

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY**

IN THE MATTER OF:

AFIN: 01-00231

LIS No. 05-015

INDUSTRIAL IRON WORKS, INC.
-ADAMS FERTILIZER EQUIPMENT
1503 WHITEHEAD DRIVE
DEWITT, ARKANSAS 72042

CONSENT ADMINISTRATIVE ORDER

This Consent Administrative Order (CAO) is issued pursuant to the authority delegated under the federal Clean Air Act, 42 U.S.C. § 7401 *et seq.*, and the federal regulations issued thereunder. In addition, this CAO is issued pursuant to the authority of the Arkansas Water and Air Pollution Control Act (the Act), Ark. Code Ann. § 8-4-101 *et seq.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Rule 7, now codified at 8 CAR § 10-101 *et seq.*, APC&EC Rule 8 (8 CAR § 11-101 *et seq.*), APC&EC Rule 18 (8 CAR § 40-101 *et seq.*), and APC&EC Rule 19 (8 CAR § 41-101 *et seq.*).

The issues herein having been settled by agreement of Industrial Iron Works, Inc. - Adams Fertilizer Equipment (Respondent) and the Director of the Division of Environmental Quality (DEQ), it is hereby agreed and stipulated that the following FINDINGS OF FACT and ORDER AND AGREEMENT be entered.

FINDINGS OF FACT

1. Respondent owns and operates a farm equipment manufacturing facility located at 1503 South Whitehead Drive in DeWitt, Arkansas County, Arkansas.

2. The Air Permit referenced in this CAO is 2040-AR-3 (the Permit). The Permit was

issued on January 14, 2015.

3. Ark. Code Ann. § 8-4-217(a)(3) provides:

(a) It shall be unlawful for any person to:

...

(3) Violate any provisions of this chapter or of any rule or order adopted by the Arkansas Pollution Control and Ecology Commission under this chapter or of a permit issued under this chapter by DEQ;

4. Ark. Code Ann. § 8-4-103(c)(1)(A) provides, "Any person that violates any provision of this chapter and rules, permits, or plans issued pursuant to this chapter may be assessed an administrative civil penalty not to exceed ten thousand dollars (\$10,000) per violation."

5. Pursuant to Ark. Code Ann. § 8-4-103(c)(1)(B) as referenced by Ark. Code Ann. § 8-4-304, "Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment."

6. Specific Condition 12 of the Permit states that Respondent shall not use any "As Delivered" paint/primer, thinner, or miscellaneous coating formulation containing any Hazardous Air Pollutant (HAP), as listed in CAA § 112(b)(1), unless it is a Volatile Organic Compound (VOC) and is below the content limit for the HAPs TLV.

7. Respondent uses one (1) product, Urethane Hardener manufactured by PPG, which contains Hexamethylene diisocyanate in concentrations higher than the HAPs TLV limit as specified in Specific Condition 12. The Minimum HAP TLV of Hexamethylene diisocyanate is 0.034 mg/m³ which allows up to 0.02 lb/gal content. The product contains 1.78 lb/gal of Hexamethylene diisocyanate. Such an act violates Specific Condition 12 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

8. Specific Condition 15 of the Permit states that Respondent shall not exceed 0.5

lbs/gal of acetone from sources SN-02 through SN-05.

9. Respondent uses one (1) product, SPCLTY HH BBQ Black, manufactured by Rust-Oleum, which contains 3.11 lbs/gal of acetone. This product exceeds the permitted limit of acetone content. Such an act violates Specific Condition 15 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

10. General Condition 16 of the Permit states that this permit authorizes only those pollutant emitting activities addressed within the permit.

11. Respondent's facility contains an unpermitted natural gas oven and an unpermitted steam cleaner. Respondent failed to modify their permit prior to installation of these emissions sources. Such a failure violates General Condition 16 of the Permit and therefore violates Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

12. In correspondence dated September 12, 2023, Respondent requested consideration under DEQ's Environmental Self-Disclosure Incentive Policy (Policy) for the disclosure of exceedances of permitted levels of Hexamethylene diisocyanate emissions content, permitted levels of acetone emissions content, and two unpermitted sources (a natural gas oven and a steam cleaner).

13. On October 23, 2023, Respondent submitted an Air Permit Modification Application to DEQ. The application adds the unpermitted natural gas oven and steam cleaner to the Permit and increases the HAP and Acetone content limits specified in Specific Conditions 12 & 15 of the Permit.

14. In correspondence dated February 23, 2024, DEQ informed Respondent that the review of Respondent's self-disclosure had been completed, and it was determined that Respondent met eight (8) of the eight (8) conditions of the Policy. Therefore, DEQ may mitigate up to 100% of

the gravity-based component of any civil and administrative penalty in a CAO regarding the self-disclosed violations.

15. On July 1, 2024, Respondent was issued Air Permit 2040-AR-4, which incorporates the natural gas oven and steam cleaner and addresses the HAP (HDI) content and increased Acetone content limits.

ORDER AND AGREEMENT

WHEREFORE, Respondent, neither admitting nor denying the factual and legal allegations contained in this CAO, and DEQ do hereby agree and stipulate as follows:

1. This CAO addresses all violations referenced in the FINDINGS OF FACT.
2. All applicable submissions required by this CAO are subject to approval by DEQ. In the event of any deficiency, Respondent shall, within fifteen (15) calendar days of notification by DEQ, submit any additional information requested. Failure to respond adequately to the notice of deficiency within fifteen (15) calendar days constitutes a failure to meet a deadline and is subject to the civil penalties established in the following Paragraph.
3. Failure to meet the limits, requirements, or deadlines of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any limits, requirements, or deadlines, Respondent shall pay, on demand, to DEQ civil penalties according to the following schedule:

(a) First day through the fourteenth day:	\$100 per day
(b) Fifteenth day through the thirtieth day:	\$500 per day
(c) More than thirty days:	\$1000 per day

Stipulated penalties shall be paid within thirty (30) calendar days of receipt of DEQ's demand to Respondent for such penalties. These stipulated penalties may be imposed for delay in scheduled

performance and shall be in addition to any other remedies or sanctions that may be available to DEQ by reason of Respondent's failure to comply with the requirements of this CAO. DEQ reserves its rights to collect other penalties and fines pursuant to its enforcement authority in lieu of the stipulated penalties set forth above.

4. If any event, including, but not limited to, an occurrence of nature, causes or may cause a delay in the achievement of compliance by Respondent with the requirements or deadlines of this CAO, Respondent shall notify DEQ in writing as soon as reasonably possible after it is apparent that a delay will result, but in no case after the due dates have passed. The notification shall describe in detail the anticipated length of the delay, the precise cause of the delay, the measures being taken and to be taken to minimize the delay, and the timetable by which those measures will be implemented.

5. DEQ may grant an extension of any provision of this CAO, provided that Respondent requests such an extension in writing and provided that the delay or anticipated delay has or will be caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period, but in no event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without the fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Failure to notify DEQ promptly, as provided in the previous Paragraph of the ORDER AND AGREEMENT, shall be grounds for a denial of an extension.

6. This CAO is subject to public review and comment in accordance with Ark. Code Ann. § 8-4-103(d). However, this CAO shall become effective upon execution by Respondent and

the Director of DEQ.

7. As provided by APC&EC Rule 8, this matter is subject to being reopened upon Commission initiative or in the event a petition to set aside this CAO is granted by the Commission.

8. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws. Except as specifically provided herein, nothing contained in this CAO shall be deemed in any way to relieve Respondent of responsibilities contained in the permit.

9. Nothing in this CAO shall be construed as a waiver by DEQ of its enforcement authority over alleged violations not specifically addressed herein. In addition, this CAO neither exonerates Respondent from any past, present, or future conduct that is not expressly addressed herein, nor relieves Respondent of the responsibilities for obtaining any necessary permits.

10. By virtue of the signature appearing below, the individual represents that he or she is an Officer of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than an Officer of Respondent shall be accompanied by a resolution granting signature authority to that individual as duly ratified by the governing body of the entity.

SO ORDERED THIS 10 DAY OF march, 2025.

Bailey Taylor
BAILEY TAYLOR

CHIEF ADMINISTRATOR OF ENVIRONMENT AND DEQ DIRECTOR
ARKANSAS DEPARTMENT OF ENERGY & ENVIRONMENT

APPROVED AS TO FORM AND CONTENT:

INDUSTRIAL IRONWORKS, INC.
-ADAMS FERTILIZER EQUIPMENT

BY: Shawn Holtspeck (Signature)

Shawn Holtspeck (Typed or printed name)

TITLE: GM

DATE: 2/27/2025