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ----------☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

Emissions Unit Section

5 –CEMENT SILO #1 subject to Reasonable Precautions

PART I: FILE REVIEW PRIOR TO INSPECTION

(check ☑ only one box for each question)

1. Date of last inspection: 2/1/12
2. Did the emissions unit use reasonable precautions during the last inspection? ---------- ☒ Yes ☐ No
   If not: a. Did the inspector perform a general VE test (20% opacity)? ---------- ☐ Yes ☒ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ------- ☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

PART II: FIELD OBSERVATIONS – Rule 62-296.414(2), F.A.C.

(check ☑ only one box for each question)

Unconfined Emissions from Truck Loading and Unloading, Hoppers, Storage and Conveying Equipment, Conveyor Drop Points, Roads, Parking Areas, Stock Piles, and Yards

1. Does the owner/operator of the concrete batching plant take reasonable precautions to control unconfined emissions by:

   a. Management of roads, parking areas, stock piles, and yards, which shall include one or more of the following:
      1) paving and maintenance of roads, parking areas, stock piles, and yards? ---------- ☒ Yes ☐ No
      2) application of water or environmentally safe dust-suppressant chemicals when necessary to control emissions? ---------- ☒ Yes ☐ No
      3) removal of particulate matter from roads and other paved areas under control of the owner/operator to re-entrainment, and from building or work areas to reduce airborne particulate matter? ---------- ☒ Yes ☐ No
      4) reduction of stock pile height, or installation of wind breaks to mitigate wind entrainment of particulate matter from stock piles? ---------- ☒ Yes ☐ No

   b. Use of spray bar, chute, or partial enclosure to mitigate emissions at the drop point to the truck? ---- ☒ Yes ☐ No

2. If reasonable precautions not being taken:
   a. Did the inspector perform a general VE test (20% opacity)? ----------☒ N/A ☐ Yes ☐ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ----------☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

Emissions Unit Section

6 –CEMENT SILO #2 subject to Reasonable Precautions

PART I: FILE REVIEW PRIOR TO INSPECTION

(check ☑ only one box for each question)

1. Date of last inspection: 2/1/12
2. Did the emissions unit use reasonable precautions during the last inspection? ☒ Yes ☐ No
   If not: a. Did the inspector perform a general VE test (20% opacity)? ☐ Yes ☒ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

PART II: FIELD OBSERVATIONS – Rule 62-296.414(2), F.A.C.

(check ☑ only one box for each question)

Unconfined Emissions from Truck Loading and Unloading, Hoppers, Storage and Conveying Equipment, Conveyor Drop Points, Roads, Parking Areas, Stock Piles, and Yards

1. Does the owner/operator of the concrete batching plant take reasonable precautions to control unconfined emissions by:

   a. Management of roads, parking areas, stock piles, and yards, which shall include one or more of the following:
      1) paving and maintenance of roads, parking areas, stock piles, and yards? ☒ Yes ☐ No
      2) application of water or environmentally safe dust-suppressant chemicals when necessary to control emissions? ☒ Yes ☐ No
      3) removal of particulate matter from roads and other paved areas under control of the owner/operator to re-entrainment, and from building or work areas to reduce airborne particulate matter? ☒ Yes ☐ No
      4) reduction of stock pile height, or installation of wind breaks to mitigate wind entrainment of particulate matter from stock piles? ☒ Yes ☐ No

   b. Use of spray bar, chute, or partial enclosure to mitigate emissions at the drop point to the truck? ☒ Yes ☐ No

2. If reasonable precautions not being taken:
   a. Did the inspector perform a general VE test (20% opacity)? ☒ N/A ☐ Yes ☐ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

Emissions Unit Section

7 –FLYASH SILO subject to Reasonable Precautions

PART I: FILE REVIEW PRIOR TO INSPECTION

(check ☑ only one box for each question)

1. Date of last inspection: 2/1/12
2. Did the emissions unit use reasonable precautions during the last inspection? ---------- ☒ Yes ☐ No
   If not: a. Did the inspector perform a general VE test (20% opacity)? ---------- ☐ Yes ☒ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ------- ☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

PART II: FIELD OBSERVATIONS – Rule 62-296.414(2), F.A.C.

(check ☑ only one box for each question)

Unconfined Emissions from Truck Loading and Unloading, Hoppers, Storage and Conveying Equipment, Conveyor Drop Points, Roads, Parking Areas, Stock Piles, and Yards

1. Does the owner/operator of the concrete batching plant take reasonable precautions to control unconfined emissions by:

   a. Management of roads, parking areas, stock piles, and yards, which shall include one or more of the following:
      1) paving and maintenance of roads, parking areas, stock piles, and yards? ---------- ☒ Yes ☐ No
      2) application of water or environmentally safe dust-suppressant chemicals when necessary to control emissions? ---------- ☒ Yes ☐ No
      3) removal of particulate matter from roads and other paved areas under control of the owner/operator to re-entrainment, and from building or work areas to reduce airborne particulate matter? ---------- ☒ Yes ☐ No
      4) reduction of stock pile height, or installation of wind breaks to mitigate wind entrainment of particulate matter from stock piles? ---------- ☒ Yes ☐ No

   b. Use of spray bar, chute, or partial enclosure to mitigate emissions at the drop point to the truck? ---- ☒ Yes ☐ No

2. If reasonable precautions not being taken:
   a. Did the inspector perform a general VE test (20% opacity)? ----------☒ N/A ☐ Yes ☐ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ----------☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

Emissions Unit Section

8 –SLAG SILO subject to Reasonable Precautions

PART I: FILE REVIEW PRIOR TO INSPECTION

(check ☑ only one box for each question)

1. Date of last inspection: 2/1/12
2. Did the emissions unit use reasonable precautions during the last inspection? ---------- ☒ Yes ☐ No
   If not: a. Did the inspector perform a general VE test (20% opacity)? ---------- ☐ Yes ☒ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ------- ☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

PART II: FIELD OBSERVATIONS – Rule 62-296.414(2), F.A.C.

(check ☑ only one box for each question)

Unconfined Emissions from Truck Loading and Unloading, Hoppers, Storage and Conveying Equipment, Conveyor Drop Points, Roads, Parking Areas, Stock Piles, and Yards

1. Does the owner/operator of the concrete batching plant take reasonable precautions to control unconfined emissions by:

   a. Management of roads, parking areas, stock piles, and yards, which shall include one or more of the following:
      1) paving and maintenance of roads, parking areas, stock piles, and yards? ---------- ☒ Yes ☐ No
      2) application of water or environmentally safe dust-suppressant chemicals when necessary to control emissions? ---------- ☒ Yes ☐ No
      3) removal of particulate matter from roads and other paved areas under control of the owner/operator to re-entrainment, and from building or work areas to reduce airborne particulate matter? ---------- ☒ Yes ☐ No
      4) reduction of stock pile height, or installation of wind breaks to mitigate wind entrainment of particulate matter from stock piles? ---------- ☒ Yes ☐ No

   b. Use of spray bar, chute, or partial enclosure to mitigate emissions at the drop point to the truck? ---- ☐ Yes ☐ No

2. If reasonable precautions not being taken:
   a. Did the inspector perform a general VE test (20% opacity)? ----------☒ N/A ☐ Yes ☐ No
   b. If tested: (NA)% opacity. Were the visible emissions < 20% opacity? ----------☒ N/A ☐ Yes ☐ No
   c. What caused the problem(s) (if known)? NA

Facility Section (continued)

CONFIRMATION OF GENERAL PERMIT ELIGIBILITY

(check ☑ only one box for each question)

1. Does this facility keep records to show that it does not have the potential to emit:
   a. 10 tons per year or more of any hazardous air pollutant? ---------- ☒ Yes ☐ No
   b. 25 tons per year or more of any combination of hazardous air pollutants? ---------- ☒ Yes ☐ No
   c 100 tons per year or more of any other regulated air pollutant? ---------- ☒ Yes ☐ No

2. Does this facility include:
   a. Any emission units or activities not covered by the applicable air general permit (with the exception of units and activities that are exempt from permitting pursuant to subsection Rule 62-210.300(3) or Rule 62-4.040, F.A.C.)? ---------- ☐ Yes ☒ No
   If YES, what non-exempt units or activities? NA

   b. Any emissions units or activities authorized by another air general permit where such other air general permit and this general permit specifically allow the use of one another at the same facility? ---------- ☐ Yes ☒ No
   If YES, what other general permit units or activities? NA

3. Is the total combined annual facility-wide fuel usage of all plants less than or equal to:
   a. 275,000 gallons of diesel fuel? ---------- ☐ Yes ☐ No
   b. 23,000 gallons of gasoline? ---------- ☐ Yes ☐ No
   c. 44 million standard cubic feet on natural gas? ---------- ☐ Yes ☐ No
   d. 1.3 million gallons of propane? ---------- ☐ Yes ☐ No
   e. Or an equivalent prorated amount if multiple fuels are used onsite (use equation below)? ---------- ☐ Yes ☐ No

$$\frac{\text{gal diesel/yr}}{275{,}000 \text{ gal diesel/yr}} + \frac{\text{gal gasoline/yr}}{23{,}000 \text{ gal gasoline/yr}} + \frac{\text{MM SCF nat. gas/yr}}{44 \text{ MM SCF nat. gas/yr}} + \frac{\text{MM gal propane/yr}}{1.3 \text{ MM gal propane/yr}} \leq 1.00?$$

4. Has the owner/operator maintained, available for inspection, site-wide records of monthly fuel consumption for each consecutive 12-period for the past 5 years? ---------- ☐ Yes ☐ No

Note: Permit Eligibility Part 3. (a)(b)(c)(d)(e) and Part 4 are not applicable for this facility at this time.

GENERAL CONDITIONS

(check ☑ only one box for each question)

1. Has the owner or operator allowed the circumvention of any air pollution control device, or allowed the emission of air pollutants without the proper operation of all applicable air pollution control devices? ---------- ☐ Yes ☒ No
2. Does the owner or operator:
   a. Maintain the authorized facility in good condition? ---------- ☒ Yes ☐ No
   b. Ensure that the facility maintains its eligibility to use the air general permit and complies with all terms and conditions of the air general permit? ---------- ☒ Yes ☐ No
3. Has the owner or operator allowed you, as the duly authorized representative of the Department, access to the facility at reasonable times to inspect and test and to determine compliance with the air general permit and Department rules? ---------- ☒ Yes ☐ No

RELOCATABLE PLANT:

(check ☑ only one box for each question)

1. Is the facility: stationary ☒; relocatable ☐; or consisting of both stationary and relocatable ☐ concrete batching and/or nonmetallic mineral processing plants? (***If only stationary, skip the following question 2.)***

2. Is the relocatable concrete batching plant used to mix cement and soil for onsite soil augmentation or stabilization? ---------- ☐ Yes ☐ No

(If YES, answer 2. a and 2 .b; if NO, answer question 2.c below.)

a. Did the owner or operator notify the appropriate Department or Local Air Program by telephone, e-mail, fax, or written communication at least one business day prior to changing location? --------- ☐ Yes ☐ No

b. Did the owner or operator transmit a Facility Relocation Notification Form [DEP No. 62-210.900(6)] to the Department or Local Air Program no later than five business days following a relocation? ---- ☐ Yes ☐ No

c. Did the owner or operator transmit a Facility Relocation Notification Form [DEP No. 62-210.900(6)] to the appropriate Department or Local Air Program at least five business days prior to relocation? --- ☐ Yes ☐ No

3. If the relocatable plant was co-located at a facility with a separate air construction or air operation permit, and the relocatable batch plant is not included as an emissions unit in that separate permit:

a. Was the relocatable batch plant being used for a non-routine purpose (i.e, there is no repeated usage)? ☐ Yes ☐ No
If YES, what was the purpose?

b. Were records kept by the owner/operator to indicate how long it was co-located at the permitted facility? ---------- ☐ Yes ☐ No
If YES, were any periods more than 6 months in duration? ---------- ☐ Yes ☐ No

Note: Relocatable Plant Part 2. (a)(b)(c) and Part 3. (a)(b) are not applicable for this facility at this time.

CHANGES

(check ☑ only one box for each question)

Administrative Changes:

1. Were there any changes in the name, address, or phone number of the facility or authorized representative not associated with a change in ownership or with a physical relocation of the facility or any emissions units or operations comprising the facility; or any other similar minor administrative change at the facility? ---- ☐ Yes ☒ No
2. If YES, did the facility provide written notification within 30 days of the change? ----------☒ N/A ☐ Yes ☐ No

New or Modified Process Equipment or Change in Ownership:

3. Since the last registration form submittal has there been
   a. Installation of any new process equipment? ---------- ☒ Yes ☐ No
   b. Alterations to existing process equipment without replacement? ---------- ☒ Yes ☐ No
   c. Replacement of existing equipment with equipment that is substantially different? ---------- ☒ Yes ☐ No
   d. A change in ownership? ---------- ☒ Yes ☐ No

4. If the answer to any question 3a. – d. is YES, was a new registration form and the appropriate fee submitted 30 days prior to the change? ----------☒ N/A ☐ Yes ☐ No

C. Mark Sumner — Inspector's Name (Please Print)

2/25/2013 — Date of Inspection

Inspector's Signature

February 2014 — Approximate Date of Next Inspection

COMMENTS: Department peronnel conducted an air program compliance inspection on February 25, 2013.

An annual VE test was performed 4/17/2012 by Arlington Environmental Services for central dust collector that covers the batcher (weigh hopper) and the Cement and Fly ash silos.

At the time of this inspection Beatty Environmental Services conducted the 2013 VE testing on the cement and flyash silos. The cement silo was loaded with 26.77 tons and the flyash silo was loaded with 113.95 tons.

Records of the air permit, VE tests, amount of material used, and weekly plant maintenance/inspection check list are maintained and avaliable for review.

The facility does not need to maintain records on fuel sulfur content or amounts as plant is powered by off site generated electricity (power grid).

An observation of the site revealed that each silo and the weigh hopper are equipped with a central bag house.The batcher (weigh hopper) is also equiped with curtains. The aggregate piles are managed and kept wet, and the majority of the site has been paved with the dust levels managed with frequent wash downs. At the time on this inspection no dust was observes at the facility.

The Stock piles are maintained below the height of the binblocks to prevent wind entrainment of particulate matter.