

BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

OHIO E.P.A.
APR 27 2006

INTERED DIRECTOR'S JOURNA

In the Matter of:

OSI Sealants, Inc.
7405 Production Drive
Mentor, Ohio 44060

: Director's Final Findings
: and Orders
:

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to OSI Sealants, Inc. ("Respondent") pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") §§ 3704.03 and 3745.01.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of Respondent or of the Facility (as hereinafter defined) shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 3704 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA has determined the following findings:

1. Respondent owns and operates a sealant and adhesive manufacturing plant at 7405 Production Drive in Mentor, Ohio ("Facility"). At the Facility, Respondent operates batch mixers ranging in capacity from 114 gallons to 2000 gallons and designated as emissions units P001, P002, P003, P005, P011, P012, P015 and P017. Each of these emissions units is an "air contaminant source" as defined in Ohio Administrative Code ("OAC") Rule 3745-15-01(C) and (W).

2. The Facility is a Title V source, as defined in OAC Rule 3745-77-01(LL), and is subject to the requirements of ORC Chapter 3704 and OAC Chapter 3745-77. On March 5, 2001, Ohio EPA issued a Title V permit to Respondent for the Facility.

certify this to be a true and accurate copy of the
official document as filed in the records of the Ohio
Environmental Protection Agency

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3. The terms and conditions of the Facility's Title V permit require Respondent to submit a compliance certification report by April 30 of each year certifying the Facility operated in compliance with the terms and conditions of the Title V permit during the previous year. Respondent submitted the report for 2001 on June 28, 2002, fifty-nine days late, and the report for 2002 on September 22, 2003, one hundred and forty-five days late. These are violations of ORC § 3704.05(C) and (J)(2).

4. The terms and conditions of the Facility's Title V permit require Respondent to submit quarterly reports to Ohio EPA on various performance parameters of the Facility's emissions units by January 31, April 30, July 31, and October 31 for operations during the previous calendar quarter. Respondent failed to submit these reports in a timely manner as indicated in the following table. These are violations of ORC § 3704.05(C) and (J)(2).

Quarter	Report Due	Report Submitted	Days Late
1/01 - 3/01	4/30/01	11/18/02	568
4/01 - 6/01	7/31/01	11/18/02	476
7/01 - 9/01	10/31/01	11/18/02	384
10/01 - 12/01	1/31/02	11/18/02	292
1/02 - 3/02	4/30/02	10/31/02	203
4/02 - 6/02	7/31/02	11/18/02	110

5. The terms and conditions of the Facility's Title V permit require Respondent to submit semiannual reports to Ohio EPA on various performance parameters of the Facility's emissions units by January 31 and July 31 for operations during the previous calendar six-month period. Respondent failed to submit these reports in a timely manner as indicated in the following table. These are violations of ORC § 3704.05(C) and (J)(2).

Period	Report Due	Report Submitted	Days Late
1/01 - 6/01	7/31/01	11/18/02	476
7/01 - 12/01	1/31/02	11/18/02	292
1/02 - 6/02	7/31/02	11/18/02	110

6. The terms and conditions of the Facility's Title V permit require Respondent to submit annual reports to Ohio EPA on various performance parameters of the Facility's emissions units by February 1 for operations during the previous calendar year. Respondent failed to submit these reports in a timely manner as indicated in the following table. These are violations of ORC § 3704.05(C) and (J)(2).

Period	Report Due	Report Submitted	Days Late

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Period	Report Due	Report Submitted	Days Late
1/01 - 12/01	2/1/02	7/2/02	152
1/03 - 12/03	2/1/04	4/30/04	90

7. The Facility's Title V permit requires that Respondent conduct performance tests on its emissions units by a date specified in the terms and conditions of the Title V permit. Respondent failed to conduct the required emissions testing within the time period specified in the Title V permit. The following table contains the specifics of these violations of ORC § 3704.05(C) and (J)(2).

Emissions Unit	Performance Test by	Performance Test Conducted	Days Late
P001	8/4/01	2/17/04	928
P002	8/4/01	8/14/01	10
P012	8/4/01	6/10/04	1042
P015	8/4/01	2/25/02	207

8. The Facility's Title V permit requires Respondent limit emissions of organic compounds to less than 40 pounds per day from emissions unit P005 [on any day when any photochemically reactive material is employed as per OAC Rule 3745-21-07(G)(2)] and emissions unit P011 (on any day of operation per PTI #02-08566). Both the Facility's Title V permit and the PTI require Respondent to maintain accurate records of emissions of organic compounds from emissions units P005 and P011 on a daily basis. Respondent's records indicate this limit was exceeded eighteen times for emissions unit P005 and seven times for emissions unit P011 in the three year period of 2001, 2002 and 2003, in violation of OAC Rule 3745-21-07(G)(2) and (G)(8) and ORC § 3704.05(A), (C), (G) and (J)(2). The following table identifies the dates during which records indicate the emissions limitation was exceeded and the total emissions for the day.

P005				P011	
Date	lbs organic compound	Date	lbs organic compound	Date	lbs organic compound
6/12/01	50.62	6/17/02	56.76	11/2/01	44.5
6/20/01	64.43	6/26/02	43.72	1/29/02	46.28
6/27/01	52.16	7/1/02	42.19	5/2/02	42.72
9/25/01	49.09	8/16/02	44.49	5/29/02	51.62
10/17/01	72.10	1/9/03	44.49	8/5/03	42.72
2/13/02	40.65	4/29/03	56.76	9/24/03	44.50

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2/20/02	49.09	5/29/03	44.49	9/28/03	42.72
3/22/02	42.19	7/30/03	59.83		
5/29/02	40.85	9/28/03	43.72		

9. In a Notice of Violation dated June 8, 2004, Ohio EPA notified Respondent of the violations noted above in Finding No. 8.

10. In correspondence dated June 30, 2004, Respondent replied to the June 8, 2004 NOV and indicated the daily emissions violations could be due to record keeping procedures. Respondent indicated that emissions for batches requiring more than twenty-four hours processing time were entered into the records as occurring within the twenty-four hour period in which the batch was started. Respondent did not provide information to verify that the emissions exceedances were due to record-keeping problems.

11. The Director has given consideration to, and based his determination on, evidence relating to the technical feasibility and economic reasonableness of complying with the following Orders and their benefits to the people of the State to be derived from such compliance.

V. ORDERS

The Director hereby issues the following Orders:

1. Pursuant to ORC § 3704.06, Respondent is assessed a civil penalty in the amount of thirty-two thousand five hundred dollars (\$32,500) in settlement of Ohio EPA's claims for civil penalties. Within thirty (30) days after the effective date of these Orders, Respondent shall pay Ohio EPA the amount of twenty-six thousand dollars (\$26,000) of the total penalty amount. Payment shall be made by an official check made payable to "Treasurer, State of Ohio" for \$26,000. The official check shall be submitted to Brenda Case, Fiscal Specialist, or her successor, together with a letter identifying the Respondent, to:

Ohio EPA
 Office of Fiscal Administration
 Lazarus Government Center
 P.O. Box 1049
 Columbus, Ohio 43216-1049

A copy of the check shall be sent to James A. Orlemann, Assistant Chief, SIP Development and Enforcement, or his successor, at the following address:

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Ohio EPA
Division of Air Pollution Control
Lazarus Government Center
P.O. Box 1049
Columbus, Ohio 43216-1049

2. In lieu of payment to Ohio EPA of the remaining six thousand five hundred and fifty dollars (\$6,500) of the civil penalty, Respondent shall fund the supplemental environmental project ("SEP") identified in Orders 3. In the event Respondent defaults or otherwise fails to complete the project as specified in Orders 2, the \$6,500 for the project in Order 3 shall immediately become due and payable to Ohio EPA. Such payment shall be made by an official check made payable to "Treasurer, State of Ohio" and sent to Brenda Case, or her successor, together with a letter identifying the Respondent, to the above-stated address. A copy of the check shall be sent to James A. Orlemann, or his successor, at the above-stated address.

3. Respondent shall fund a SEP by making a contribution in the amount of \$6,500 to Ohio EPA's Clean Diesel School Bus Program Fund ("Fund 5CD"). Respondent shall make payment within thirty (30) days after the effective date of these Orders by an official check made payable to "Treasurer, State of Ohio" for \$6,500. The official check shall specify that such monies are to be deposited into Fund 5CD established by Ohio EPA for the Clean Diesel School Bus Program. The official check shall be submitted to Brenda Case, or her successor, together with a letter identifying the Respondent, to the above-stated address. A copy of this check also shall be sent to James A. Orlemann, or his successor, at the above-stated address.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate upon EPA's receipt of the official checks required by Section V of these Orders.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to, the Respondent's activities at the Facility.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

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IX. MODIFICATIONS

These Orders may be modified by agreement of the parties. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

Ohio EPA
Northeast District Office
Division of Air Pollution Control
2110 East Aurora Rd.
Twinsburg, Ohio 44087
Attn: Dennis Bush

and to:

Ohio Environmental Protection Agency
Lazarus Government Center
Division of Air Pollution Control
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Thomas Kalman

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent

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may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

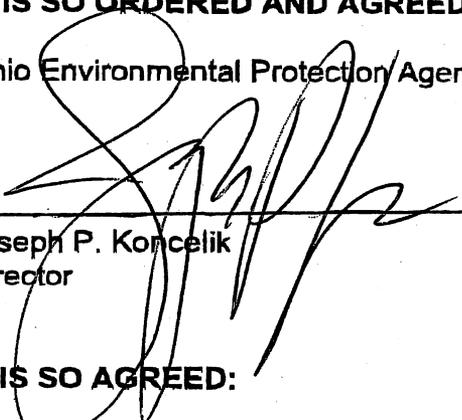
The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency



Joseph P. Konecny
Director

4/26/06

Date

IT IS SO AGREED:

OSI Sealants, Inc.

Signature



Date

4/19/2006

Printed or Typed Name Paul Szabo

Title Director, Operations