

**Environmental
Protection Agency**

**Governor
Lt. Governor
Director**

August 25, 2011

RE: TRUMBULL COUNTY
WARREN STEEL HOLDINGS, LLC
NPDES PERMIT NO. OH0011207
OHIO EPA PERMIT NO. 3ID00050
COMPLIANCE EVALUATION INSPECTION

NOTICE OF VIOLATION

Mr. Mordechai Korf, CEO
Warren Steel Holdings, LLC
200 S. Biscayne Blvd.
Suite 3660
Miami, FL 33131

Dear Mr. Korf:

An inspection of the above referenced facility was conducted by Mr. Tim Fulks and the undersigned on August 9, 2011. Mr. Chris Green, Mr. Terry Krebs, and Mr. Mark Trapp represented Warren Steel Holdings, LLC. The purpose of the inspection was to evaluate the facility's compliance status with respect to the terms and conditions of its National Pollutant Discharge Elimination System (NPDES) permit.

Production at the facility has been up since March 2011, with no expected decrease in the immediate future. The facility is currently producing and selling as much steel as can be generated by the current workforce, approximately 15 tons a month. Mr. Trapp and Mr. Green explained that selling 30 tons of steel a month would be possible if the workforce was larger. Currently, there are approximately 130-150 employees working, with three crews working 8-hour shifts five days a week. There are no major changes planned for the current production process in the near future.

At the time of the inspection, the following observations and/or deficiencies were noted:

1. The overall operation of the wastewater treatment system appeared to be satisfactory. Visual observations of Outfall 005 did not indicate any evidence of floating oil or excessive suspended solids being discharged to the Mahoning River.
2. Please provide to this office any information available on the sanitary settling tank that discharges into the trickling filter. Specifically, this office is looking for pumping receipts, drawings, specifications, a Permit to Install (PTI), etc.
3. The spray arm for the trickling filter was not rotating as originally intended, presumably because the current flow to the sanitary treatment system is well below the original design flow. As a result of the spray arm remaining motionless, the same section of media in the trickling filter is being continually dosed. The spray arm must be mechanized to ensure even dosing of the filter media.

Industrial & Warren Steel Holdings, LLC

It was also noted that flow was only discharging from 1-2 holes in the spray arm. Water should be discharged from multiple holes in the spray arm to ensure the media is evenly dosed.

4. To ensure easy and safe access to the various components of the sanitary treatment system, please keep the area surrounding the treatment plant mowed and maintained.
5. Please provide documentation explaining the usage of the black, flexible pipes and the vertical clay pipe observed in the settling tank.
6. Please ensure that the DMRs are printed and signed in accordance with the permit requirements.

A review of the facility's discharge monitoring reports received by Ohio EPA for the period, April 2010 – July, 2011, indicate violations of the terms and conditions of the NPDES permit. The specific instances of noncompliance are as follows:

Effluent Violations

Reporting Period	Station	Reporting Code	Parameter	Limit Type	Limit	Reported Value	Violation Date
July 2010	005	01113	Cadmium, Total Recover	30D Qty	0.005	.00565	7/1/2010
November 2010	601	31616	Fecal Coliform	30D Conc	1000	1090	11/1/2010
December 2010	005	61941	pH, Maximum	1D Conc	9.0	9.46	12/3/2010
December 2010	005	61941	pH, Maximum	1D Conc	9.0	9.38	12/10/2010
February 2011	005	01094	Zinc, Total Recoverabl	30D Qty	0.16	.3673	2/1/2011
February 2011	005	01114	Lead, Total Recoverabl	30D Conc	16.5	19.85	2/1/2011
February 2011	005	01114	Lead, Total Recoverabl	30D Qty	0.04	.05443	2/1/2011
February 2011	005	01119	Copper, Total Recovers	30D Conc	35	42.575	2/1/2011
February 2011	005	01119	Copper, Total Recovers	30D Qty	0.09	.13365	2/1/2011
February 2011	005	01094	Zinc, Total Recoverabl	1D Conc	90	219	2/4/2011
February 2011	005	01119	Copper, Total Recovers	1D Conc	43.7	50.7	2/4/2011
February 2011	005	01094	Zinc, Total Recoverabl	1D Conc	90	159	2/11/2011
February 2011	005	01094	Zinc, Total Recoverabl	1D Qty	0.48	.88076	2/11/2011
February 2011	005	01119	Copper, Total Recovers	1D Conc	43.7	50.3	2/11/2011
February 2011	005	01119	Copper, Total Recovers	1D Qty	0.11	.27863	2/11/2011
February 2011	005	01094	Zinc, Total Recoverabl	1D Conc	90	103	2/18/2011
February 2011	005	01119	Copper, Total Recovers	1D Qty	0.11	.14341	2/18/2011
February 2011	005	01119	Copper, Total Recovers	1D Qty	0.11	.11257	2/25/2011
March 2011	005	01094	Zinc, Total Recoverabl	30D Qty	0.16	.36707	3/1/2011
March 2011	005	01114	Lead, Total Recoverabl	30D Qty	0.04	.06802	3/1/2011
March 2011	005	01119	Copper, Total Recovers	30D Qty	0.09	.11209	3/1/2011
March 2011	005	01119	Copper, Total Recovers	1D Qty	0.11	.11209	3/4/2011
April 2011	005	00530	Total Suspended Solids	30D Conc	16	23.1	4/1/2011

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Reporting Period	Station	Reporting Code	Parameter	Limit Type	Limit	Reported Value	Violation Date
April 2011	005	00530	Total Suspended Solids	30D Qty	85.5	98.0918	4/1/2011
April 2011	005	01094	Zinc, Total Recoverabl	30D Qty	0.16	.37306	4/1/2011
April 2011	005	01114	Lead, Total Recoverabl	30D Conc	16.5	24.7	4/1/2011
April 2011	005	01114	Lead, Total Recoverabl	30D Qty	0.04	.11018	4/1/2011
April 2011	005	01119	Copper, Total Recovers	30D Conc	35	35.2	4/1/2011
April 2011	005	01119	Copper, Total Recovers	30D Qty	0.09	.17475	4/1/2011
April 2011	005	61941	pH, Maximum	1D Conc	9.0	9.5	4/1/2011
April 2011	005	01094	Zinc, Total Recoverabl	1D Conc	90	105.	4/8/2011
April 2011	005	01094	Zinc, Total Recoverabl	1D Qty	0.48	.52126	4/8/2011
April 2011	005	01119	Copper, Total Recovers	1D Qty	0.11	.17475	4/8/2011
May 2011	005	00530	Total Suspended Solids	30D Conc	16	17.375	5/1/2011
May 2011	005	01094	Zinc, Total Recoverabl	30D Qty	0.16	.29332	5/1/2011
June 2011	005	00550	Oil and Grease, Total	30D Conc	4	6.	6/1/2011
June 2011	005	00550	Oil and Grease, Total	30D Qty	21.4	25.0900	6/1/2011
June 2011	005	00530	Total Suspended Solids	30D Conc	16	29.1666	6/1/2011
June 2011	005	00530	Total Suspended Solids	30D Qty	85.5	99.6822	6/1/2011
June 2011	005	01094	Zinc, Total Recoverabl	30D Qty	0.16	.17218	6/1/2011
July 2011	005	00530	Total Suspended Solids	30D Conc	16	35.1666	7/1/2011
July 2011	005	00530	Total Suspended Solids	30D Qty	85.5	114.661	7/1/2011
July 2011	005	01094	Zinc, Total Recoverabl	30D Qty	0.16	.25215	7/1/2011
July 2011	005	01114	Lead, Total Recoverabl	30D Qty	0.04	.05453	7/1/2011
July 2011	005	01094	Zinc, Total Recoverabl	1D Conc	90	134.	7/14/2011
July 2011	005	01119	Copper, Total Recovers	1D Qty	0.11	.13469	7/14/2011

Monitoring/Reporting Violations

Reporting Period	Station	Reporting Code	Parameter	Sample Frequency	Expected	Reported	Violation Date
July 2011	005	00530	Total Suspended Solids	1/Week	1	0	07/22/2011
July 2011	005	61941	pH, Maximum	1/Week	1	0	07/22/2011
July 2011	005	61942	pH, Minimum	1/Week	1	0	07/22/2011

Due to the frequent and excessive violations of the monitoring limits for Zinc, Lead, Copper, and Total Suspended Solids (TSS), Warren Steel Holdings, LLC is considered to be in **Significant Non-Compliance** (SNC) with the terms and conditions of its NPDES permit.

Ohio EPA understands that there has been a recent change in personnel in the environmental division of Warren Steel Holdings, LLC. During our meeting, Mr. Trapp and Mr. Green explained that environmental department representatives are actively working on having the current treatment system evaluated to determine where improvements can be made to ensure permit limits are met. Specifically, Warren Steel Holdings, LLC has:

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- Retained the services of a consulting engineer to evaluate the treatment system and make recommendations for upgrades and/or repairs;
- Performed in-house evaluations of the treatment system to identify necessary repairs and/or upgrades;
- Completed a number of equipment repairs/replacements to ensure the existing system is functioning as intended;
- Identified a number of proposed upgrades to be implemented as soon as pricing quotes are obtained. You provided documentation verifying that Warren Steel Holdings, LLC is currently seeking these repair/replacement quotes.

Please note that should any of the proposed improvements to the wastewater treatment system result in a fundamental change in the treatment technology that's utilized at the facility, Warren Steel Holdings, LLC will have to obtain a Permit to Install (PTI) from Ohio EPA for the proposed changes. Changes or replacements in kind do not require PTIs.

Warren Steel Holdings, LLC continues to demonstrate progress in updating the existing treatment system in order to achieve compliance with its NPDES permit. The facility's NPDES permit will be renewed with a compliance schedule that will outline a number of compliance milestones that Warren Steel Holdings, LLC **must** meet, with the end goal being the achievement of total compliance.

Per Ohio EPA's understanding, Warren Steel Holdings, LLC is currently interviewing candidates for the position of sanitary wastewater plant operator. Please be advised that upon renewal of the facility's NPDES permit, a licensed, class "A" operator will be required to oversee the operation and maintenance of the sanitary wastewater treatment plant. The new permit will contain language requiring the permittee to designate an operator on an Operator of Record Notification (ORC) form.

Once Warren Steel Holdings, LLC has selected an appropriate candidate, please complete and submit the enclosed ORC form immediately. Please note that a class "A" treatment plant will require a minimum of two visits a week by the operator for a total of one hour. Operator site visits should be recorded in a bound and numbered log book that is kept on the premises at all times. Bound and numbered log books should include the date, arrival and departure times, description of work performed, and signature of the operator.

Once the new NPDES permit is issued, Ohio EPA advises that the permittee read through it carefully because there will be a number of changes made to it. One such change is that the new permit will be phasing out fecal coliform monitoring limits, and replacing them with Escherichia coli (E. coli) monitoring limits. The permittee will be given a one year conversion period to transition from meeting fecal coliform limits to meeting E. coli limits. Monitoring requirements for E. coli, and all other new parameters, will be described in the new permit.

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During our meeting, Ohio EPA requested that Warren Steel Holdings, LLC provide a copy of the facility's current Storm Water Pollution Prevention Plan (SWP3). The SWP3 was not available for review at the time of the meeting, so Ohio EPA required that a copy be provided at a later date. Upon receipt of this letter, please fax, or mail a copy of the SWP3 to this office. Any deficiencies noted in the SWP3 will be addressed in future correspondence.

Please inform this office, in writing, within 14 days' receipt of this correspondence, as to the actions that have been taken, or are proposed, to address all of the deficiencies referenced above. Your response shall include specific dates for initiation and completion of this action plan. This office expects that the above-mentioned items will be addressed immediately by Warren Steel Holdings, LLC.

Please be advised that failure to comply with the terms and conditions of your NPDES permit may be subject to legal enforcement actions pursuant to Chapter 6111 of the Ohio Revised Code. Such actions can result in fines of up to \$10,000 per day of violation. Additionally, present or past instances of noncompliance can continue as subjects of pending or future enforcement actions.

Should you have any questions or comments regarding this letter, please contact this office at (330) 963-1120.

Respectfully,



Tomás Parry
Environmental Engineer
Division of Surface Water

TP/mt

enclosures: photographs
ORC Form

cc Tim Fulks, OHIO EPA, CDO, DSW
Mark Trapp, Warren Steel Holdings, LLC
Chris Green, Warren Steel Holdings, LLC
Brian Greenwald, P.E., Horizon Environmental

