



STATE OF
DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL

OFFICE OF THE
SECRETARY

89 KINCE HIGHWAY
DOVER, DELAWARE 19901

PHONE: (302) 739-4403
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**NOTICE OF ADMINISTRATIVE PENALTY ASSESSMENT
AND SECRETARY'S ORDER**

Pursuant to 7 Del. C. §6005(b)(3)

Order No. 2004-A-0015

*PERSONALLY SERVED BY ENVIRONMENTAL
PROTECTION OFFICER*

Issued to:

Coastal Coatings, Inc.
Attn: Michael Neal, President
639 South Marshall Street
Milford, Delaware 19963

Registered Agent:

Coastal Coatings, Inc.
538 Highway One
Lewes, Delaware 19958

Dear Mr. Neal:

This is to notify Coastal Coatings, Inc. ("Respondent"), that the Secretary of the Department of Natural Resources and Environmental Control ("Department") has found Respondent in violation of 7 Del. C. Chapter 60, and accordingly, the Department is issuing a Notice of Administrative Penalty Assessment, ("Assessment and Order"), pursuant to 7 Del. C. §6005(b)(3).

BACKGROUND

Respondent owns and operates a wood coating facility located at 639 South Marshall Street in Milford, Delaware. The facility stains and/or paints exterior wood panels manufactured at the Lewes, Delaware facility. The wood coating operation was moved from Lewes to Milford following a fire at the Lewes facility.

Delaware's Good Nature depends on you!

Coastal Coatings, Inc.
Administrative Penalty Order
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FINDINGS OF FACT

On February 14, 2003, Permit: APC-2003/0732-CONSTRUCTION was issued to Respondent for the construction of a GBI Model 2110 flow coating machine at the new location in Milford. On November 13, 2003, the Department contacted Respondent to schedule a construction-to-operation inspection for the Permit: APC-2003/0732-CONSTRUCTION which had expired on November 3, 2003.

During the discussion, Respondent informed the Department that the wood coating process began operation in April 2003. In addition, Respondent informed the Department that it was not using the GBI Model 2110 flow coating machine which was previously permitted. Instead, Respondent moved a GBI Model 8000 from the Lewes facility to the Milford facility and initiated construction and operation of that model without amending the construction permit for the GBI Model 2110 flow coating machine and without obtaining an operating permit from the Department.

STATUTORY, REGULATORY AND PERMIT REQUIREMENTS

1. 7 Del. C. § 6003 (b)(1) states:

“No person shall, without first having obtained a permit from the Secretary, construct, install, replace, modify or use any equipment or device or other article which may cause or contribute to the discharge of an air contaminant.”

2. Regulation 2, Section 2.1 of the State of Delaware’s “Regulations Governing the Control of Air Pollution” states:

“...no person shall initiate construction, install, alter or initiate operation of any equipment of facility or air contaminant control device which will emit or prevent the emission of an air contaminant prior to receiving approval of his application from the Department...”

3. Permit: APC-2003/0732-CONSTRUCTION, Condition 1.1 states:

“The project shall be constructed in accordance with the application described above. If any changes are necessary, revised plans must be submitted and a supplemental approval issued prior to actual construction.”

4. Permit: APC-2003/0732-CONSTRUCTION, Condition 1.2 states:

“...this permit does not authorize the on-line operation of this equipment. When construction or installation is completed, the Division of Air and Waste