

CPS

COMPLIANCE PLUS SERVICES



December 30, 2015

Via UPS Ground Delivery

Kevin Coyle  
State of Delaware  
Department of Natural Resources and Environmental Control  
Division of Energy and Climate  
100 W. Water Street, Suite 5A  
Dover, DE 19904

**RE: Submission of Coastal Zone Permit Application for MAGCO INCORPORATED for a Sea Salt Packaging Facility Located at 341 Pigeon Point Road, New Castle, DE 19720**

Dear Mr. Coyle:

Compliance Plus Services, Inc. ("CPS") is pleased to submit the enclosed Coastal Zone Act ("CZA") Permit Application and Environmental Offset Plan, on behalf of our client, MAGCO INCORPORATED ("MAGCO"), for the proposed throughput increase at the sea salt packaging facility located at 341 Pigeon Point Road, New Castle, DE. Pursuant to our discussions with Phil Cherry, we are submitting an original application with two copies plus a complete electronic "pdf" copy of the permit application and a copy of the Offset Matrix in Microsoft Word format on disk.

We are also enclosing with the original application a check for \$3,000.00 made payable to the "State of Delaware" for the Coastal Zone Act Permit application fee.

As you are aware, Magco is eager to receive this Coastal Zone Application approval, as the ice melt business is seasonal, with the peak production period being November, December and January, with the plant essentially idle March through July. Based on current orders and recent winter weather conditions, Magco is anticipating a strong demand for ice melt products during this production season and as such is respectfully requesting a prompt review of the enclosed application. This will enable Magco to meet current customer demands and retain the level of service their customers have come to expect. They are concerned that any delays in their ability to provide product from the Wilmington facility will force customers to seek other suppliers located outside of the State to meet the demand for ice melt products. This could result in long term loss of customers and a stagnation of Magco's 24% growth realized over the past five years.

Should you have any questions or require any additional information related to this matter, please do not hesitate to contact me at 215.734.1414 or via electronic mail at [mlogan@cps-2comply.com](mailto:mlogan@cps-2comply.com).

Sincerely,

Michael D. Logan  
Vice President, Environmental Services  
Compliance Plus Services, Inc.

Enclosures

cc: Will Torres, MAGCO INCORPORATED

N:\LETTERS\5400-5499\5425 - MAGCO CZA Application 12-2015.wpd.

[www.CPS-2Comply.com](http://www.CPS-2Comply.com)

Premier Industry Provider of Environmental and Safety Services

P.O. Box 186

Hatboro, PA 19040

Ph: 215-734-1414 Fax: 215-734-1424

1-866-976-PLUS (7587)

PAYABLE THROUGH THE BANK OF NOVA SCOTIA, 1 LIBERTY PLAZA, NEW YORK, N.Y. 10006

**MAGCO INCORPORATED**  
32 CHERRY BLOSSOM ROAD  
CAMBRIDGE, ON N3H 4R7

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www.scotiabank.com/businessservices 1-888-855-1234  
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67876

U.S. DOLLAR ACCOUNT  
1-253/260

**PAY** \*\*\*\*THREE THOUSAND AND 0/100 US DOLLARS

\*\*\*\*\*3,000.00

U.S. FUNDS

TO THE ORDER OF  
State Of Delaware  
30 S American Ave 2ND Floor  
Dover, DE 19901-7346  
USA

MAGCO INCORPORATED

PER   
PER \_\_\_\_\_

⑈ 5000 20 ⑈ ⑆ 2600 253 2⑆ 89 136 ⑈ 1 7 ⑈

MAGCO INCORPORATED

CHEQUE NO. 500020

Document No. 10/28/2015  
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10/28/20 500020  
Amount 3,000.00  
Discount  
Net Amount 3,000.00

Total 3,000.00



# *Coastal Zone Act Permit Application*



*Prepared For:*

**MAGCO, INCORPORATED**

341 Pigeon Point Road  
New Castle, DE 19720

**December 2015**

*Project No.: 0268.0109.01*

*Prepared By:*

*Compliance Plus Services, Inc.*

*P.O. Box 186*

*Hatboro, PA 19040*

*(215) 734-1414*

# MAGCO, INCORPORATED

341 Pigeon Point Road  
New Castle, DE 19720

## Coastal Zone Act Permit Application

(December 2015)

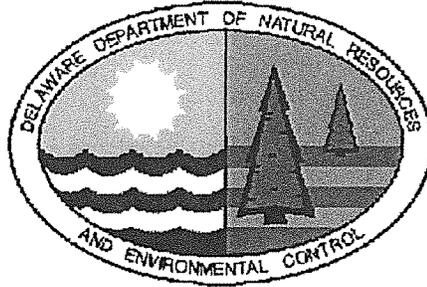
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- **Appendix 8**      **Environmental Offset Plan**
  - **Exhibit A** Detailed Emissions Calculations
  - **Exhibit B** Coastal Zone Environmental Impact Offset Matrix
  - **Exhibit C** Chemical Hazard Profiles



## **APPLICATION FOR A COASTAL ZONE ACT PERMIT**

**State of Delaware  
Department of Natural Resources & Environmental Control  
Office of the Secretary**

**December 2015**

**Sea Salt Packaging Facility**

**MAGCO INCORPORATED**  
341 Pigeon Point Road  
New Castle, DE 19720

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## Permit Application Instructions

1. Complete all parts of the application. For sections which are not applicable to your project, do not leave blank; present a statement that clearly states why the section is not applicable to your project.
2. Because all applicants' projects are different, this word document template will provide you flexibility for needed space to answer the questions. Please insert additional lines for text where needed for your application. If appropriate, attach extra pages referencing each answer by the corresponding section and question number.
3. Submit eight complete hard copies of the permit application to:

Office of the Secretary  
Department of Natural Resources & Environmental Control  
State of Delaware  
89 Kings Highway  
Dover, DE 19901

In addition to the eight hard copies, submit a complete electronic "pdf" copy of the permit application and a copy of the Offset Matrix in Microsoft Word format on cd-rom.

4. Comply, if required, or as requested by the DNREC Secretary, with 7 Delaware Code, Chapter 79, Section 7902. If requested, but not completed, your application will not be considered administratively complete until this form is reviewed.
5. Be sure to include your permit application fee of \$3,000; otherwise the application will not be considered administratively complete. Make checks payable to the "State of Delaware."
6. Be advised that the application for a Delaware Coastal Zone Act Permit is a public document, which may be displayed at DNREC offices, public libraries, and the web, among others. If this application requires you to place confidential information or data in the application to make it administratively complete, note the Delaware Freedom of Information Act (29 Delaware Code, Chapter 100) and DNREC's Freedom of Information Act Regulation, Section 6 (Requests for Confidentiality), for the proper procedure in requesting confidentiality.

*Note: This application template was last revised by DNREC on January 30, 2008. Please discard any previous versions.*

PART 1

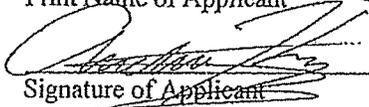
CERTIFICATION BY APPLICANT

Under the penalty of perjury pursuant to 11 Delaware Code §1221-1235, I hereby certify that all the information contained in this Delaware Coastal Zone Act Permit Application and in any attachments is true and complete to the best of my belief.

I hereby acknowledge that any falsification or withholding of information will be grounds for denial of a Coastal Zone Permit.

I also hereby acknowledge that all information in this application will be public information subject to the Delaware Freedom of Information Act, except for clearly identified proprietary information agreed to by the Secretary of the Department of Natural Resources & Environmental Control.

Andrew King  
Print Name of Applicant

  
Signature of Applicant

VP of Operations  
Title

10-23-2015  
Date

PART 2

APPLICANT INFORMATION AND SITE IDENTIFICATION

2.1 Identification of the applicant:

Company Name: **Magco Incorporated**  
Address: **341 Pigeon Point Rd**  
**New Castle, DE 19720**  
Telephone: **302-363-6419**  
Fax:

2.2 Primary contact: Please list the name, phone number and email of a preferred contact within your company in case the DNREC needs to contact you regarding this permit application.

**Will Torres**  
**Plant Superintendent**  
**Phone: 215-543-6419**  
**Email: wtorres@kissner.com**

2.3 Authorized agent (if any):

Name: **Compliance Plus Services, Inc.**  
Address: **P.O. Box 186**  
**Hatboro, PA 19040**  
Telephone: **215-734-1414**  
Fax: **215-734-1424**

*If you have an authorized agent for this permit application process, provide written authorization from client for being the authorized agent.*

**See Appendix 1**

2.4 Project property location (street address):

**341 Pigeon Point**  
**New Castle, DE 19720**

2.5 In a separate attachment, provide a general map of appropriate scale to clearly show the project site.

**See Appendix 2**

2.6 Is the applicant claiming confidentiality in any section of their application?  
YES  
NOX

If yes, see instructions on page 3.

## PART 3

### PROJECT SUMMARY

*Provide a one-page summary describing the proposed project. Include a brief quantitative description of the anticipated environmental impacts, and how the Environmental Offset Proposal will "clearly and demonstrably" more than offset any negative impacts.*

The current Magco, Incorporated ("Magco") operation consists of importing bulk natural sea salt (mined from former ocean beds) that is eventually delivered to its plant by truck where the salt is temporarily stockpiled under cover. The sea salt is subsequently dried, reducing the moisture content of the salt, using a fluidized bed dryer. The dried salt is then sorted into distinct sizes suitable for various end markets. The marketable salt is packaged into bags, or other containers, and shipped to the offsite commercial markets. The dried sea salt may occasionally be blended with other materials for special product lines.

The original Magco facility was relocated within the Coastal Zone in 2009 to its current location. The relocation allowed the company to upgrade and improve (modernize) its equipment and improve productivity. The proposed project is simply to increase Magco's existing plant throughput capacity from 200,000 tons per year to 300,000 tons per year. The proposed increase will be achieved solely by increasing the number of hours of operation of the plant, which is primarily a seasonal operation. There will be no additional equipment, storage or facilities required to achieve this increase.

The site consists of 7.56 acres, the majority of which is covered with bituminous pavement and an 82,000 SF warehouse.

The salt is brought to the site via truck and stored in piles on the bituminous pavement. Salt storage piles are maintained under cover except during loading and unloading operations or when feeding into the plant. Packaged salt is stored outside on pallets (outside of the warehouse) awaiting shipment offsite. The packaged salt is in weather proof plastic bags or other weather proof containers; the pallets are also covered with shrouds. Packaged salt is shipped via motor freight to commercial outlets or to large quantity end users. There is no retail sale(s) at the site.

The site is located in an area zoned for Heavy Industrial uses. The proposed use falls within the land use guidelines of the local municipality. Access to the site will be controlled by existing fencing and gates; members of the public will not have access to the site. There will be no increased safety risks to current employees associated with this project.

The anticipated environmental impacts are primarily air emissions associated with the sea salt drying and packaging operation. Over 99% of the new. 6 -

projected emissions are from sea salt that release into the air with water vapor. Since the site is already fully operational and no additional outdoor storage will result from the proposed throughput increase, impacts to water quality are anticipated to be insignificant. Due to the nature of the proposed operation, impacts to solid waste, hazardous waste, habitat protection and other environmental effects are also anticipated to be insignificant.

The proposed Offset Plan consists of obtaining air emission offset credits for nitrogen oxides through the Delaware Economic Development Office. The planned offsets represent a significant reduction in human health/toxic air pollutants to offset the natural sea salt particulates.

PART 4

PROJECT PROPERTY RECORD AND  
EVIDENCE OF LOCAL ZONING AND PLANNING APPROVAL

PROJECT PROPERTY RECORD

- 4.1 Name and address of project premises owner(s) of record:

**Port Contractors, Inc.  
529 Terminal Avenue  
New Castle, DE 19720**

- 4.2 Name and address of project premises equitable owner(s):

**Port Contractors, Inc.  
529 Terminal Avenue  
New Castle, DE 19720**

- 4.3 Name and address of lessee(s):

**Magco Incorporated  
341 Pigeon Point Rd  
New Castle, DE 19720**

- 4.4 Is the project premises under option by permit applicant?

**No**

- 4.5 What is the present zoning of the land for this entire project site?

**According to the property records available on the New Castle County, DE website (<http://www.nccde.org/parcelview>) the subject property is zoned HI – UDC Heavy Industrial.**

**See Appendix 3 for a copy of the previously submitted Evidence of Local Zoning and Planning Approval Letter.**

**The proposed project will not require any local or municipal approvals as it is simply an increase in throughput. There will be no additional equipment, structures or change in land use.**

EVIDENCE OF LOCAL ZONING AND PLANNING APPROVAL

I, \_\_\_\_\_, for

(Name of County, City of Town)

do hereby affirm that the project proposed by \_\_\_\_\_  
(Name of Applicant)

located at \_\_\_\_\_, in  
(Address)

the \_\_\_\_\_ zoning district is in

full compliance with the zoning code as it applies to this project.

The above named applicant's project is in compliance with the adopted comprehensive development plan for the geographic area within which the project will be located.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

*This part is essential for a complete Coastal Zone Act Permit Application. No application will be considered administratively complete without it. While the applicant is strongly advised to use this form, the local zoning jurisdiction may utilize a different form or document to demonstrate "evidence of local zoning approval," provided such documents are signed and dated by the proper official.*

## PART 5

### PROJECT OPERATIONS

5.1 Describe the characteristics of the manufactured product and all the process and/or assembly operations utilized by the proposed project. Include in the description (use attachments if necessary):

- a. the raw materials, intermediate products, by-products and final products and characteristics of each. Review any materials' risk of carcinogenicity, toxicity, mutagenicity and/or the potential to contribute to the formation of smog. Provide material safety data sheets (MSDS) if available;

**The operation consists of transporting bulk sea salt to the site by truck, reducing the moisture content of the salt through a fluidized bed dryer, sorting the salt into distinct sizes suitable for different end markets, packing the salt into bags or other containers and shipping the bags and/or containers off-site to commercial markets. The process may also involve addition of other materials or colorant to create specific salt compounds for certain market segments (e.g., pet safe ice melt products).**

**MSDS sheets of the finished products are provided in Appendix 4.**

- b. the step-by-step procedures or processes for manufacturing and/or assembling the product(s). Provide a flow diagram to illustrate procedures;

**Step by step procedures:**

- Bulk sea salt is transported to the site by truck and stored in one of the two salt storage areas on the existing bituminous pavement
- Sea salt is fed into a fluidized bed dryer to reduce the moisture content is reduced to 0.1%-0.15% (incoming moisture content is 2-5%)
- Dried salt is sorted into various sizes
- Salt is either packaged into bags/containers or bulk shipped offsite
- Salt may be blended with other materials and/or colorant (for certain markets). Other materials include potassium chloride, magnesium chloride, calcium chloride, urea and CMA (calcium magnesium acetate)
- Packaged salt may be stored onsite awaiting offsite shipment to meet seasonal demands
- Salt is transported offsite via truck

**A process flow diagram is provided in Appendix 5.**

- c. the nature of the materials mentioned above in 4.1(a) as to whether or not the materials require special means of storage or handling;

**Dried and blended sea salt materials will be stored inside until they are packaged. Raw sea salt may be stored outside on the bituminous pavement awaiting processing through the dryer. Outside storage piles will be tarped or maintained under cover unless the pile is being actively worked. Only the working face of the pile will be open when the pile is being actively worked. Magco does utilize an open outdoor daily surge pile to stage salt just prior to being placed into a feed hopper that conveys the salt into the dryer unit.**

- d. list the machinery (new and/or existing) to be utilized by this project;

**All of the equipment utilized by this project is existing and includes:**

**Fluidized Bed Dryer  
Sorting/Screening Equipment  
Feed Hoppers  
Conveyors  
Packaging Equipment  
Fork Lifts  
Loaders  
Blending Equipment**

**The majority of the equipment listed above is operated inside the existing building. One loader will be used outside to load the feed hopper with the raw sea salt. The remaining equipment is normally operated inside the building, with the exception of forklifts which periodically will be used to move loaded pallets of packaged salt to outside storage areas.**

- e. list any new buildings or other facilities to be utilized;

**This project does not require any new buildings or facilities. The existing facility was fully construction in 2009 and will not undergo any changes or alterations as a result of the proposed annual throughput increase.**

- f. list the size and contents of any anticipated aboveground or underground storage tank systems that may be constructed or utilized in support of facility operations;

**The Magco facility currently has one 1,000 gallon diesel fuel storage tank on site. The tank is used to provide fuel for the front end**

**loaders. No new storage tanks will be added as part of the proposed annual throughput increase.**

- g. if this project represents an increase or decrease in production at an already existing facility, what will be the new rate of maximum production?

**The existing Mageco facility operation will increase its total maximum annual production of finished product up to 300,000 tons/year.**

- h. if this project represents a totally new facility at a new or existing site, what will be the maximum production rate?

**This application does not propose to add any new facility or equipment at Mageco's existing site. The increase in production will be obtained solely through an increase in the existing facility's seasonal operating hours.**

- 5.2 Describe daily hours of plant operations and the number of operating shifts.

**Normal hours of operation will change on a seasonal basis depending on market conditions. During the late summer, fall and winter periods, hours of operation may be up to 24 hours per day, 7 days per week. During other periods, such as spring and early summer, operating hours may run 6:00 AM-12 Midnight, 7 days per week.**

- 5.3 Provide a site plan of this project with: **See Site Plan provided in Appendix 6.**

- a. a north arrow;
- b. a scale of not less than one inch to 200 feet;
- c. identity of the person responsible for the plan including any licenses and their numbers;
- d. the acreage of the applicant's entire property and acreage of the proposed project;
- e. property lines of entire property;
- f. lines designating the proposed project area for which application is being made, clearly distinguished from present facilities and operating areas (if any);
- g. existing and proposed roads, railroads, parking and loading areas, piers, wharfs, and other transportation facilities;

- h. existing water bodies and wetlands and proposed dredge and fill areas, and;
- i. existing and proposed drainage ways, gas, electric, sewer, water, roads, and other rights-of-way.

5.4 How many acres of land in total are required for this proposed project?

Existing/ currently utilized/ developed land: 7.56 acres.

New land: 0 acres.

5.5 Has the property been involved with a state or federal site cleanup program such as Superfund, Brownfields, HSCA Voluntary Cleanup Program, RCRA Corrective Action, Aboveground or Underground Storage Tank Cleanup Programs? If so please specify which program.

**Not applicable. The property has not been involved with a state or federal site cleanup.**

5.6 With regards to environmental cleanup actions, has a Uniform Environmental Covenant, Final Plan of Remedial Action, or no further action letter been issued by the Department? If so are the planned construction activities consistent with the requirements or conditions stated in these documents?

**Not applicable. See 5.5 above.**

PART 6A

ENVIRONMENTAL IMPACTS

Air Quality

- 6.1 Describe project emissions (new, as well as any increase or decrease over current emissions) by type and amount under maximum operating conditions:

The proposed project is to increase the amount of salt that can be processed at the facility to 300,000 tons/year from the current limit of 200,000 tons/year. There will be no new equipment added to the facility and therefore no new sources of emissions as a result of this project. The emissions from the facility come from the products of combustion from natural gas burned in the salt dryer, salt particles released with water vapor during the drying process and salt particles resulting from the handling and bagging of the salt.

The table below lists the specific emissions associated with the proposed increase in annual throughput at the facility.

Pollutant	Existing Emissions		Net Increase/Decrease		New Total Emissions		Percent Change (compare tons/year)
	Lbs/day	Tons/year	Lbs/day	Tons/year	Lbs/day	Tons/year	
PM (Salt)	48.0	6.05	43.76	5.41	91.76	11.46	89.4%
PM (Natural Gas)	0.96	0.07	0	0.06	0.96	0.13	85.7%
NO <sub>x</sub>	29.36	3.67	0.4	0.05	29.76	3.72	1.4%
SO <sub>2</sub>	0.08	0.01	0.0	0.00	.08	0.01	0.0%
VOC	2.4	0.30	-.80	-0.10	1.60	0.20	-33%

The system uses state of the art (“SOTA”) technology. The gases in the dryer are split into four separate streams to increase the efficiency of the dryer. Two streams are equipped with cyclones to recirculate heated exhaust gases and to recover salt product to reintroduce it back into the dryer and two are for the control of particulate matter (PM) emissions. The two streams used to control the particulate matter emissions are each equipped with high efficiency multi-cyclones (four cyclones) which control over 99% of the sea salt PM emissions. The exhaust gases from the cyclones used to control salt particle emissions are vented outside the Process Building.

The projected air emissions estimates are based on US EPA emission factors found in EPA document AP-42 and estimates of projected fuel use, product throughput and control efficiencies for the various control devices used to control PM (salt) emissions at the facility. The Environmental Offset Plan is based on offsetting the net increase emissions or the difference in the current emissions and the projected emissions which is 5.42 tons/yr of <sup>11</sup> -

which 5.41 tons/yr are sea salt particles.

- 6.2 Describe how the above emissions change in the event of a mechanical malfunction or human error.

**Any malfunction of the equipment will generally result in the shutdown of a particular equipment which will result in a shutdown of the associated process line. Therefore, there will be no excess emissions in the event of a malfunction.**

- 6.3 Describe any pollution control measures to be utilized to control emissions to the levels cited above in 5.1.

**Most of the equipment utilized in the process will be located inside the existing 82,000 SF warehouse on site. The equipment configuration includes product recovery cyclones with heat recovery features to make the operation as efficient as possible.**

**The multi-cyclones will control the emissions of salt particles from water vapor emitted during the actual drying operation. Emissions will be approximately 0.012 grains/dscf from the two stacks associated with the salt drying operation.**

**The warehouse building will control the emissions of particulate matter from the material handling operations. It is conservatively assumed that the building will contain at least 75% of the emissions of particulate matter created by the handling processes. PM (salt) emissions from the bagging operation will be controlled by at least 99% using baghouses.**

- 6.4 Show evidence that applicant has, or will have, the ability to maintain and utilize this equipment listed in 5.3 in a consistently proper and efficient manner. (For example, provide college transcripts and/or records of training courses and summary of experience with this pollution control equipment of person(s) responsible for pollution control equipment, and/or provide copies of contracts with pollution control firms to be responsible for maintaining and utilizing this equipment.)

**The applicant has almost 6 years of experience in operating this facility and associated equipment. Operating personnel have been trained on the equipment by certified manufacturer's representatives. In the event of a malfunction, the unit is designed to automatically shut down which will cease emissions from the dryer.**

## Water Quality

6.5 Describe wastewater discharge (new, as well as any increase or decrease over current discharge levels) due to project operations:

Pollutant	Current Discharge Concentration (ppm)	New or Changed Discharge Concentration (ppm)	Current Discharge		Net Increase/Decrease		New Total Emissions	
			<i>Lbs/day</i>	<i>Tons/year</i>	<i>Lbs/day</i>	<i>Tons/year</i>	<i>Lbs/day</i>	<i>Tons/year</i>
	Not applicable							

**There is no process wastewater generated at this facility.**

6.6 Describe the current method of employee sanitary wastewater disposal and any proposed changes to that system due to this proposed project.

**There are existing employee sanitary facilities located in the warehouse; these facilities are connected to the public sanitary sewer system located on Pigeon Point Road.**

6.7 Identify the number, location, and name of receiving water outfall(s) of any and all process wastewater discharge (new or current) affected by this proposed project. Provide NPDES Permit Numbers for each discharge affected.

**Not applicable. No process wastewater will be discharged as a result of this project.**

6.8 If any effluent is discharged into a public sewer system, is there any pretreatment program? If so, describe the program.

**Not applicable. This project does not generate process wastewater and no wastewater other than sanitary wastewater will be discharged into a public sewer system.**

6.9 Stormwater:

- a. Identify the number, location, and name of receiving waters of stormwater discharges. Provide permit number for each discharge.

**All stormwater discharges will be directed through the existing Stormwater Management System to the Christina River. Magco is permitted for Stormwater under the Delaware NPDES General Permit.**

- b. Describe the sources of stormwater run-off (roofs, storage piles, parking lots, etc).

**The majority of the Magco site is covered with bituminous pavement and the warehouse's roof drains empty onto the paved surface. The site has been developed so that stormwater sheetflows across the site into bio-filtration swales located along the northeast and northwest parcel boundaries. The stormwater exits the site and follows drainage swales along the adjacent railroad tracks and eventually enters into the Lobdell Canal and Christina River.**

- c. Describe the amount of stormwater run-off increase over current levels that will result from the proposed project.

**There will be no increase in stormwater run-off since there are no increases in outdoor storage of raw materials required for this project.**

- d. Describe any pollutants likely to be in the stormwater.

**The pollutants most likely to be in the stormwater run-off would be sea salt from particle emissions associated with the salt drying and handling operations and the silt particulates associated with normal truck traffic associated with the delivery of raw materials and the load out of the finished product.**

- e. Describe any pollution control device(s) or management technique(s) to be used to reduce the amount of stormwater generated, and devices to improve the quality of the stormwater run-off prior to discharge.

This facility has a General NPDES stormwater permit for industrial operations and associated site-specific stormwater pollution prevention (SWPP) plan. Best Management Practices have been implemented for stockpiled materials.

BMP's for Stockpiled Materials

- Stockpile incoming raw materials inside the warehouse; tarp those raw materials that are stored outside.
- Divert stormwater around outside storage areas;
- Pile the raw materials stored outside to minimize surface area exposed to precipitation and re-tarp these piles at the end of each day;
- Practice good housekeeping measures such as frequent removal of debris;
- Store waste materials (packaging) in covered dumpsters;
- Control fugitive particulates on the outdoor portions of the site;
- Have a spill control kit onsite to handle any accidental spills from trucks loading/unloading materials at the site.

- f. Describe any new or improved stormwater drainage system required to safely carry off stormwater without flooding project site or neighboring areas down gradient.

**No new stormwater drainage systems are required for this project.**

- 6.10 Will this project use a new water intake device, or increase the use (flow) from an existing intake device?

YES

**NO X**

If yes, state:

- a. the volume of water to be withdrawn, and;
- b. describe what will be done to prevent entrainment and/or entrapment of aquatic life by the intake device.

- 6.11 Will this proposed project result in a thermal discharge of water, or an

increase in the flow or temperature of a current thermal discharge?

YES

NO X

If yes, state:

- a. the volume of the new flow or increase from the existing thermal discharge, both in flow and amount of heat;
- b. how warm will the water be when it is discharged into a receiving waterway, discharge canal, or ditch, and what will be the difference in discharge temperature and ambient temperature (delta T) at various seasons of the year after all cooling water mechanisms have been applied to the hot water?
- c. the equipment and/or management techniques that will be used to reduce the thermal load of the discharge water.

6.12 Will any proposed new discharge or change in existing discharge cause, or have potential to cause, or contribute to, the exceedance of applicable criteria appearing in the “State of Delaware Surface Water Quality Standards”?

YES

NO X

**This facility operates under a General NPDES stormwater discharge permit for industrial activity and will abide by the terms and conditions of the permit. The proposed project does not include any additional outdoor storage and will not result in any change to the current stormwater discharges.**

If yes, explain:

6.13 Describe any oils discharged to surface waters due to this proposed project.

**This process will not generate any oils; therefore, no oils will be discharged to surface waters**

**Vehicles loading and unloading materials to the site may on occasion contribute small amounts of motor oil to stormwater runoff. Our BMP for this site includes a Spill Prevention and Control Program and spill control kit to remove any oil spilled from delivery vehicles.**

6.14 Describe any settleable or floating solid wastes discharged to surface waters due to this project.

**None. See Section 6.9(e) (above) detailing BMP's that will be in place.** - 14 -

- 6.15 Show evidence that the applicant has, or will have, the ability to maintain and utilize any water pollution control equipment listed in questions 5.5 through 5.14 in a consistently proper and efficient manner. (For example, provide operator license numbers, college transcripts and/or training courses and summary of prior experience with this pollution control equipment of person(s) responsible for pollution control equipment, and/or provide copies of contracts with pollution control firms.)

**Since its plant began operations in 2009, Magco has efficiently established and implemented all required best management practices (BMPs) in accordance with the facility's approved stormwater plan as specified under Magco's General Stormwater Permit. These BMPs are utilized to control water quality. In accordance with the facility's General Stormwater Permit, Magco provides annual training for all employees that work in areas where industrial materials are used or stored. This annual training addresses various topics such as spill response, good housekeeping practices, material management practices, and proper monitoring and inspection procedures.**

- 6.16 Estimate the amount of water to be used for each specified purpose including cooling water. State daily and maximum water use in the unit of gallons per day for each purpose and source of water. State if water use will vary with the seasons, time of day, or other factors.

**The use of water at the current facility is limited to that required to supply the sanitary facilities onsite. No process or cooling water uses are associated with the Magco sea salt processing operation.**

- 6.17 Identify the source of water needed for the proposed project, including potable water supplies.

**United Water Delaware provides water service to the project site, including potable water.**

- 6.18 Are wells going to be used?  
YES NO **X**

If yes:

- a. Identify the aquifer to be pumped and the depth, size and pumping capacity of the wells.
- b. Has a permit been applied for to do this?

- c. How close is the proposed well(s) to any well(s) on adjacent lands?

### Solid Waste

- 6.19 Will this project result in the generation of any solid waste?

YES X

NO

If yes, describe each type and volume of any solid waste (including biowastes) generated by this project, and the means used to transport, store, and dispose of the waste(s).

**Solid waste is generated from shipping materials (such as cardboard and pallets) used to deliver various packaging materials to the site. Excess cardboard, pallets and scrap metal will be recycled offsite. Other solid wastes will be disposed of offsite at approved facilities by a commercial waste hauler. The proposed increase in throughput capacity is not expected to significantly increase the generation of solid waste or recyclable materials at this facility.**

- 6.20 Will there be any onsite recycling, re-use, or reclamation of solid wastes generated by this project?

YES

NO X

If yes, describe:

- 6.21 Will any waste material generated by this project be destroyed onsite?

YES

NO X

If yes, how will that be done?

### Hazardous Waste

- 6.22 Will this proposed project result in the generation of any hazardous waste as defined by the “Delaware Regulations Governing Hazardous Waste”?

YES

NO X

If yes, identify each hazardous waste, its amount, and how it is generated:

- 6.23 Describe the transport of any hazardous waste and list the permitted hazardous waste haulers that will be utilized.

**Not applicable.**

- 6.24 Will the proposed project cause the applicant to store, treat, and/or dispose of hazardous waste?

YES

NO X

If yes, describe:

- 6.25 Does the applicant currently generate any hazardous waste at this site?

YES

NO X

If yes, describe:

## Habitat Protection

6.26 What is the current use of the land that is to be used for the proposed project?

**Magco is currently operating its sea salt facility on the site. The proposed increase in annual throughput capacity will not result in the use of new property or land by the facility. The neighboring land uses are also zoned HI-Heavy Industrial and consist of bulk materials storage, public scale and industrial warehousing.**

6.27 Will the proposed project result in the loss of any wetland habitat?

YES  
NO X

If yes, describe:

6.28 Will any wastewater and/or stormwater be discharged into a wetland?

YES  
NO X

If yes, will the discharge water be of the same salinity as the receiving wetlands?

6.29 Will the proposed project result in the loss of any undisturbed natural habitat or public use of tidal waters?

YES  
NO X

If yes, how many acres?

6.30 Do threatened or endangered species (as defined by the DNREC and/or the Federal Endangered Species Act) exist at the site of the proposed project, or immediately adjacent to it?

YES  
NO X

If yes, list each species:

6.31 Will this proposed project have any effect on these threatened or endangered species (as defined by the DNREC and/or the Federal Endangered Species Act).

YES

NO X

If yes, explain:

- 6.32 What assurances can be made that no threatened or endangered species exist on the proposed project site?

**See Appendix 7.**

- 6.33 Describe any filling, dredging, or draining that may affect nearby wetlands or waterways.

**Not applicable. There will be no filling, dredging or draining associated with this project.**

- 6.34 If dredging is proposed, how much will occur and where will the dredged materials go for disposal?

**Not applicable. No dredging is proposed under this project.**

## Other Environmental Effects

- 6.35 Describe any noticeable effects of the proposed project site including: heat, glare, noise, vibration, radiation, electromagnetic interference, odors, and other effects.

**The proposed throughput increase will not result in any new sources of heat, glare, noise, vibration, radiation, electromagnetic interference or odors.**

- 6.36 Describe what will be done to minimize and monitor such effects.

**The majority of the processing and handling of materials are performed inside the facility's existing warehouse. There is outdoor storage of salt and loading of pallets of packaged salt products onto trucks for offsite transport may be done outside of the warehouse on the paved portion of the site. The proposal for throughput increase will not result in additional outdoor storage of salt, and the facility has been in operation for over 6 years with no complaints of nuisances from heat, glare, noise, vibration, radiation, electromagnetic interference or odors.**

- 6.37 Describe any effect this proposed project will have on public access to tidal waters.

**This project will have no effect on public access to tidal waters on any of the proposed sites.**

- 6.38 Provide a thorough scenario of the proposed project's potential to pollute should a major equipment malfunction or human error occur, including a description of backup controls, backup power, and safety provisions planned for this project to minimize any such accidents.

**Not applicable.**

- 6.39 Describe how the air, water, solid and hazardous waste streams, emissions, or discharge change in the event of a major mechanical malfunction or human error.

**Not applicable.**

PART 6B

ENVIRONMENTAL OFFSET PROPOSAL REDUCTION CLAIM

Is applicant claiming the right to have a reduced offset proposal due to past voluntary improvements as defined in the “Regulations Governing Delaware’s Coastal Zone”?

YES

NO

*If yes, provide an attachment to the application presenting sufficient tangible documentation to support your claim.*

## PART 6C

### ENVIRONMENTAL OFFSET PROPOSAL

If the applicant or the Department finds that an Environmental Offset Proposal is required, the proposed offset project shall include all the information needed to clearly establish:

- A. A qualitative and quantitative description of how the offset project will “*clearly and demonstrably*” more than offset the negative impacts from the proposed project.
- B. How and in what period of time the offset project will be carried out.
- C. What the environmental benefits will be and when they will be achieved.
- D. What scientific evidence there is concerning the efficacy of the offset project in producing its intended results.
- E. How the success or failure of the offset project will be measured in both the short and long term.
- F. What, if any, negative impacts are associated with the offset project.
- G. How the offset will impact the attainment of the Department’s environmental goals for the Coastal Zone and the environmental indicators used to assess long-term environmental quality within the Coastal Zone.

**See Appendix 8 for the Environmental Offset Plan**

## Additional Offset Proposal Information for the Applicant

1. The offset proposals must “*clearly and demonstrably*”<sup>1</sup> more than offset any new pollution from the applicant’s proposed project. The applicant can claim (with documentation) evidence of past voluntary environmental investments (as defined in the Regulations) implemented prior to the time of application. Where the Department concurs with the applicant that such has occurred, the positive environmental improvement of the offset proposal against the new negative impact can be somewhat reduced.
2. The applicant must complete the Coastal Zone Environmental Impact Offset Matrix. This matrix can be found on the CZA web page (<http://www.dnrec.delaware.gov/Admin/CZA/CZAHome.htm>), or by clicking on [this link](#). On page one, the applicant must list all environmental impacts in the column labeled “Describe Environmental Impacts.” In the column to the immediate right, the applicant should reference the page number of the application or attachment which documents each impact listed. In the “Describe Environmental Offset Proposal” column, applicant must state what action is offsetting the impact. The offset action shall be referenced by page number in the column to the right to show how the offset will work. The applicant shall not utilize the far right column. *Please ensure the matrix is complete, detailed, and as specific as possible, given the allotted space. Also, thoroughly proof-read to ensure there are no spelling or grammatical errors.* The applicant must submit a completed matrix both in hardcopy and electronic form.

Please note: the entire offset proposal, including the matrix, shall be available to the public, as well as the evidence of past voluntary environmental enhancements.

**See Appendix 8 for the Environmental Offset Plan**

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<sup>1</sup> For purposes of this requirement, the DNREC will interpret the phrase “clearly and demonstrably” to mean an offset proposal that is obviously so beneficial without detailed technical argument or debate. The positive environmental benefits must be obviously more beneficial to the environment than the new pollution that minimal technical review is required by the Department and the public to confirm such. The total project must have a positive environmental impact. The burden of proof is on the applicant.

PART 7

ECONOMIC EFFECTS

Construction

- 7.1 Estimate the total number of workers for project construction and the number to be hired in Delaware.

**Not applicable. There is no new construction associated with the proposed increase in the plant's annual throughput capacity.**

- 7.2 Estimate the weekly construction payroll.

**Not applicable. See 7.1 above.**

- 7.3 Estimate the value of construction supplies and services to be purchased in Delaware.

**Not applicable. See 7.1 above.**

- 7.4 State the expected dates of construction initiation and completion.

**Not applicable. See 7.1 above.**

- 7.5 Estimate the economic impact from the loss of natural habitat, or any adverse economic effects from degraded water or air quality from the project on individuals who are directly or indirectly dependent on that habitat or air or water quality (e.g. commercial fishermen, waterfowl guides, trappers, fishing guides, charter or head boat operators, and bait and tackle dealers).

**Not applicable. This facility has been in operation for six (6) years. During this period, there have been no exceedances of the facility's stormwater or air quality permits and no associated degradation of water for air quality.**

**The proposed increase in throughput capacity does not require any additional storage or change in the footprint of the existing Process Building. As such, there is no loss of natural habitat, or any adverse economic effects anticipated from degraded water or air quality due to this proposed project.**

## Operations

- 7.6 State the number of new employees to be hired as a direct result of this proposed project and how many of them will be existing Delaware residents and how many will be transferred in from other states.

Currently, MAGCO INCORPORATED employs 42 full time workers (approximately 95% are Delaware residents). An additional 50 workers are employed through temporary agencies located in Delaware. These workers typically work 40hrs/week for 4-5 months a year. Since the proposed throughput capacity increase will not include additional equipment or an expansion of the current facility, in order to accomplish the capacity increase the current facility will need to be operated for longer periods of time. It is anticipated that the part-time employees will be employed 40hr/week for an additional 4-5 months each year. Part-time employees are paid between \$12.00 - \$16.00/hr. This increase is essentially a 100% increase in annual wages for 50 part-time employees. It has the potential to increase the household income by approximately \$12,000 - \$14,000/yr. in 50 households in the area. Furthermore, more administrative sales and supervisory positions will be required as Magco continues to grow. Magco has accomplished growth of 24% over the past five (5) years and expects to continue their trend adding additional staff as needed.

Additionally, MAGCO INCORPORATED imports all of its solar salt through the Port of Wilmington. Increased revenue for Diamond State Port Corporation and related service industries (shipping agents, tugs, stevedoring, trucking) may be \$1.0M-\$1.25M annually. It is expected that new revenues and additional employment will result in spin-off industries and economic growth in the region.

- 7.7 If employment attributable to the proposed project will vary on a seasonal or periodic basis, explain the variation and estimate the number of employees involved.

As described in Section 7.6 above, approximately 50 part-time workers will work an additional 5 months per year, providing an additional \$12,000 - \$14,000 per year to 50 households in the adjacent area.

7.8 Estimate the percent distribution of annual wages and salaries (based on regular working hours) for employees attributable to this project:

<u>Wage/salary</u>	<u>Percent of employees</u>
<\$10,000	
\$10,000-14,999	
\$15,000-24,999	
\$25,000-34,999	- 74.3%
\$35,000-49,999	- 11.4%
\$50,000-64,999	- 5.7%
\$65,000-74,999	- 2.9%
\$75,000-99,999	- 5.75%
>\$100,000	

7.9 Estimate the annual taxes to be paid in Delaware attributable to this proposed project:

State personal income taxes:	<b>\$53,0000</b>
State corporate income taxes	<b>\$400,000</b>
County and school district taxes:	None
Municipal taxes:	<b>\$37,000</b>

PART 8

SUPPORTING FACILITIES REQUIREMENTS

Describe the number and type of new supporting facilities and services that will be required as a result of the proposed project, including, but not limited to:

a. Roads

**There is no road construction required for this project.**

b. Bridges

**There is no bridge construction required for this project.**

c. Piers and/or docks

**There is no pier and/or dock construction required for this project.**

d. Railroads

**There is no railroad construction required for this project.**

e. Microwave towers

**There is no microwave tower construction required this project.**

f. Special fire protection services not now available

**There is no special fire protection construction required for this project.**

g. Traffic signals

**There is no traffic signal construction required for this project.**

h. Sewer expansion

**There is no sewer expansion construction required for this project.**

i. Energy related facilities expansion

**There is no energy related facilities construction required for this project.**

j. Pipelines

**There is no pipeline construction required for this project.**

## PART 9

### AESTHETIC EFFECTS

- 9.1 Describe whether the proposed project will be located on a site readily visible from a public road, residential area, public park, or other public meeting place (such as schools or cultural centers).

**This property is readily visible from Pigeon Point Road. It is a triangular shaped property adjoined by railroad lines to the northwest and the northeast. The southern boundary adjoins property owned by the City of Wilmington, and Pigeon Point Road abuts the southwestern corner of the property. There are no public parks, schools or other public meeting places within this area. The nearest year-round residence to the site is approximately 0.35 miles.**

- 9.2 Is the project site location within a half mile of a place of historic or scenic value?

**This site is not within half a mile of any historic or scenic areas.**

- 9.3 Describe any planned attempt to make the proposed facility aesthetically compatible with its neighboring land uses. Include schematic plans and/or drawings of the proposed project after it is complete, including any landscaping and screening.

**The operation is located adjacent to the Port of Wilmington and its industrial neighbors. The neighboring land uses for this site are also zoned HI-Heavy Industrial. The proposed facility would be compatible with its neighboring land uses.**

PART 10

EFFECTS ON NEIGHBORING LAND USES

- 10.1 How close is the nearest year-round residence to the site of this proposed project?

**0.35 miles**

- 10.2 Will this proposed project interfere with the public's use of existing public or private recreational facilities or resources?

**No. There are no public or private recreational facilities in the area.**

- 10.3 Will the proposed project utilize or interfere with agricultural areas?

**No. There are no agricultural areas near this site.**

- 10.4 Is there any possibility that the proposed project could interfere with a nearby existing business, commercial or manufacturing use?

**No.**

**END OF APPLICATION**

**APPENDICES TO FOLLOW**

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APPLICATION.DOCX*

# MAGCO, Incorporated

## Coastal Zone Act Permit Application (December 2015)

### Appendices Listing:

- Appendix 1 -** Agent Authorization
- Appendix 2 -** General Maps
- Site Location Map
  - Aerial Location Map
  - Topographic Map
- Appendix 3 -** Zoning Information
- Appendix 4 -** Material Safety Data Sheets (MSDS)
- Appendix 5 -** Process Flow Diagram
- Appendix 6 -** Site Plan
- Appendix 7 -** DNREC Natural Heritage and Endangered Species Program Letter
- Appendix 8 -** Environmental Offset Plan
- **Exhibit A** - Detailed Emissions Calculations
  - **Exhibit B** - Coastal Zone Environmental Impact Offset Matrix
  - **Exhibit C** - Chemical Hazard Profiles