

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection

N768363965

FACILITY: FPT SCHLAFER LLC		SRN / ID: N7683
LOCATION: 1950 MEDBURY AVE, DETROIT		DISTRICT: Detroit
CITY: DETROIT		COUNTY: WAYNE
CONTACT: Kenneth Furman, General Manager		ACTIVITY DATE: 08/09/2022
STAFF: Gerald Krawiec	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: AQD/EPA Joint Inspection		
RESOLVED COMPLAINTS:		

AQD/EPA joint inspection conducted on August 9, 2022

I joined EPA staff, Valeria Apolinario, Environmental Engineer, and Daniel Schaufelberger, Environmental Scientist for an unannounced inspection at Ferrous Processing and Trading Company (FPT) Schlafer Division, LLC, located at 1950 Medbury in the City of Detroit. The purpose of the inspection was to determine compliance with the Clean Air Act regulations 40 CFR Part 82 Subpart F: Recycling and Emissions Reduction. Plant Manager, Ken Furman is our contact.

During the Opening Conference, EPA staff presented their credentials, provided a CBI warning to the facility, stated the authority and purpose of the inspection. Regulations central to the inspection are 40 CFR Part 82 Subpart F, including 40 CFR 82.155 safe disposal of appliances, such as small appliances and motor vehicle air conditioners, and 40 CFR 82.156, proper evacuation of refrigerant from appliances.

During the company's process description, it was learned CFC containing products are not accepted at this site. This facility only accepts ferrous (iron containing) material from contracted commercial customers. It does not accept any material from individuals or peddlers. No appliances (white goods) or CFC containing scrap material is accepted. Operations at the facility include sorting scrap metal, shearing metal, occasionally torch cutting of metal, and compactor/bailing metal. Semi-trucks bring scrap metal in the storage yard, which are weighed on the scale near the entrance of the facility. Material is unloaded and sorted into piles for additional processing. As necessary material is sheared, or torch cut into smaller pieces for handling and processing.

During the plant tour, EPA staff took photos at various areas of the property. Because EPA staff had been made aware of the citizen complaint and violation history before entering the facility, they expressed interest in viewing the torch cutting area. EPA staff were interested to see method currently used to replace torch cutting of cast iron materials. The company has been experimenting with a large hydraulic jack hammer. This jack hammer appears to successfully break-up large pieces of cast iron scrap into smaller more manageable sizes. There is no evidence of torch cutting going on in this area (no torches or gas tanks). EPA staff were also interested in the compactor/bailing operation as we witnessed several crushed unpainted vehicles fed into the bailer hopper and come out as a 3'x3'x3' square piece of metal. These scrap vehicles came directly from nearby automotive assembly plants.

During the Closing Conference, EPA staff thanked Mr. Furman for the detailed tour of the property and processes. They also stated that EPA files for this facility would be updated to reflect no CFC handling and accurately reflect current operation.

AQD inspection on August 2, 2022

AQD staff conducted a scheduled inspection for FY 2022 of Ferrous Processing and Trading Company (FPT) Schlafer Division, LLC, located at 1950 Medbury in the City of Detroit. The purpose of the inspection is to determine the facility's compliance with applicable state and federal air pollution rules and regulations. Plant Manager, Ken Furman accompanied AQD staff on the inspection.

FACILITY BACKGROUND

Ferrous Processing and Trading Company (FPT) Schlafer Division, LLC, is metal processing facility that processes ferrous scrap metal. The facility is located at 1950 Medbury, Detroit, Michigan. Property boundaries are as follows: Interstate-94 (I-94) is located to the north; City of Detroit Department of Public Works service yards are located to the west; residential properties are located to the east; and industrial commercial property is located to the south. There has been a scrap yard operating at this location since the 1940's.

PROCESS OVERVIEW

This facility only accepts ferrous (iron containing) material from contracted commercial customers. It does not accept any material from individuals or peddlers. No appliances (white goods) or CFC containing scrap material is accepted. Operations at the facility include sorting scrap metal, shearing metal, torch cutting metal, and compactor/bailing of scrap metal. Semi-trucks bring scrap metal in the storage yard, which are weighed on the scale near the entrance of the facility. Material is unloaded and sorted into piles for additional processing. As necessary material is sheared, or torch cut into smaller pieces for handling and processing. Large cast iron scrap is currently jack hammered into smaller sized pieces. A warehouse and maintenance building on the property includes an enclosed indoor welding area, and engineering/machine shop which houses milling, grinding, and drilling equipment.

COMPLAINT/COMPLIANCE HISTORY

This is a 10-year history:

7/7/2022, complaint – open burning.	Resolved 8/2/2023.
7/7/2022, complaint – opacity.	Resolved 8/2/2023.
6/14/2022, complaint – open burning, opacity.	Resolved 8/2/2022.
9/29/2021, VN issued 11/8/2021 for opacity.	Resolved 7/8/2022.
9/14/2021, complaint – odor, opacity.	Resolved 9/29/2021.
9/3/2021, complaint – odor, opacity.	Resolved 9/3/2021.
10/28/2020, complaint – opacity, burning.	Resolved 10/28/2020.
10/28/2020, VN issued 11/9/2020 for no PTI.	Resolved 3/19/2021.
10/19/2020, complaint – opacity.	Resolved 10/19/2020.
4/7/2014, complaint – odor, opacity.	Resolved 4/9/2014.

OPERATING SCHDULE

The company currently operates with 5 full time employees and operates 10.5-hours a day (6:00am – 4:30pm) 5 days a week. If working a 6-day week, Saturday hours are 6:00am – noon. Occasionally a contractor may be hired for some special project.

INSPECTION NARRATIVE

Prior to this FY 2022 inspection, surveillance of this facility was conducted on 7/7, 7/12, 7/21, and 7/26 before entering the facility to conduct this inspection on August 2, 2022. No evidence of open burning, smoke, odor, fugitive dust or track-out was observed.

Upon arrival, I conducted a pre-inspection conference with Plant Manager, Ken Furman. Mr. Furman also accompanied AQD staff as we toured this 7.5-acre site. There are several piles of scrap metal on site sorted by type. Incoming material is sorted, sized, and stored in a pile until ready for shipment to customers or be fed to the compactor/bailer. A metal shear is used to cut large pieces of material to a manageable size, torch cutting has been minimized since receiving a Rule 301 Violation Notice in November 2021. Since I was at this site on July 7, 2022, investigating an opacity complaint attributed to the torch cutting of cast iron material, the company has been experimenting with a large hydraulic jack hammer. This hammer appears to successfully break-up large pieces of cast iron scrap into smaller more manageable sizes. There is no evidence of torch cutting going on in this area (no torches or gas tanks). The smaller cast iron pieces on the ground appear broken, rough around the edges, and not uniform in size. Torch cutting

usually produces uniform sizes with clean cut edges. This handling of scrap cast iron has been the focus of this inspection. The torch cutting of cast iron is known to cause a large yellow plume which can be seen from a distance and suspected to be the source of citizen complaints. This large hydraulic jack hammer appears to be a step forward toward resolving that issue.

Other citizen complaints often alleged open burning and odors from this facility. During the inspection, Mr. Furman stated that facility does not conduct open burning. Evidence of open burning was not observed during the site visit. There were minimal odors observed only when in very close proximity to a scrap pile and not every scrap pile had an odor. Between piles of scrap the access roadways are not paved, Mr. Furman stated that this area is treated with a dust suppressant on an as needed basis. I suggested that a treatment may be necessary if it does not rain soon, he agreed. During the tour, the compactor/bailer equipment was observed. At this time crushed unpainted vehicles were fed to the bailer and coming out in square (cube) bails approximately 3'x3'x3' weighing approximately 2,000 lbs. There was a steady flow of incoming material.

The tour concluded with observation of the warehouse and maintenance building. The building includes an enclosed indoor welding area, and engineering/machine shop which houses milling, grinding, and drilling equipment. All emission generated in the building area released to the general in-plant environment.

APPLICABLE RULES/PERMIT CONDITIONS

The facility currently does not operate equipment that is subject to PTI requirements.

Permit to Install Exempt Equipment

Compactor/bailer Equipment

The metal compactor and bailing equipment appear to be exempt from PTI requirements under the following rule:

R336.1285(l)(i): "Permit to install does not apply to equipment used exclusively for bending, forming, expanding, rolling, pressing either hot or cold metals."

Welding Operations

The welding operation is conducted in an indoor enclosure and is not subject to PTI requirements under the following rule:

R336.1285(i): "The requirement to obtain a PTI does not apply to ...brazing, soldering, welding equipment."

Milling, Grinding, Drilling Equipment

The milling, grinding, and drilling equipment located in the engineering/machine shop are not subject to PTI requirements under the following rule.

R336.1285(I)(vi)(B): "The requirement to obtain a PTI does not apply to equipment for carving, cutting, sawing, surface grinding, sanding, etc. which emissions are released only into the general in-plant environment."

Torch Cutting

Torch cutting activities appear to be exempt from PTI requirements under the following rule:

R336.1285(2)(j): "The requirement to obtain a PTI does not apply to ...Portable torch cutting equipment that does not cause a nuisance or adversely impact surrounding areas."

Diesel Fuel Storage

Rule 284(2)(g)(ii). of the Michigan Air Pollution Control Rules exempts the 3 diesel fuel tanks on site. There are two (2) 500-gallon tanks used for off road fuel and one (1) 250-gallon tank used for on road fuel.

FUGITIVE DUST CONTROL PLAN

In December 2016, Derenzo Environmental Services developed a Fugitive Dust Plan for this facility. A detailed review of record keeping of this plan was not conducted at this time.

MAERS REPORT REVIEW:

The facility is not required to submit Michigan Air Emissions Reporting System (MAERS).

COMPLIANCE DETERMINATION:

Based upon this inspection of Ferrous Processing and Trading Company (FPT) Schlafer Division, LLC located in the City of Detroit, it appears this facility is operating in compliance with applicable air quality rules and regulations, enforceable by AQD.

The USEPA has the authority to determine compliance with 40 CFR part 82 Subpart F, and the compliance status of this facility with those requirements are not addressed in this report.

NAME



DATE

6/2/23

SUPERVISOR

