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10 BEFORE THE HEARING BOARD OF THE
11 SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

13 **In the Matter of**

14 SOUTH COAST AIR QUALITY
15 MANAGEMENT DISTRICT,

16 Petitioner,

17 vs.

18 FLEXFIRM HOLDINGS LLC,

19 [Facility ID No. 187620]

20 Respondent.

CASE NO. 6239-1

**[PROPOSED] FINDINGS AND
DECISION FOR AN ORDER FOR
ABATEMENT**

Health and Safety Code § 41700 and District
Rules 402, 1128, and 1147

Date: ~~July 25, 2023~~ May 28, 2024

Time: 9:~~30~~ a.m.

Place: Hearing Board
South Coast Air Quality
Management District
21865 Copley Drive
Diamond Bar, CA 91765

23 **FINDINGS AND DECISION OF THE HEARING BOARD**

24 This petition for ~~an~~ a modification and extension of an Order for Abatement was heard on
25 July 25, 2023 May 28, 2024, pursuant to notice and in accordance with the provisions of California
26 Health and Safety Code Section 40823 and District Rule 812. The following members of the Hearing
27 Board were present: Cynthia Verdugo-Peralta, Chair; Robert Pearman, Vice-Chair; Dr. Jerry P.
28 Abraham; Micah Ali ~~Maria Slaughter~~; and Mohan Balagopalan. Petitioner, Executive Officer, was

1 represented by ~~Mary J. Reichert~~Sheri Hanizavareh, Principal Deputy District Counsel, and Josephine
2 Lee, Senior Deputy District Counsel. Respondent, Flexfirm Holdings LLC (hereinafter referred to
3 as “Respondent” or “Flexfirm”), was represented by Anthony Andres. The public was given the
4 opportunity to testify. The matter was submitted and evidence received. The Hearing Board finds
5 and decides as follows:

6 FINDINGS OF FACT

7 1. Petitioner is a body corporate and politic established and existing pursuant to Health
8 and Safety Code §40000, *et seq.* and §40400, *et seq.*, and is the sole and exclusive local agency with
9 the responsibility for comprehensive air pollution control in the South Coast Basin.

10 2. Respondent Flexfirm Holdings LLC operates a Facility subject to the jurisdiction of
11 the District. Flexfirm is a textile coating facility located at 2300 N. Chico Ave, South El Monte, CA
12 91733. Its Facility ID Number is 187620.

13 3. The District has received ~~over~~nearly two-six hundred odor complaints from January
14 2023 through the present, from the ~~community surrounding area living~~ near Flexfirm alleging the
15 Facility as the source of the odor. The District has traced the odors back to Flexfirm on numerous
16 occasions. The District alleges that Respondent is in violation and has been in violation of District
17 Rule 402 since at least May 22, 2023. The District has issued ~~six~~thirteen Notice of Violations
18 alleging a violation of District Rule 402 and Health and Safety Code section 41700 between May 22,
19 2023, and ~~June 6, 2023~~May 10, 2024.

20 4. Flexfirm owns and operates an ~~Oven, Drying Coating~~Coating/Curing Oven with
21 Afterburner under Permit to Operate G52678 (“~~Equipment~~VOC Oven” and “Afterburner”). Flexfirm
22 also owns and operates a Coating/Curing Oven under Permit to Operate G75719 (“Non-VOC
23 Oven”).

24 5. The VOC Oven and Afterburner and the Non-VOC Oven are subject to District Rule
25 1128.

26 4.6. Flexfirm conducted a source test of the Afterburner in November 2023. The results of
27 the source test demonstrated a VOC destruction efficiency of 74.5%, which did not meet the Rule
28 1128 requirement of a VOC destruction efficiency of at least 95%. ~~and has not conducted a source~~

1 test on this Equipment since it applied for a change of operator in June 2018. The last provided record
2 of a source test conducted for the Equipment at Flexfirm was in 1996.

3 7. District Rule 1128 also prohibits the use and or application of any plastisols to any
4 paper, fabric, or film substrate unless the coating contains less than 20 grams of VOC per liter of
5 coating, less water, and less exempt compounds, as applied.

6 8. Additionally, under Condition 3 for Permits to Operate G52678 and G75719, the total
7 quantity of coatings and solvents used at each of the VOC Oven and Non-VOC Oven must not exceed
8 a maximum throughput of 68 gallons in any one day, unless otherwise stated.

9 9. Based on the failed source test for the Afterburner and application of plastisols that
10 are greater than 20 grams of VOC per liter of coating, less water, and less exempt compounds, as
11 applied, Flexfirm is operating in violation of Rule 1128.

12 10. The afternoon of the last District business day before the July 25, 2034 Order for
13 Abatement hearing before the Hearing Board, Flexfirm asserted that the Equipment was exempt from
14 1147. Since then, Flexfirm and District staff ~~are currently examining~~have examined the configuration
15 and processes of the ~~Equipment-Afterburner~~ to determine if it is exempt from 1147 and/or subject to
16 any other District rules that restrict the emissions of Nitrous Oxides (NOx).

17 11. The Afterburner is not exempt from Rule 1147.

18 12. The Afterburner is not subject to exemption under Rule 1147(m)(3)(D) because the
19 equipment does not have an integrated thermal fluid heat exchanger that captures heat from the
20 Afterburner. The Facility uses an air-to-air heat exchanger to capture heat from the Afterburner.

21 13. The Afterburner is not subject to exemption under Rule 1147(m)(3)(E) because the
22 VOC effluent is not being mixed in the unit's burner with combustion or air or fuel prior to or at
23 incineration in the burner. There is a separate natural gas fuel line which enters through the burner.
24 The VOC effluent is not being mixed in the unit's burner with the natural gas fuel line. The VOC
25 effluent is in a gas stream moving past the burner flame to be combusted.

26 14. The Afterburner is not subject to exemption under Rule 1147(g). Flexfirm has
27 installed a non-resettable totalizing time meter on the Afterburner. To demonstrate less than one
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1 pound of NOx per day averaged over a calendar month under Rule 1147(g)(1)(A), Flexfirm must
2 limit operation of the Afterburner no more than 81 hours per month.

3 15. Flexfirm has not installed and maintained a non-resettable totalizing fuel meter on the
4 Afterburner and cannot demonstrate less than one pound of NOx per day averaged over a calendar
5 month under Rule 1147(g)(1)(B).

6 16. Flexfirm has not conducted a source test to demonstrate the Afterburner is operating
7 in compliance with the NOx and Carbon Monoxide (“CO”) emissions limits under Rule 1147.

8 5-17. Flexfirm is operating the Afterburner in violation of Rule 1147.

9 6. The Equipment is also subject to District Rule 1128. Respondent has not conducted a
10 source test on the Equipment to demonstrate compliance with the VOC limits in Rule 1128.

11 CONCLUSION

12 1. The continued operation of the Equipment-Afterburner will result in violations of
13 District Rules 203 ~~and 1128~~, and ~~may result in violations of~~ Rule 1147 and odor nuisances in
14 violation of District Rule 402 and Health and Safety Code Ssection 41700.

15 2. The issuance of the prayed for ~~Stipulated~~ Order for Abatement is not expected to
16 result in the closing or elimination of an otherwise lawful endeavor, but if it does result in such
17 closure or elimination, it would not be without a corresponding benefit in reducing air contaminants.

18 3. This ~~Stipulated~~ Order for Abatement is not intended to be nor does it act as a
19 variance.

20 4. The issuance of this ~~Stipulated~~ Order for Abatement upon a fully noticed hearing
21 will not constitute a taking of property without due process of law.

22 5. There is good cause to issue this ~~Stipulated~~ Order for Abatement to assure that
23 operation of the Equipment is done in a manner that will minimize and mitigate excess emissions
24 and bring the Facility into compliance as expeditiously as practicable.

25 ORDER

26 THEREFORE, subject to the aforesaid statements and good cause appearing, the Hearing
27 Board hereby orders Respondent to immediately cease and desist from violating District Rules s 203,
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1 1128, ~~and~~ 1147, and California Health and Safety Code Section 41700, or in the alternative comply
2 with the following conditions and increments of progress:

3 1. Respondent shall submit a source test protocol to the District for VOC testing to
4 demonstrate compliance with Rule 1128 no later than July 31, 2023. Respondent shall request and
5 pay for expedited processing.

6 2. Respondent shall schedule the VOC source testing to occur as soon as possible after
7 receipt of the approved source testing protocol, but no later than October 16, 2023. Respondent shall
8 request and pay for expedited processing of the source testing results. Respondent shall provide
9 notice to the District (amartinez2@aqmd.gov and astewart@aqmd.gov) no later than 10 days prior
10 to the date of the scheduled source test.

11 3. Respondent shall submit the source testing results to the District source testing
12 division no later than 72 hours after receipt, with a copy to amartinez2@aqmd.gov,
13 astewart@aqmd.gov, and mreichert@aqmd.gov.

14 4. If the source testing results do not demonstrate compliance with Rule 1128,
15 Respondent shall, within 30 days of receipt of the source testing results, submit a plan to the District
16 to bring the equipment into compliance with Rule 1128.

17 5. Respondent shall by August 31, 2023, submit application(s) to modify its permit(s)
18 and/or for new permits to accurately represent the equipment located at its facility, the equipment
19 configuration, and the applicable rules and emissions limitations. Respondent shall request and pay
20 for expedited processing. The applications shall include the Safety Data Sheets (SDS) for all
21 coatings and solvents used at the Facility and maintenance records for all of the equipment at the
22 Facility for the previous three years.

23 6. Respondent shall schedule VOC source testing to demonstrate compliance of the
24 Afterburner for Rule 1128, to be completed no later than June 28, 2024.

25 7. Respondent shall repair any leaks and ducting of their Afterburner prior to
26 conducting the VOC source test.

27 8. Respondent shall submit the source testing results to the South Coast AQMD Source
28 Testing Division no later than 72 hours after receipt, with a copy to astewart@aqmd.gov,

1 amartinez2@aqmd.gov, jlee4@aqmd.gov, and shanizavareh@aqmd.gov. Respondent shall request
2 and pay for expedited processing.

3 9. In lieu of complying with Condition Nos. 6, 7 and 8, Respondent shall submit permit
4 application(s) to the South Coast AQMD to construct a new or modified control equipment and the
5 equipment which it vents to in order to comply with Rule 1128 by July 31, 2024. Respondent shall
6 request and pay for expedited processing.

7 10. Respondent shall test the VOC content of all applied coatings to paper, fabric, or film
8 substrate used at the facility no later than July 31, 2024 pursuant to the test methods set forth in Rule
9 1128(f)(1).

10 11. Respondent shall submit the VOC content results, specifying which oven line each
11 coating was processed in, to the South Coast AQMD (astewart@aqmd.gov, amartinez2@aqmd.gov,
12 jlee4@aqmd.gov, and shanizavareh@aqmd.gov) no later than 72 hours after receipt of results.

13 12. Respondent shall not use or apply any plastisol to any paper, fabric or film substrate
14 unless the coating contains less than 20 grams of VOC per liter of coating, less water, and less
15 exempt compounds, as applied.

16 13. Respondent shall limit the throughput of coatings and solvents used in the equipment
17 permitted under P/O G52678 to no more the 68 gallons in any one day. The Respondent shall also
18 limit the daily throughput of Neoprene coating to no more than 23 gallons in any one day.
19 Respondent shall maintain daily records and provide these to amartinez2@aqmd.gov for each month
20 no later than the 3rd day of the following month, starting June 3, 2024.

21 14. To demonstrate compliance with Rule 1147, Respondent shall comply with the
22 following:

23 a. Submit a source test protocol to the South Coast AQMD for NOx and CO testing to
24 demonstrate compliance of the Afterburner with Table 2 limits in Rule 1147, no later
25 than July 1, 2024. Respondent shall request and pay for expedited processing.

26 b. Conduct source test of the Afterburner no later than 30 days after receiving approval
27 of the source test protocol.

1 c. Submit the source testing results to the South Coast AQMD Source Testing Division
2 no later than 72 hours after receipt, with a copy to astewart@aqmd.gov,
3 amartinez2@aqmd.gov, jlee4@aqmd.gov, and shanizavareh@aqmd.gov.
4 Respondent shall request and pay for expedited processing.

5 15. If the source test results do not demonstrate compliance with Rule 1147 (20 ppmv
6 NOx and 1000 ppmv CO limits) for the Afterburner, Respondent shall reduce operation of the
7 Afterburner to no more than 81 hours/month or limit the natural gas throughput to less than 230,550
8 scf/month. Respondent shall also submit applicable permit application(s) to demonstrate or
9 incorporate conditions for compliance with Rule 1147 within 14 days after the source test report has
10 been approved or accepted.

11 16. Respondent shall maintain gas usage records including totalizing gas meter readings
12 or time meter readings, to comply with the Rule 1147 one pound per day exemption for both curing
13 ovens and the afterburner (if non-compliant with Rule 1147 emissions limits) and provide these to
14 amartinez2@aqmd.gov each month, no later than the 3rd day of the following month, starting June
15 3, 2024.

16 17. Within fourteen days of this Order, Respondent shall submit one change of condition
17 or modification permit application to modify Permit No. G75719 to accurately represent the
18 equipment located at its facility, the equipment configuration, and the applicable rules and emission
19 limitations. Respondent shall request and pay for expedited processing.

20 18. Within fourteen days of this Order, Respondent shall submit one change of condition
21 permit application to modify Permit No. G52678 to accurately represent the equipment located at
22 its facility, the equipment configuration, and the applicable rules and emission limitations.
23 Respondent shall request and pay for expedited processing.

24 19. Within fourteen days of this Order, Respondent shall submit one administrative
25 change application to Permit No. G52678, to split the afterburner on a separate permit. Respondent
26 shall request and pay for expedited processing.

27 20. If the Respondent installs and operates a new control device to comply with Rules
28 1128 or 1147, it shall complete construction of the equipment within 6 months after permit issuance.

1 21. Parties shall appear before the Hearing Board for a status/modification hearing in
2 September 2024.

3 ~~11.22.~~ The Hearing Board may modify this Order for Abatement without the stipulation of
4 the parties upon a showing of good cause therefore, and upon making the findings required by Health
5 and Safety Code Section 42451(a) and District Rule 806(a). Any modification of the Order shall be
6 made only at a public hearing held upon 10 days published notice and appropriate written notice to
7 Respondent.

8 ~~12.23.~~ Unless terminated earlier, the Hearing Board shall retain jurisdiction over this matter
9 until ~~May 31, 2023~~December 13, 2024, at which time this Order for Abatement, if it has not been
10 properly extended, shall expire.

11 ~~13.24.~~ This Order for Abatement does not act as a variance, and Respondent is subject to
12 all rules and regulation of the District, and with all applicable provisions of California law. Nothing
13 herein shall be deemed or construed to limit the authority of the District to issue Notices of Violation,
14 or to seek civil penalties, criminal penalties, or injunctive relief, or to seek further orders for
15 abatement, or other administrative or legal relief.

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17 **FOR THE BOARD:** _____

18 **DATED:** _____

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20 ~~Reviewed by Anthony Endres, Consultant for Respondent~~

21 Prepared by ~~Mary J. Reichert~~Josephine Lee and Sheri Hanizavareh, Attorneys for Petitioner

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