UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

SEP 14 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William Salter
Mechanical Manager
Alabama and Gulf Coast Railway
721 Hixon Road
Monroeville, Alabama 36460

SUBJ: RCRA Compliance Evaluation Inspection
Alabama and Gulf Coast Railway
EPA ID # ALR000046706

Dear Mr. Salter:

Enclosed is a copy of the U.S. Environmental Protection Agency inspection report documenting the results of the August 9, 2017, inspection of Alabama and Gulf Coast Railway located at 721 Hixon Road, Monroeville, Alabama. This was an EPA compliance evaluation inspection (CEI) for the purpose of evaluating the facility's compliance with the applicable Resource Conservation and Recovery Act (RCRA) regulations.

A copy of this report has been forwarded to the Alabama Department of Environmental Management (ADEM) for follow-up. If you have any questions regarding this matter, please contact Paula Whiting by phone at (404) 562-9277 or by email at whiting.paula@epa.gov.

Sincerely,

Alan A. Annicella
Chief, Hazardous Waste Enforcement and
Compliance Section
Enforcement and Compliance Branch
Resource Conservation and Restoration Division

Enclosure

cc: Charmagne Boyd, Industrial Hazardous Waste Program, ADEM Land Division

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
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SEP 14 2017

Vernon H. Crockett
Chief, Industrial Hazardous Waste Branch
Land Division
Alabama Department of Environmental Management
1400 Coliseum Boulevard
Montgomery, Alabama 36110-2059

SUBJ: RCRA Compliance Evaluation Inspection
Alabama and Gulf Coast Railway
EPA ID Number: ALR000046706

Dear Mr. Crockett:

On August 9, 2017, a U.S. Environmental Protection Agency compliance evaluation inspection was conducted at Alabama and Gulf Coast Railway, located in Monroeville, Alabama, to determine the facility's compliance status with the Resource Conservation and Recovery Act (RCRA).

Apparent deficiencies of RCRA were discovered. Please follow-up with Alabama and Gulf Coast Railway to ensure the deficiencies have been addressed.

Enclosed is a copy of the EPA inspection report. If you have any questions regarding this matter, please contact Paula Whiting by phone at (404) 562-9277 or by email at whiting.paula@epa.gov.

Sincerely,

Alan A. Annicella

Alan A. Annicella
Chief, Hazardous Waste Enforcement and
Compliance Section
Enforcement and Compliance Branch
Resource Conservation and Restoration Division

Enclosure

RCRA Inspection Report

1) Inspector and Author of Report

Paula A. Whiting
Environmental Engineer
U.S. Environmental Protection Agency, Region 4
Hazardous Waste Enforcement and Compliance Section
Enforcement and Compliance Branch
Resource Conservation and Restoration Division
61 Forsyth Street, S.W.
Atlanta, Georgia 30303
(404) 562-9277

2) Facility Information

Alabama and Gulf Coast Railway
721 Hixon Road
Monroeville, Alabama 36460
Monroe County
EPA ID: ALR000046706

3) Responsible Official

William Salter
Mechanical Manager
Alabama and Gulf Coast Railway
721 Hixon Road
Monroeville, Alabama 36460

4) Inspection Participants

William Salter	Alabama and Gulf Coast Railway
Charmagne Boyd	ADEM Land Division
Paula Whiting	US EPA Region 4 Atlanta

5) Date and Time of Inspection

August 9, 2017 at 8:30 a.m. CDT

6) Applicable Regulations

Resource Conservation and Recovery Act (RCRA) Sections 3002, 3005 and 3007 (42 U.S.C. §§ 6922, 6925 and 6927), and the regulations promulgated pursuant thereto at 40 Code of Federal Regulations (C.F.R.) Parts 260-270, 273 and 279.

Rules 335-14-1 to 335-14-17 of the Alabama Department of Environmental Management (ADEM) Administrative Code (ADEM Admin. Code) and ADEM Admin. Code rr. 335-14-1 to 335-14-17

7) **Purpose of Inspection**

The purpose of the inspection was to conduct an unannounced RCRA compliance evaluation inspection (CEI) to determine the compliance of Alabama and Gulf Coast Railway, EPA ID# ALR000046706 with the applicable regulations.

8) **Facility Description**

The Alabama and Gulf Coast Railway (AGR) located in Monroeville, Alabama is short line railroad locomotive repair shop. This facility maintains the AGR tracks from Pensacola, FL to Columbus, MS, builds the train by adding or removing railcars and operates the locomotives.

This facility has been in operation at this location since 1997 as AGR, previously as Burlington Northern Railroad in 1980. The facility is located between 5-10 acres with a railcar wash rack, three waste water tanks, an underground sump tank, a two-bay repair shop, and outside lay areas for engineering and onsite contractor Progressive Rail (Pictures 3-4). The facility has 22 employees, and operates 8 hours a day, five days a week.

The AGR's most recent Hazardous Waste Generator Notification (EPA Form 8700-12) dated October 24, 2016, characterized the facility as a conditionally small quantity generator (CESQG) of hazardous waste.

Currently, AGR may generate hazardous waste streams, used oil and universal wastes (such as spent batteries and certain types of lamps), waste solvent, spent aerosol cans, paint waste and other wastes which include EPA Waste Code D001.

9) **Previous Inspection History**

AGR has never been inspected for RCRA by either ADEM or EPA.

10) **Findings**

Upon arriving at the Alabama and Gulf Coast Railway facility, the inspectors signed in at the reception desk before being escorted around the facility. The inspectors presented their credentials to Mr. Salter at 8:50 a.m. CDT.

A brief explanation for the purpose of the inspection was given, as well as an introduction of the ADEM and EPA inspectors. The inspectors requested a description of the facility operations. The inspectors then performed a walk-through inspection of specific areas in the facility. Below is a description of the observations made during the walk-through.

10.1 Railcar Wash Rack

The inspectors observed a single rail line wash rack under an overhang (Pictures 10-11). The wash rack is used to clean the AGR railcars. Steam Cleaner Concentrate, manufactured by Covington Cleaner and Equipment, is used for the railcar cleaning (Picture 46). The inspectors noted that the concentrate was labeled as corrosive.

The ground around the wash rack rail was covered in oily sludge from the oil hose and the sand applied to the railcar (Pictures 15-17). Underneath the tracks is a grated drain that drains to the underground sump tank (Pictures 12-14). At the time of the inspection, the grated drain was filled with spilled oil and sand. Mr. Salter explained that the wash rack area is cleaned every three weeks.

Beside the wash rack was were two fuel tanks inside secondary containment (Pictures 5-6). Due to the recent rains, the secondary containment was filled with water, algae and oily residue. The inspectors recommended cleaning out the secondary containment.

10.2 Waste Water Tanks

The inspectors observed three 2,500-gallon waste water tanks and an underground sump tank covered in plastic to prevent rain runoff. (Pictures 1, 2, 7, 8, and 9). The tanks receive waste water from the Railcar Wash Rack and the waste water is considered to be non-hazardous. The aboveground tanks were observed labeled and closed. Mr. Salter stated that AGR was planning to replace the tanks in the future.

The inspectors asked if the waste water had a waste determination analysis, and was told by Mr. Salter the water has never been tested. The inspectors expressed concern that the Steam Cleaner Concentrate used to clean the railcar was corrosive, and that the waste water should be tested for hazardous characteristics.

Pursuant to ADEM Admin. Code r. 335-14-3-.01(2) [40 C.F.R. § 262.11], a person who generates a solid waste, as defined in ADEM Admin. Code r. 335-14-2-.01(2) [40 C.F.R. § 261.2], must determine if that waste is a hazardous waste following the methods articulated in ADEM Admin. Code r. 335-14-3-.01(2) [40 C.F.R. § 262.11].

On September 1, 2017, Mr. Salter provided via email the sampling results of the waste water. The waste water had 0.69 mg/L of lead. The universal treatment standard for lead in wastewater is 0.69 mg/L.

10.3 Locomotive Repair Shop

The Locomotive Repair Shop services 28 AGR locomotives as well as 22 additional locomotives for two additional short lines owned by the parent company, Genesee and Wyoming Railroad. The shop provides preventative maintenance for the locomotives such as oil/fuel/air filter changes, 92-day inspections, oil sampling to determine if oil changes are needed, and the addition of Mainline Granular 101, which is a traditional borate/nitrite based cooling water inhibitor specifically designed for closed loop diesel locomotive cooling systems. The Mainline Granular 101 is added to the water tank before adding the solution to the locomotive (Pictures 51-52).

No major engine work or painting are conducted at this shop. When this type of work is needed, the

locomotive is sent to the AGR facility in Panama City, FL. Progressive Rail Services is an on-site contractor that provides railcar repairs. The inspectors spoke with a representative of Progressive Rail Services and he explained that all waste and maintenance services for Progressive were contracted out and not combined or added to AGR's waste streams.

At the time of the inspection, the inspectors observed the following in the Locomotive Repair Shop:

- Two 300-gallon used oil totes that were labeled "Used Oil" and closed. One of the totes did not sit on secondary containment and was full, the second tote was on secondary containment and was half full (Pictures 18-19).
- One 300-gallon used oil tote labeled "Damaged," was not closed, half full and sitting on secondary containment. Mr. Salter explained that the tote could only be half filled because of the damage near the top of the tote (Pictures 18, 20).
- The floor around the three 300-gallon totes was covered in spilled oil and absorbent, and had not been cleaned up (Picture 21).
- A 5-gallon container of used absorbent rags that was not closed or labeled "Used Oil" (Picture 22). Mr. Salter stated that the rags would be added to the yellow used oil totes.
- Two secondary containments in front of the 300-gallon totes were filled with used oil and had not been labeled or cleaned out (Pictures 23-24).
- Two secondary containments underneath oil totes were filled with released oil that was not usable (Pictures 25-27). The containments were not labeled or cleaned out.
- The floor around the product oil totes was covered in spilled oil and absorbent, and had not been cleaned up (Picture 25).
- The pit area underneath the locomotives being maintained drains directly the underground sump tank.
- A yellow flammable storage cabinet with product aerosol cans. The inspectors noted that several products were labeled as extremely flammable (Picture 28).
- A Heritage Crystal Clean parts washer with non-hazardous solvent (Picture 29).
- A 55-gallon satellite accumulation drum of spent aerosol can residue with a can puncture system on top (30-33). Next to the aerosol residue drum was a container for the punctured cans. The can puncture system was labeled, not closed and the drum was one-third full. Mr. Salter closed the puncture system lid during the inspection.
- Two yellow totes of used oil and spent diesel, and used oil and used diesel filters (Pictures 34-37, 39-42). One tote was located near the rear of the shop by the door, and the other totes was located in the middle of the shop beside a locomotive. The totes were not closed and had labels but not sufficiently marked as "Used Oil."
- Three black 55-gallons to be used for oily sludge.
- A metal bin of solid waste and scrap metal (Picture 43-44).
- A metal bin of scrap metal from resurfacing the locomotive wheels (Picture 45).

Pursuant to ADEM Admin. Code r. 335-14-17-.03 (4)(a) [40 C.F.R. § 279.22(a)], used oil generators shall not store used oil in units other than tanks, containers, or units subject to regulation under parts 264 or 265 of this chapter.

Pursuant to ADEM Admin. Code r. 335-14-17-.03 (4)(a) 1., a container holding used oil must always be closed during storage, except when it is necessary to add or remove used oil.

Pursuant to ADEM Admin. Code r. 335-14-17-.03(4)(c)1. [40 C.F.R. § 279.22(c)(1)], containers and aboveground tanks used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil."

Pursuant to ADEM Admin. Code r. 335-14-17-.03(4)(d) [40 C.F.R. § 279.22(d)], upon detection of a release of used oil to the environment, the facility must clean up and manage properly the released used oil and other materials.

10.4 Storage Shed

Behind the Locomotive Repair Shop was a storage shed filled with various supplies and equipment. The inspectors observed two one-gallon cans and one pint sized can that were old, rusting and did not have labels (Picture 38). The inspectors stated if the cans were no longer in use, and the facility could not identify the contents of the cans, then waste determination was required prior to disposal of the cans.

Pursuant to ADEM Admin. Code r. 335-14-3-.01(2) [40 C.F.R. § 262.11], a person who generates a solid waste, as defined in ADEM Admin. Code r. 335-14-2-.01(2) [40 C.F.R. § 261.2], must determine if that waste is a hazardous waste following the methods articulated in ADEM Admin. Code r. 335-14-3-.01(2) [40 C.F.R. § 262.11].

10.5 Engineering

The Engineering Department had an equipment lay yard between the Locomotive Repair Shop and the facility offices. No issues were observed in this area.

10.6 Scrap Roll-Off

Next to the Engineering yard was a 20-cubic yard roll-off of scrap metal generated from facility (Pictures 47-48). No issues were observed in this area.

10.7 Office

The inspectors observed inside a hall closet four 4-foot fluorescent lamps (Pictures 49-50). The lamps were not contained, labeled or dated. Mr. Salter was not sure if the lamps were usable. The inspectors stated that the lamps should be tested in a fixture to determine if they are spent or usable.

Pursuant to ADEM Admin. Code r. 335-14-3-.01(2) [40 C.F.R. § 262.11], a person who generates a solid waste, as defined in ADEM Admin. Code r. 335-14-2-.01(2) [40 C.F.R. § 261.2], must determine if broken fluorescent lamps are a hazardous waste following the methods articulated in ADEM Admin. Code r. 335-14-3-.01(2) [40 C.F.R. § 262.11].

Records Review

After the walkthrough, the inspectors requested Spill Prevention, Control and Countermeasure (SPCC) Plan, the 2014-2016 hazardous, non-hazardous, used oil and the universal waste manifests. The generator status notification (EPA Form 8700-12) was last updated October 24, 2016.

The SPCC plan dated January 20, 2006 was reviewed. The plan was last updated on May 12, 2015. The previous Mechanical Manager, Mr. Larry Everette was listed as the contact in the plan. Mr. Everette left last year and the plan has not been updated.

Hazardous and non-hazardous manifests were reviewed for 2016-2017. No hazardous wastes were shipped out at the time of the inspection.

Non-hazardous parts washer waste and used oil was shipped to Heritage Crystal Clean LLC (EPA ID ILR000130062) in Mobile, AL. Used oil filters were shipped to Aaron Oil Company (EPA ID ALD983180233) in Mobile, AL. Petroleum contact water was shipped to Oil Recovery Con Inc. (EPA ID ALD046864591) in Mobile, AL.

11) Summary

The inspectors conducted the exit meeting with Mr. Salter. During this meeting, the EPA and ADEM presented the preliminary results of the inspection. Alabama and Gulf Coast Railway was inspected as a large quantity generator of hazardous waste. At the time of the inspection, Alabama and Gulf Coast Railway did not appear to be in compliance with some requirements of RCRA.

AGR's Response to the Observations

On August 18, 2017, Mr. Salter provided via email photographs and the following statement "*I had the yellow totes replaced with three totes with tops and label used oil. I had damage used oil tote that was not label empty and cleaned out to be replace. The secondary containment has been cleaned and label. The used oil that had leak on the floor around totes has been clean up. We are checking on how to disposed of the old paint cans. The waste water sample has been sent for a determination. I have attach pictures. Joni Willhite is checking on the form 8700-12 and I will update you.*"

12) Signed

Paula A. Whiting,
Environmental Engineer

9/13/17
Date

Concurrence

Alan A. Annicella, Chief
Hazardous Waste Enforcement and Compliance Section
Enforcement and Compliance Branch
Resource Conservation and Restoration Division

9/14/17
Date

ATTACHMENT A

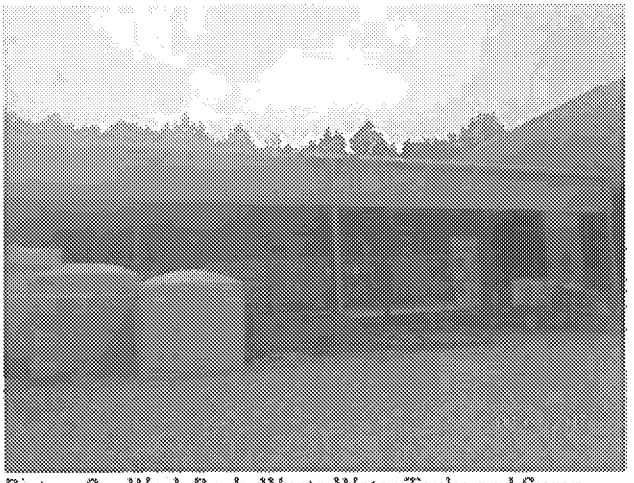
ALABAMA AND GULF COAST RAILWAY

MONROEVILLE, ALABAMA

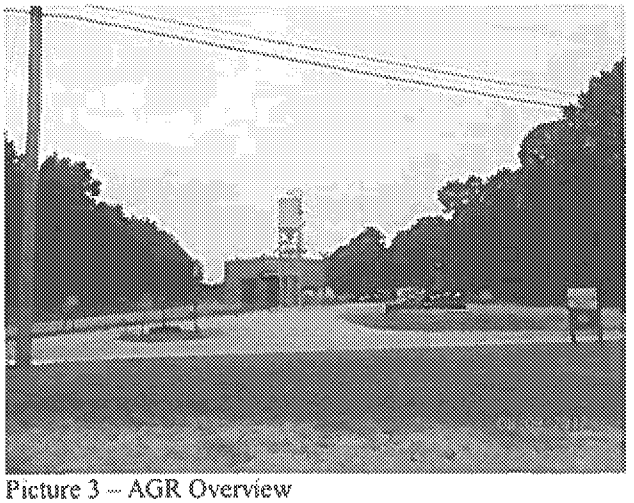
COMPLIANCE EVALUATION INSPECTION PHOTOGRAPHS

AUGUST 9, 2017

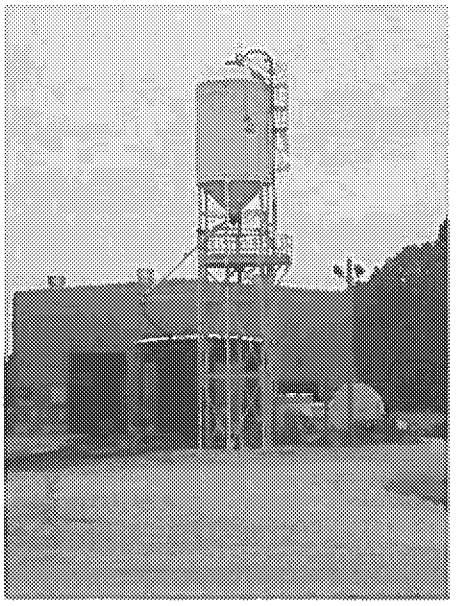
Picture 1 – Wash Rack, Waste Water Tanks and Sump Tank



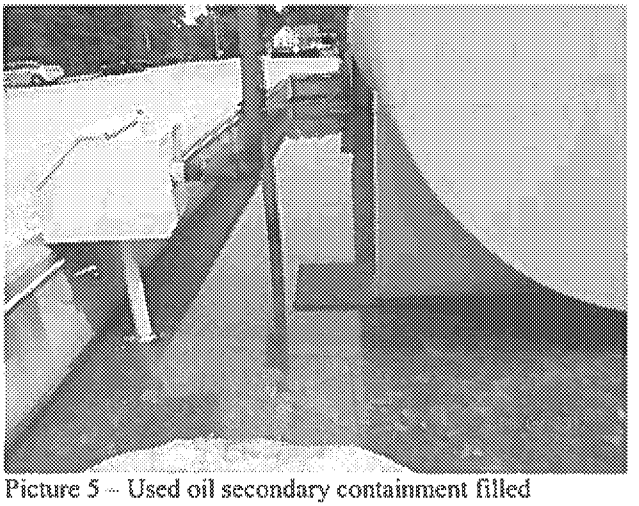
Picture 2 – Wash Rack, Waste Water Tanks and Sump Tank



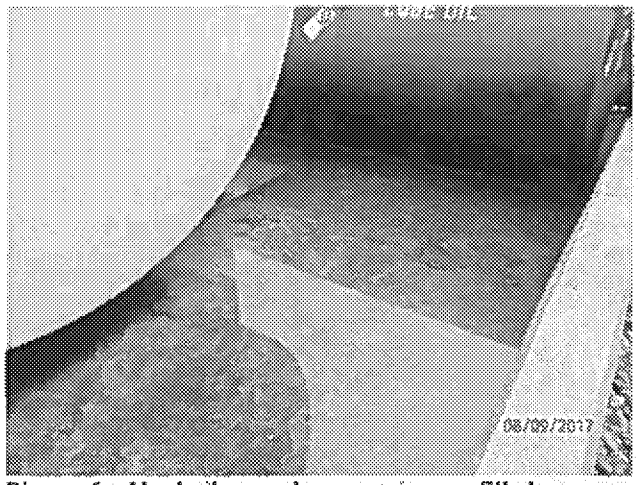
Picture 3 – AGR Overview



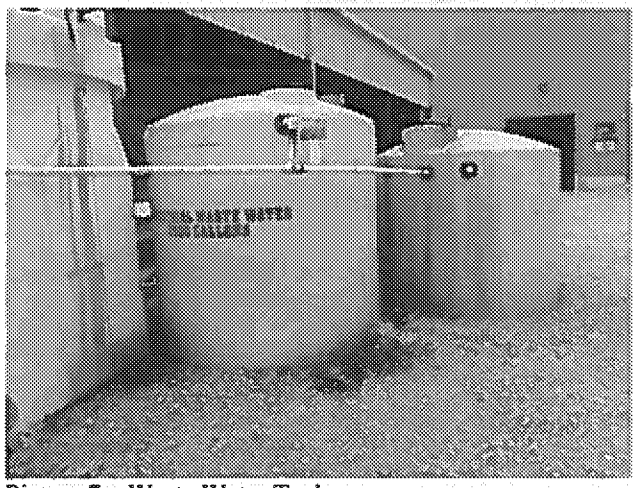
Picture 4 – Water Tank and Railcar Bays



Picture 5 – Used oil secondary containment filled rainwater

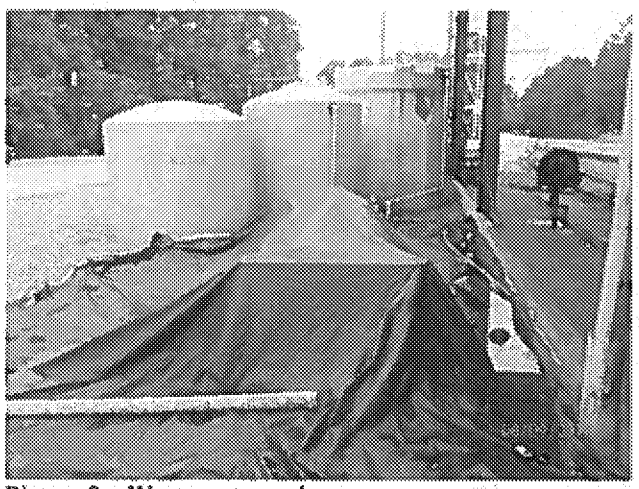


Picture 6 – Used oil secondary containment filled rainwater

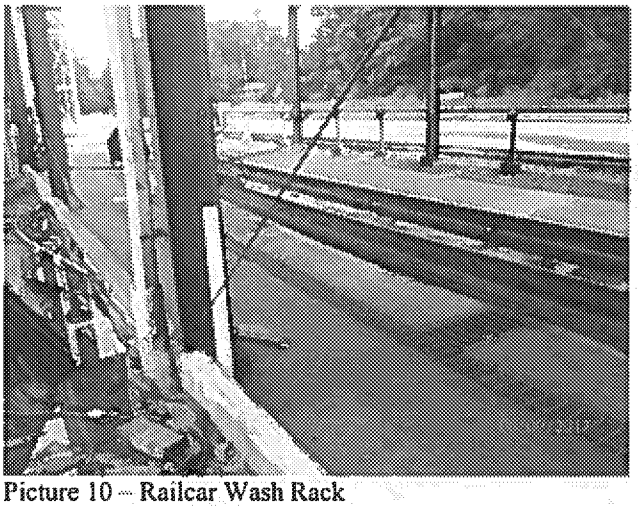


Picture 7 – Waste Water Tanks

Picture 8 – Underground sump tank

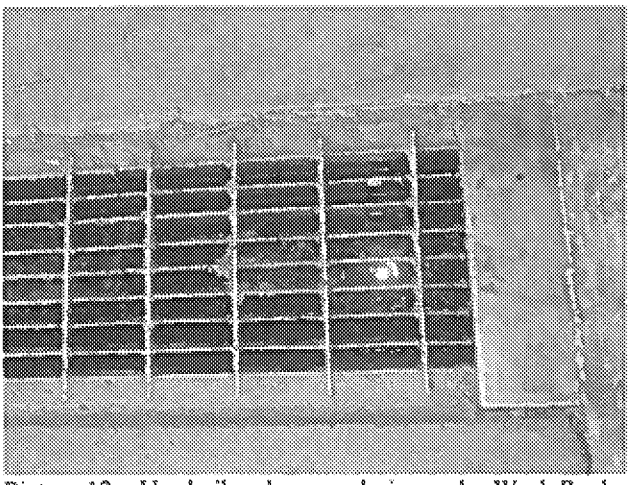


Picture 9 – Waste water tanks

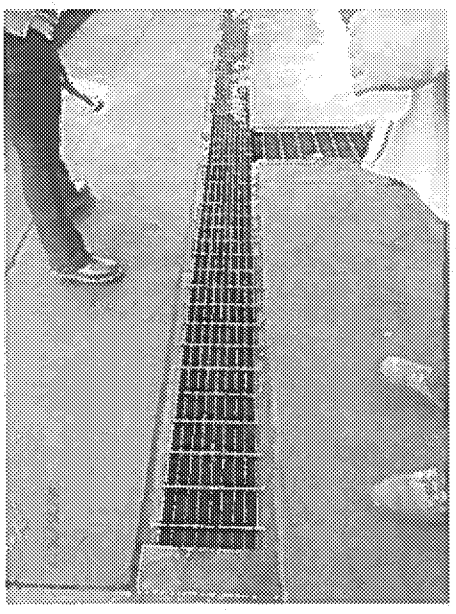


Picture 10 – Railcar Wash Rack

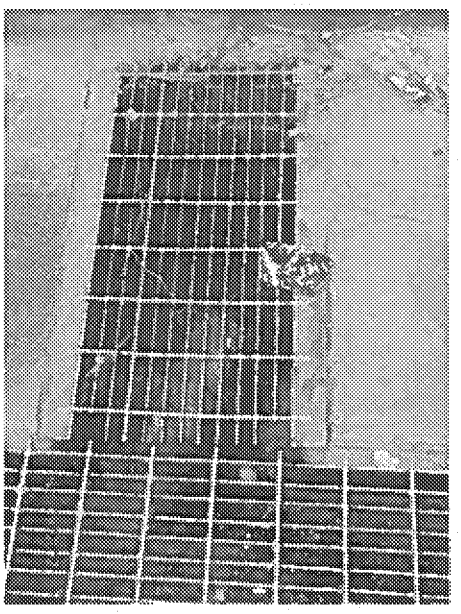
Picture 11 – Railcar Wash Rack



Picture 12 – Used oil and grease drains under Wash Rack

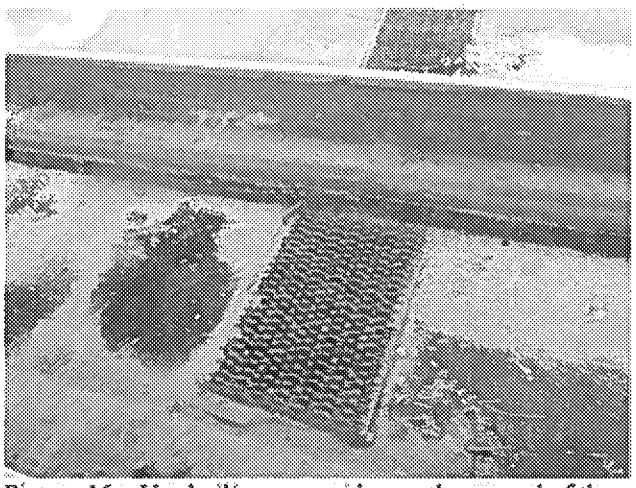


Picture 13 – Used oil/grease drains under Wash Rack



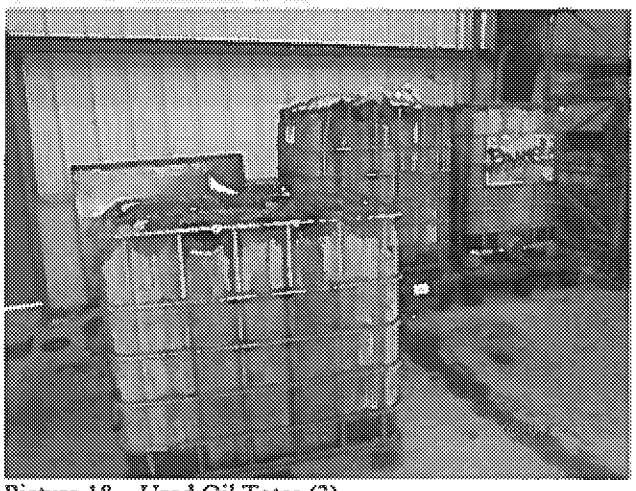
Picture 14 – Used oil/grease drains under Wash Rack

Picture 15 – Used oil/grease residue on the ground of the Wash Rack



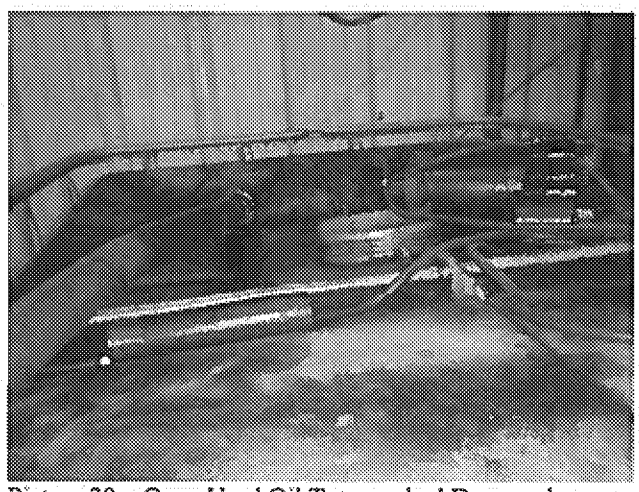
Picture 16 – Used oil/grease residue on the ground of the Wash Rack

Picture 17 – Used oil/grease residue/sand on the ground of the Wash Rack

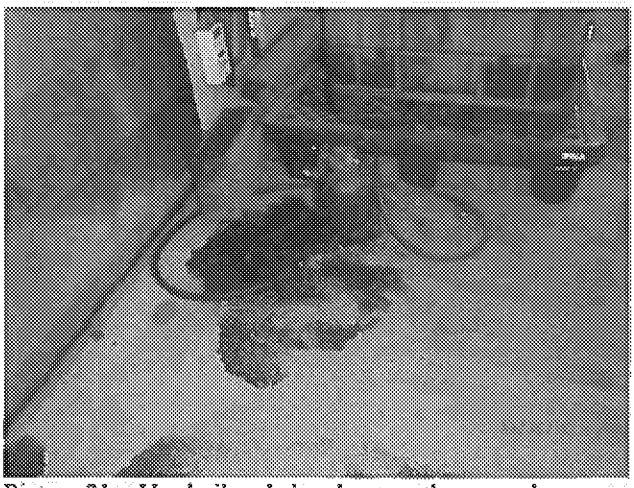


Picture 18 – Used Oil Totes (3)

Picture 19 – Used Oil Totes (3)



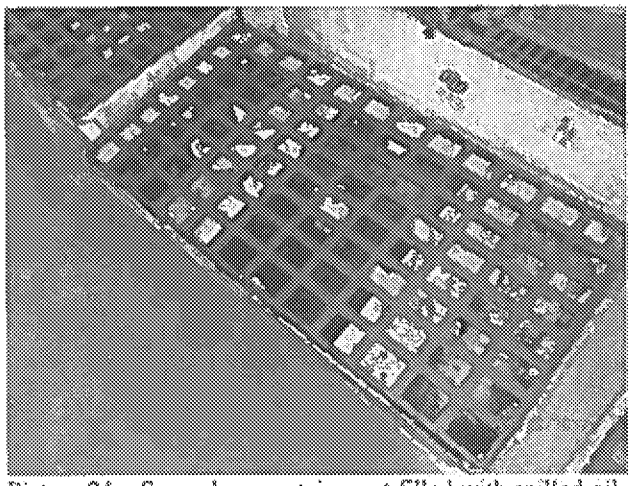
Picture 20 – Open Used Oil Tote marked Damaged



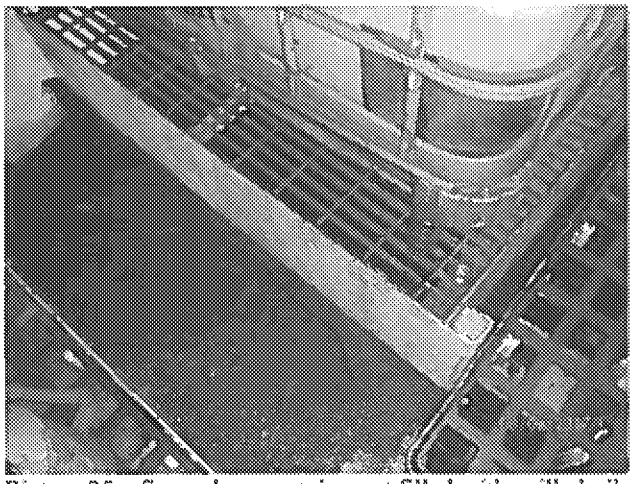
Picture 21 – Used oil and absorbent on the ground

Picture 22 – Container of used absorbent rags

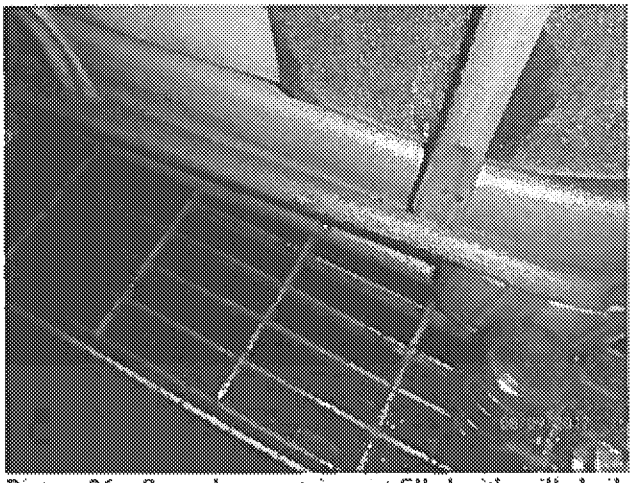
Picture 23 – Secondary containment filled with spilled oil



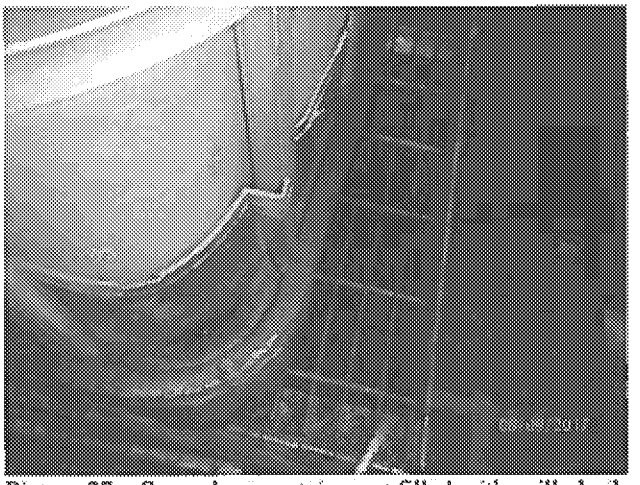
Picture 24 – Secondary containment filled with spilled oil



Picture 25 – Secondary containment filled with spilled oil and used oil release/absorbent on the ground



Picture 26 – Secondary containment filled with spilled oil



Picture 27 – Secondary containment filled with spilled oil

Picture 28 – Locomotive Shop Flammable storage cabinet with product aerosol cans

Picture 29 – Locomotive Shop parts cleaner

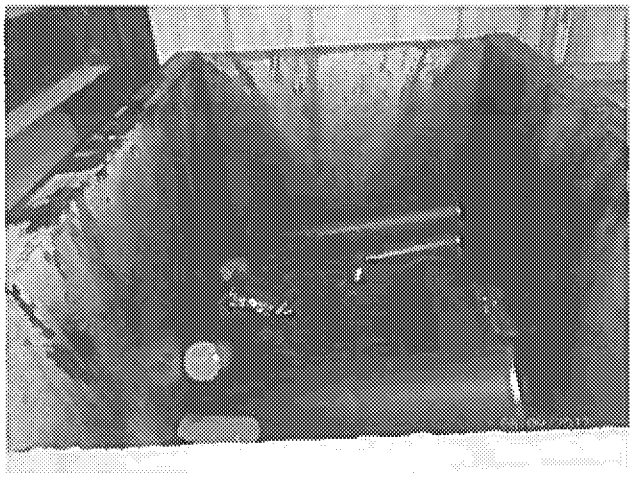
Picture 30 – Locomotive Shop aerosol can puncture drum

Picture 31 – Locomotive Shop aerosol can puncture drum not closed

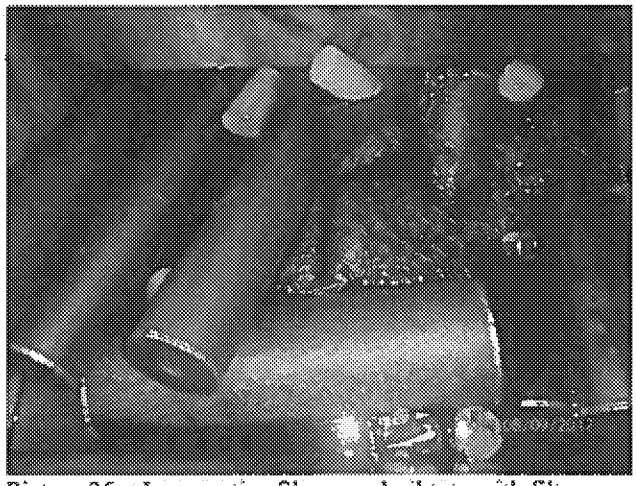
Picture 32 – Locomotive Shop scrap aerosol can container

Picture 34 – Locomotive Shop used oil tote not closed

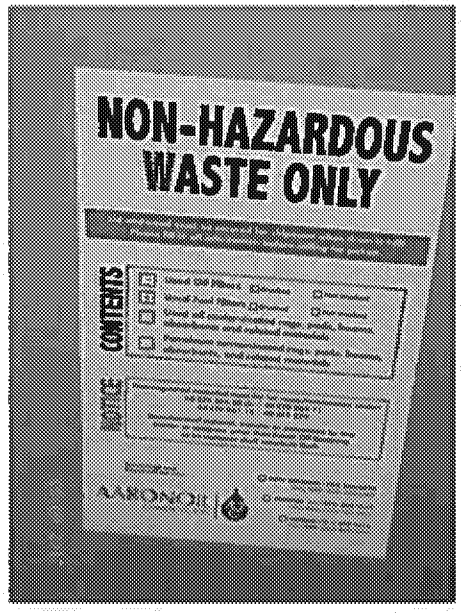
Picture 33 – Locomotive Shop aerosol can puncture drum



Picture 35 – Locomotive Shop used oil tote not closed

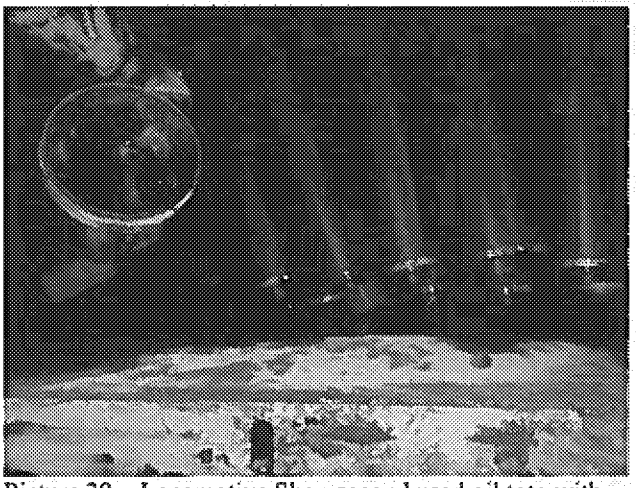


Picture 36 – Locomotive Shop used oil tote with filters

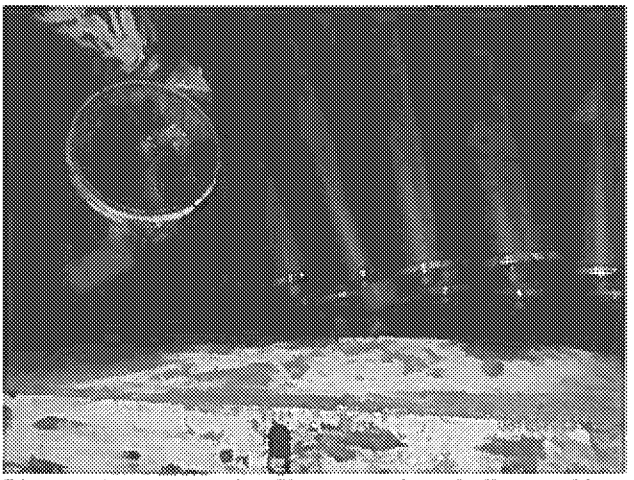


Picture 37 – Locomotive Shop used oil tote label

Picture 38 – Storage Shed old paint cans no longer used



Picture 39 – Locomotive Shop second used oil tote with filters



Picture 40 – Locomotive Shop second used oil tote with filters

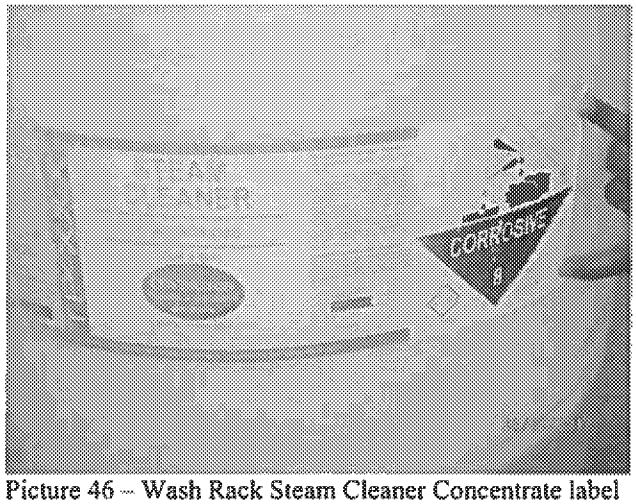
Picture 41 – Locomotive Shop second used oil tote with filters

Picture 42 – Locomotive Shop second used oil tote with label

Picture 43 – Locomotive Shop solid waste and scrap metal

Picture 44 – Locomotive Shop solid waste and scrap metal

Picture 45 – Wheel Resurfacing scrap metal



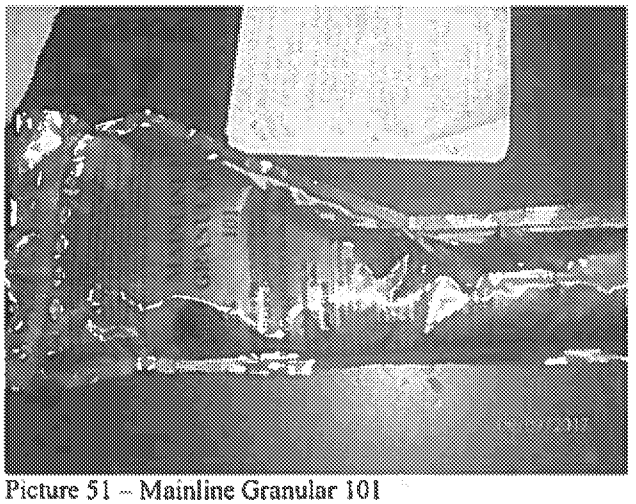
Picture 46 – Wash Rack Steam Cleaner Concentrate label

Picture 47 – Scrap Metal Roll-off

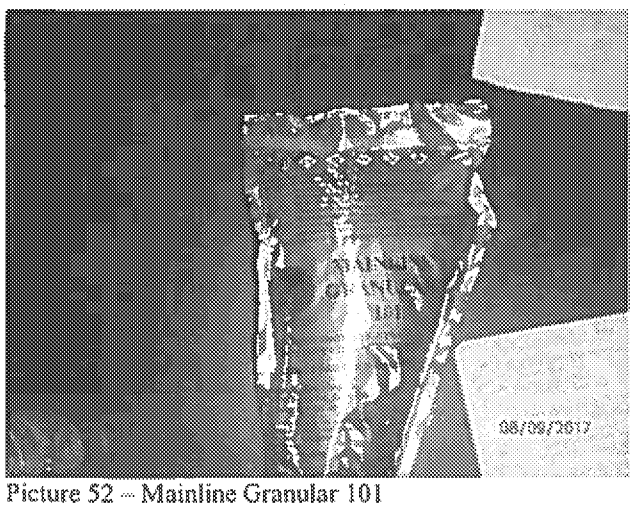
Picture 48 – Scrap Metal Roll-off

Picture 49 – Office Closet uncontained fluorescent lamps

Picture 50 – Office Closet uncontained fluorescent lamps



Picture 51 – Mainline Granular 101



Picture 52 – Mainline Granular 101