STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
Southwest Region Office
PO Box 47775, Olympia, WA 98504-7775 • 360-407-6300

June 16, 2023

Anthony Encinias
Pacific Steel Group Tacoma
401 Alexander Avenue East
Tacoma, WA 98421

Re: NPDES Permit Number WAR309612

Dear Anthony Encinias:

Enclosed is the report from the Department of Ecology's recent National Pollutant Discharge Elimination System (NPDES) Industrial Stormwater General Permit (ISGP) compliance inspection conducted at your facility on May 08, 2023. Thank you for the time, Ron Ackles and Eric Garth spent with me.

Please contact me at honor.carpenter@ecy.wa.gov or (360) 485 2701 if you have questions, comments, needs, or concerns.

Sincerely,

Honor Carpenter
Industrial Stormwater Facility Manager
Southwest Regional Office
Water Quality Program

Enclosure: Industrial Stormwater Inspection Report

cc: Melinda Wilson, Department of Ecology
Ron Ackles, Pacific Steel Group
Eric Garth, Pacific Steel Group

United States Environmental Protection Agency
Washington D.C. 20460

Water Compliance Inspection Report

Section A: National Data System Coding (i.e., PCS)

Transaction Code		NPDES	yr/mo/dy	Inspection Type	Inspector	Facility Type
1 N	5	W A R 3 0 9 6 1 2	2 0 2 3 0 5 0 8	0 C	S	2

Remarks

21

Inspection Work Days	Facility Self-Monitoring Evaluation Rating	B1	QA	Reserved		
67 ___ 69	70 _	71 _	72 _	73 __	74	75 ________

Section B: Facility Data

Name and Location of Facility Inspected	Entry Time/Date	Permit Effective Date
Pacific Steel Group Tacoma 401 Alexander Avenue East Tacoma, WA 98421	12:10 hours 5/08/2023	January 1, 2020
	Exit Time/Date 14:20 hours 5/08/2023	Permit Expiration Date December 21, 2024

Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number	Other Facility Data
Ron Ackles, Site Contact Phone: 253.709.1088 Email: r.ackles@pacificsteelgroup.com	• Facility occupies 2.25 acres • North American Industrial Classification System (NAICS): 332312, Fabricated Structural Metal Manufacturing • Washington Tracking Network (WTN) Environmental Health Disparities (EHD) rank- 10 • To learn more about the WTN EHD, visit: Information by Location | Washington Tracking Network (WTN)
Name, Address of Responsible Official/Title/Phone and Fax Number Steve Heinen/ Anthony Encinias, Permittee 4805 Murphy Canyon Rd San Diego, CA 92123 Phone: 858.732.5318 Email: a.encinias@pacificsteelgroup.com Contacted? ☒ Yes ☐ No	

Section C: Areas Evaluated During Inspection *(Check only those areas evaluated)*

☒ Permit	☒ Self-Monitoring Program	☐ Pretreatment	☐ MS4
☒ Records/Reports	☐ Compliance Schedules	☒ Pollution Prevention	
☒ Facility Site Review	☐ Laboratory	☒ Stormwater	
☐ Effluent/Receiving Waters	☒ Operations & Maintenance	☐ Combined Sewer Overflow	
☐ Flow Measurement	☐ Sludge Handling/Disposal	☐ Sanitary Sewer Overflow	

Section D: Summary of Findings/Comments

(Attach additional sheets of narrative and checklists, including Single Event Violation codes, as necessary)

WAR309612 is a National Pollutant Discharge Elimination System (NPDES) Industrial Stormwater General Permit (ISGP) that authorizes Pacific Steel Group Tacoma (PSG) to discharge stormwater associated with industrial activity and conditionally approved non-stormwater to a surface waterbody of the State of Washington (State) or to a storm sewer system that drains to a surface waterbody of the State.

The purpose of this compliance inspection was to discuss ongoing failures to report in accordance with (ISGP) S9.B and to assess compliance with the ISGP.

PSG fabricates steel rebar products at a shared facility and yard located at 401 Alexander Avenue East in the Port of Tacoma. PSG's ISGP authorization became effective on November 10, 2020. PSG submitted their first three Discharge Monitoring Reports (DMRs) in 2021, then failed to submit DMRs until May 5, 2023, when they submitted six delinquent DMRs. Of the six DMRs submitted, 4 DMRs contained at least four benchmark exceedances per DMR. Before submittal of the delinquent DMRs, the facility triggered Level 3 Corrective Action (CA) for Total Zinc (Zn), Total Copper (Cu), Turbidity and Total Lead (Pb) in 2021. Following submittal of the delinquent DMRs, the facility triggered Level 3 CAs for the same four parameters for 2022, in addition to 2021.

Upon arrival at PSG, I exchanged introductions with Ron Ackles, mechanic and site contact, and Eric Garth, fabrication manager. We went into a conference room in building 407, where I conducted a brief opening conference during which we discussed the inspection process and concerns associated with unresolved benchmark exceedances and failures to

report in accordance with the ISGP (S9.B). I asked to see the facility's SWPPP, the most recent SWPPP certification form, the last six monthly inspection reports and monitoring records, which comprise a subset of the documents that S9.D requires permittees to retain onsite and provided for regulatory review upon request. Ron Ackles provided the documents I requested, with the exception of monitoring records, which, I was told, bypass the facility and go from the laboratory to a consultant to the corporate office in California. I asked Ron Ackles and Eric Garth to talk to me about what corrective actions were initiated, what corrective actions were completed and what corrective actions were in process. PSG staff said they were not doing anything different in response to monitoring results that exceeded benchmarks, because they did not know that benchmarks had been exceeded. They said they did not alter the frequency of performance for routine BMPs or implement new BMPs to adaptively manage the situation. They said they never get sample results, but they do see" young girls in the yard" doing what they suspected was sample collection. They explained that sample results are obtained by their consultant, who enters data and routes completed DMRs to the individual with signatory authority, Anthony Encinias. Staff suggested that monitoring results could not be relied upon because the water that is sampled is a combination of stormwater from PSG and surrounding facilities. Staff began to explain the neighboring facilities and the pollutants they thought may be entering PSG from the neighboring facilities. I explained the ISGP's detailed requirements regarding sampling (S3.B.5), a Sampling Plan (S4) and the requirement to collect representative samples (S4.B.1.d). After we discussed monitoring, I finished reviewing the documents provided and we agreed to continue discussing stormwater management while walking the facility yard .

We started the walkthrough at the northeast portion of the facility. Ron Ackles and Eric Garth pointed out areas of the yard and described activities that take place in those areas. The paragraph below, excerpted from PSG's Stormwater Pollution Prevention Plan (SWPPP), provides PSG's description of industrial activities at building 407:

> PSG occupies multiple non-contiguous areas in the Early Business Center within the Port of Tacoma. PSG's main indoor shop is the northwest portion of building 407, with approximately 10,000- square feet of warehouse space. To the northeast of the shop, the approximately 1,500 square-foot main yard is uncovered and inclusive of its own drainage area. To the east, west, and south, PSG shares equipment and material staging areas with neighboring facilities, and drainage is shared within these areas. A Port road extends around the perimeter of the facility and conveys traffic to/from neighboring facilities.

We looked at monitoring point SP-1, a catch basin in the northeast yard adjacent to a large bay door that accesses building 407. The catch basin (cb) was partially covered by what looked like a rubber or plastic mat over a mostly flattened boom-like material surrounding the cb. I pointed out the patina of dust in the general vicinity of the cb and the sediment accumulation surrounding the cb opening .I referred to the ISGP's requirement to implement good housekeeping Best Management Practices (BMPs)(S3.B.4.b.i.2) and said that the dirt and dust around the catch basin indicated the frequency of vacuum sweeping and other good housekeeping BMPs clearly needed to be measurably increased. Under the plastic mat, there was material surrounding the catch basin that looked like it may have been an inlet protection device that had been driven over until it was almost flat. We discussed the connection between sediment around the catch basin and turbidity in stormwater samples. Slightly southwest of the cb was the loading area where flatbed trucks park and coiled steel is loaded via forklift. Coils of steel were staged outside of and adjacent to the northwest portion of building 407. We walked around the facility in counterclockwise direction and Ron Ackles and Eric Garth told me more about facility operations. Ron Ackles pointed out Craddix boxes that treat roof runoff at the facility. They said that the Port of Tacoma (Port) installed and maintained the boxes. Long, straggly vegetation in the boxes suggested maintenance was necessary. Upon completion of the walk around the yard, I held a brief closing conference during which I thanked Ron Ackles and Eric Garth for their time and said I would contact the new responsible party, Anthony Encinias, to inform them of Ecology's concerns regarding failures to undertake corrective actions in response to continuous benchmark exceedances, as required by S8 of the ISGP. I reiterated the fact that exceedance of benchmarks is not a permit violation, but failures to respond to exceedances of benchmarks in accordance with S8, constitute serious permit violations.

S3. – Stormwater Pollution Prevention Plan (SWPPP) –

- SWPPP was dated October 2020, prepared by Soar Environmental Consultants and signed and certified in accordance with ISGP S3.A.5 and G2.

- The most recent SWPPP certification was dated May 5, 2021.

S3.B.1—Site map was inadequate for the reasons below

- S3.B.1.m requires permittees to identify outfalls that are substantially identical AND identify, by name, any party other than the permittee that own any stormwater drainage or discharge structure.
    - Site map fails to identify or differentiate areas of the site that PSG says are not under their control
- S3.B.1.p requires site map to identify areas of run-on from adjacent properties
    - In the case of a shared yard, the site map should clearly identify any areas PSG believes are not under their control and who is in control of those areas
- Site map shows the catch basin icon about 15 times within PSG's drainage area, but staff said there are 4 or 5 catch basins. Update site map to reflect site conditions

S3.B.4 Best Management Practices

- The SWPPP included BMPs applicable to metal fabricators.
- Inlet protection BMPs were not properly maintained
    - ISGP S3.B.4.b.v requires permittees to not only implement, but also to *maintain* (filtration) BMPs. Failure to maintain BMPs according to manufacturer's specifications or in accordance with the standards set forth in the Stormwater Management Manual for Western Washington is a violation of S3.B.4.b.v.

S4. – General Sampling Requirements –

- Facility has one monitoring point, identified as SP-1, located in the northeast portion of the yard.
- Monitoring records were unavailable
    - SWPPP states that samples were collected by Landau Associates
    - Laboratory- unknown

S5. –Benchmarks, Effluent Limitations and Specific Sampling Requirements –

- Facility monitoring requirements include the parameters specified in S5.A (Table 2), benchmarks and sampling requirements applicable to all facilities, and S5.B (Table 3), which requires additional monitoring applicable to specific industrial sectors.
- Because PSG is included in the *Metals Fabricating* Specific Industrial Group, additional monitoring (for petroleum hydrocarbons (NWTPH-Dx) and Total Lead (Pb)) was assigned to the facility when the authorization was issued.

S6. – Discharge to Impaired Waters –

- Facility discharges to the Blair Waterway. Additional monitoring based on receiving water impairment was not required at permit issuance.

S7. –Inspections –

- Monthly inspections were conducted by an outside consultant, Landau Associates, documented in writing and retained with the SWPPP.
- I reviewed completed reports for October and November 2022 and January through April 2023.
- Completed inspection reports contained the signatures and certifications required by S7.C.1.

S8. – Corrective Actions—

- Facility triggered Level 3 Corrective Actions for Zn, Cu, Pb and Turbidity in 2021 and 2022.
- Records in Ecology's Permitting and Reporting Information system (PARIS) database show the most recent corrective action was a Level 1 response completed in May 2021.

S9. – Reporting and Recordkeeping –

I reviewed Discharge Monitoring Report (S9.B) and Annual Report (S9.C) data through the Water Quality WebPortal. Data were reviewed from the effective date, of PSG's authorization through March 31, 2023.

- S9.B- DMRs- See enclosed table, WAR309612_Monitoring_Violations

- Facility used reporting code "F", Frozen Conditions/ Unsafe Conditions for Q4 2021
  - None of the other facilities at 401 Alexander Avenue East reported using code "F".
    - WAR302359 (SafeBoats) and WAR002508 (Trident) reported monitoring data for Q4 2021

- S9.C- Annual Reports (ARs)
  - 2022- No AR submitted.
  - 2021- No AR submitted
  - 2020- Facility submitted an erroneous AR for 2020, showing exceedances in Q1 2020, before the facility's ISGP coverage went into effect (November 10, 2020).
- S9.D- Records Retention
- The records below were requested for review but were unavailable
  - Records of all sampling information required by S4.B (S9.D.1.c)
  - Laboratory reports (S9.D.1.i)

G2.—Signatory Requirements-
The permittee, Steve Heinen no longer works at PSG. I explained the signatory requirements (below) for reports required by the ISGP (G2.A). Anthony Encinias appears to have signed documents previously signed by S. Heinen, for example, the 2022 AR, monthly inspection reports.

- G2 A states "all reports required by this permit and other information requested by Ecology shall be signed by a person described above (G2.A.1 states that in the case of a corporation, by a responsible corporate officer) or by a duly authorized representative of that person.
  - A person is duly authorized only if:
    - G2.B.1…the authorization is made in writing and submitted to Ecology and
    - G2.B.2…the authorization specifies either an individual or a position having responsibility for overall operation of the facility

Requirements-

- Increase performance frequency for good housekeeping Best Management Practices , as set forth in S3.B.4.b.i.2.
- Update site map with elements required by S3.B.1.a.- p.
- Maintain BMPs as set forth in S3.B.4.b.v.
- Complete Corrective Actions as set forth in S8.
- Submit DMRs as set forth in S9.B.
- Submit Annual Reports as set forth in S9.C.
- Retain records onsite as set forth in S9.D.

Post- inspection follow-up:
2022 AR submitted on May 16, 2023.

- AR lists catch basin inspection and sweeping as Level 2 CA completed on November 23, 2011.
- AR states "An active treatment system is being implemented to address the high concentration of heavy metal pollutants onsite."

☐ Unannounced
☒ Announced

Name(s) and Signature(s) of Inspector(s)	Agency/Office/Phone Number	Date
Honor Carpenter Honor Carpenter	Ecology/SWRO (360) 485.2701	5/31/2023
Signature of Management QA Reviewer	Agency/ Office Number	Date
Jonathan Drygas Jonathan Drygas	Ecology/SWRO (360) 522-6883	June 14, 2023

EPA FORM 3560-3 (Rev 1-06) Previous editions are obsolete

WAR309612 Monitoring Violations, January 1, 2021 through March 31, 2023

Violation Date	Violation Category	Violation	Parameter	Units	Monitoring Point	DMR Value	Benchmark
01/01/2023	Permit Trigger	Benchmark Exceedance	Lead (Total)	Micrograms/Liter (ug/L)	SP-1	2910	64.6
01/01/2023	Permit Trigger	Benchmark Exceedance	Turbidity	NTU	SP-1	53.1	25
01/01/2023	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	629	14
01/01/2023	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	4250	117
10/01/2022	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	1100	117
10/01/2022	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	175	14
10/01/2022	Permit Trigger	Benchmark Exceedance	Turbidity	NTU	SP-1	104	25
10/01/2022	Permit Trigger	Benchmark Exceedance	Lead (Total)	ug/L	SP-1	442	64.6
04/01/2022	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	1000	117
04/01/2022	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	119	14
04/01/2022	Permit Trigger	Benchmark Exceedance	Turbidity	NTU	SP-1	96.6	25

WAR309612 Monitoring Violations, January 1, 2021 through March 31, 2023

Violation Date	Violation Category	Violation	Parameter	Units	Monitoring Point	DMR Value	Benchmark
04/01/2022	Permit Trigger	Benchmark Exceedance	Lead (Total)	ug/L	SP-1	450	64.6
01/01/2022	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	590	117
01/01/2022	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	97.6	14
01/01/2022	Permit Trigger	Benchmark Exceedance	Turbidity	NTU	SP-1	97.5	25
01/01/2022	Permit Trigger	Benchmark Exceedance	Lead (Total)	ug/L	SP-1	449	64.6
07/01/2021	Permit Trigger	Benchmark Exceedance	Turbidity	NTU	SP-1	77.9	25
07/01/2021	Permit Trigger	Benchmark Exceedance	Lead (Total)	ug/L	SP-1	1280	64.6
07/01/2021	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	256	14
07/01/2021	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	2240	117
05/27/2021	Permit Violation	Analysis not Conducted	Turbidity	NTU	SP-1		
04/01/2021	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	152	14

WAR309612 Monitoring Violations, January 1, 2021 through March 31, 2023

Violation Date	Violation Category	Violation	Parameter	Units	Monitoring Point	DMR Value	Benchmark
04/01/2021	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	1590	117
04/01/2021	Permit Trigger	Benchmark Exceedance	Lead (Total)	ug/L	SP-1	1030	64.6
04/01/2021	Permit Violation	Analysis not Conducted	Turbidity	NTU	SP-1		25
03/22/2021	Permit Trigger	Benchmark Exceedance	Oil & Grease	Yes/No	SP-1	1	0
01/01/2021	Permit Trigger	Benchmark Exceedance	Copper (Total)	ug/L	SP-1	90.3	14
01/01/2021	Permit Trigger	Benchmark Exceedance	Zinc (Total)	ug/L	SP-1	991	117
01/01/2021	Permit Trigger	Benchmark Exceedance	Turbidity	NTU	SP-1	61.3	25
01/01/2021	Permit Trigger	Benchmark Exceedance	Lead (Total)	ug/L	SP-1	425	64.6