



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
 REGION IX
 75 Hawthorne Street
 San Francisco, CA 94105

CERTIFIED MAIL 7000 0520 0025 3711 8485
 RETURN RECEIPT REQUESTED

September 27, 2006

In Reply Refer To: CWA-307-9-06-054

Robert W. Hoff, President
 Medallic Art Company
 80 Airpark Vista Blvd.
 Dayton, Nevada 89403

Dear Mr. Hoff:

This Administrative Order establishes interim requirements to be in effect until Lyon County can issue its own sewer discharge permit. The interim requirements include corrective actions to establish a final compliance sampling point and a self-monitoring schedule. In issuing this Order, EPA acknowledges that Medallic Art has complied with the local sewer discharge requirements in effect to date. It is also our understanding that Medallic Art first became aware of the applicable Federal sewer discharge requirements during our July 19 inspection, and that the initial findings regarding overall compliance were first made in our September 13 inspection report.

Specifically, the Order requires Medallic Art to establish a final compliance sampling point that accounts for and allows the sampling of all process-related wastewater discharges to the sewers. The Order then requires self-monitoring for one year. The key dates are as follows:

KEY DATES	ADMINISTRATIVE ORDER CWA-307-9-06-054
10/30/06	1. Submit a short response to the September 13 EPA inspection report. 2. Submit preliminary engineering plans for the establishment of a final compliance sampling point that accounts for all process-related wastewater discharges.
11/28/06	3. Establish final compliance sampling point - Submit notice of completion.
12/01/06	4-6. Begin one year of self-monitoring under this Order. Monthly self-monitoring for discharge flow rate and pH Quarterly sampling for oil and grease, Federal-regulated metals, and iron. Twice per year sampling for cyanide, and sampling or self-certification for total toxic organics.
11/31/07	End self-monitoring under this Order.
* * *	Self-monitoring reports are due on the 28th day of each month for the samples collected during the previous calendar month.

The enclosed Order and the findings that constitute the basis behind the Order are issued pursuant to Sections 308(a) and 309(a)(3), (a)(4) and (a)(5)(A) of the Clean Water Act ("the

Act") as amended [33 U.S.C. Sections 1318(a) and 1319(a)(3), (a)(4) and (a)(5)(A)]. Any

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violation of the terms of this Order or pretreatment standards could subject Medallic Art to a civil action for appropriate relief pursuant to Section 309(b) of the Act [33 U.S.C. Section 1319(b)] and/or penalties under Section 309(d) of the Act [33 U.S.C. Section 1319(d)] of up to \$31,500 per day of violation. In addition, under Section 309(g) of the Act [33 U.S.C. Section 1319(g)], any violation of the pretreatment standards could also subject Medallic Art to an administrative penalty action of up to \$12,000 per day of violation not to exceed \$157,500. Sections 309(c)(1), (c)(2) and (c)(4) of the Act [33 U.S.C. Section 1319(c)(1), (c)(2) and (c)(4)] also provide penalties for negligent violations, knowing violations and knowingly making false statements.

The request for information included in this Order is not subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act because it is not an "information collection request" within the meaning of 44 U.S.C. Sections 3502(4), 3502(11), 3507, 3512, and 3518. Furthermore, it is exempt from OMB review under the Paperwork Reduction Act because it is directed to fewer than ten persons [44 U.S.C. Section 3502(4), 3502(11) and 5 CFR Section 1320.5(a)].

EPA has promulgated regulations to protect the confidentiality of the business information it receives. These regulations are set forth in 40 CFR Part 2, Subpart B and in the Federal Register at 41 F.R. 36902 (September 1, 1976) and 43 F.R. 40000 (September 8, 1978). A claim of business confidentiality may be asserted in the manner specified by 40 CFR Section 2.203(b) for part or all of the information requested. EPA will disclose business information covered by such a claim only as authorized under 40 CFR Part 2, Subpart B. If no claim accompanies the business information at the time EPA receives it, EPA may make it available to the public without further notice. Medallic Art may not withhold from EPA any information on the grounds that it is confidential.

If you have any questions regarding this matter, please contact Greg V. Arthur of my staff at (415) 972-3504 or at arthur.greg@epa.gov.

Sincerely,

Original signed by:

Alexis Strauss

Alexis Strauss

Director, Water Division

Enclosure

cc: Skeet Sellers, Lyon County
Joe Maez, Nevada Department of Environmental Protection

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 9

In the Matter of)	
)	
Medallic Art Company)	FINDING OF VIOLATION
Dayton, Nevada)	
)	AND ORDER
Proceedings under Section 308(a) and 309(a)(3),)	
(a)(4) and (a)(5)(A) of the Clean Water Act, as)	Docket No. CWA-307-9-06-054
amended, 33 U.S.C. Section 1318(a) and)	
1319(a)(3), (a)(4) and (a)(5)(A))	

STATUTORY AUTHORITY

The following Finding of Violation and Order (Docket No. CWA-307-9-06-054) is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency (EPA) pursuant to Sections 308(a) and 309(a)(3), (a)(4) and (a)(5)(A) of the Clean Water Act [33 U.S.C. Sections 1318(a) and 1319(a)(3), (a)(4) and (a)(5)(A)] (hereinafter the Act). This authority has been delegated by the Administrator and the Regional Administrator of EPA Region 9 to the Director of the Water Division of EPA Region 9.

FINDING OF VIOLATION

The Director of the Water Division of EPA Region 9 finds that Medallic Art in Dayton, Nevada is in violation of Section 307(d) of the Act [33 U.S.C. Section 1317(d)]. This Finding is made on the basis of the following facts:

1. Section 307(d) of the Act [33 U.S.C. Section 1317(d)] prohibits any owner or operator of any source from introducing pollutants into publicly owned treatment works (POTWs) in violation of any effluent standard or prohibition or pretreatment standard promulgated under Section 307 of the Act.
2. Under Section 307(b) of the Act [33 U.S.C. 1317(b)], EPA promulgated the following general pretreatment regulations and categorical pretreatment standards:
 - a. The Federal categorical pretreatment standards for metal finishing in 40 CFR 433

which require the new source metal finishers that perform electroplating, electroless plating, anodizing, chemical coating, or chemical etching, to comply with the standards for cadmium, chromium, copper, lead, nickel, silver, zinc, total or amenable cyanide, and total toxic organics, in 40 CFR 433.17;

- b. The national pretreatment standards in 40 CFR 403.12(e)(g) for all industrial dischargers into POTWs which require categorical industrial users to submit, at least twice per year, periodic reports of sampling that is representative of the discharge to the sewers and indicate both the concentration of the discharge for all Federally-regulated parameters and the flow rate of the discharge.
3. Medallic Art is a company and therefore a person within the meaning of Section 502(5) of the Act, [33 U.S.C. Section 1362(5)]. Medallic Art owns and operates an award medallion and commemorative metal art work manufacturing business at 80 Airpark Vista Blvd., in Dayton, Nevada. Medallic Art is a non-domestic source and introduces pollutants within the meaning of Section 502(6) of the Act [33 U.S.C. Section 1362(6)], into the Lyon County domestic sewer system and the South Dayton Valley wastewater treatment plant, which together are a POTW within the meaning of Section 307(b) and the pretreatment regulations in 40 CFR 403.3(o). Medallic Art is therefore subject to the provisions of the Act, [33 U.S.C. Section 1251 et seq., including Section 307, 33 U.S.C. Section 1317].
4. On July 19, 2006, EPA, the Nevada Department of Environmental Protection (“NDEP”), and Lyon County conducted a compliance evaluation inspection of Medallic Art, and determined the following:
 - a. Facility Description: Medallic Art owns and operates an award medallion and commemorative metal art work manufacturing business in one building in Dayton, Nevada:
 1. The operations on-site involve rolling heavy gauge coil, silver casting

- billets from bullion, billet extrusion of silver strip, stamping blanks, hydraulic press coining, ammonia-atmosphere annealing, vibratory steel-shot burnishing, hand deburring, hand die cleaning, lathe turning, antiquing through chemical oxidation, pumice polishing, and mechanical or laser engraving;
2. The antiquing line comprises acidic cupric/selenium oxidation, and two following static rinses;
 3. The operations began at this facility in 1997;
- b. Wastewater Discharges to the Sewer: Medallic Art discharges process-related wastewater into the Lyon County domestic sewers feeding into the South Dayton Valley wastewater treatment plant for discharge into the ground water through a rapid infiltration basin:
1. The chemical oxidation line returns spent static rinse waters to the solution tank as make-up, and has not yet generated a spent solution for disposal;
 2. The other operations generate pumice polishing tail waters, vibratory burnishing wash water, work sink drainage, shop clothes washing wash water, reverse osmosis reject water, and zamboni floor cleaning waters, all of which discharge to the Lyon County sewers;
 3. The operations also generate hydraulic press leakage from silver extrusion and coining, but these wastewaters are collected for off-site reclaim and not discharged to the Lyon County sewers;
 4. The process-related wastewaters from Medallic Art discharge to a service floor drain into the Lyon County sewers;
 5. There is no identified location that could serve as an overall compliance sampling point for the non-domestic wastewaters. For the purposes of this

Order, a hypothetical compliance sampling point that accounts for all wastewater discharges into the service floor drain is designated as IWD-MA1;

6. The process-related wastewaters that discharge to the service floor drain to the sewers consist of treated pumice polishing wastewaters, treated through a small batch unit (pH adjustment, settling, steel-wool cementation, and filter press removal of solids), and mixed with untreated vibratory burnishing wash water, work sink drainage, shop clothes washing wash water, reverse osmosis reject water, and zamboni floor cleaning waters;
- c. Categorical Standards: The Federal categorical pretreatment standards in 40 CFR 433 for new source metal finishing operations apply to all process-related wastewater discharges from Medallic Art since the operations in this facility began after August 31, 1982:
1. 40 CFR 433 Applicability: Because Medallic Art performs the core metal finishing operations of chemical coating and etching (chemical oxidation accomplished both), the Federal categorical pretreatment standards in 40 CFR 433 apply to all process wastewaters from the core operations as well as from any other on-site operation, such as cleaning, deburring, burnishing, polishing, and machining, associated with metal finishing and specifically listed in 40 CFR 433.10(a);
 2. Adjustments: The Federal categorical pretreatment standards in 40 CFR 433 do not need to be adjusted in order to be applied at Medallic Art to the discharges to the service floor drain into the sewers:
 - i. The Federal cyanide standards in 40 CFR 433 for the discharges from new source metal finishers must be adjusted to account for

dilution from non-cyanide bearing waste streams, however since there are no cyanide-bearing wastewaters at Medallic Art, the cyanide standards default to the unadjusted limits;

- ii. Domestic sewage discharges into the Lyon County sewers downstream of IWD-MA1;

- 3. Federal Standards as Applied to Metallic Art: The following Federal categorical pretreatment standards apply to the discharges from Medallic Art at the hypothetical compliance sampling point IWD-MA1:

Federal Categorical Standards (mg/l)		@ IWD-MA1	
		daily-max	monthly-avg
Cd	cadmium	0.11	0.07
Cr	chromium	2.77	1.71
Cu	copper	3.38	2.07
Pb	lead	0.69	0.43
Ni	nickel	3.98	2.38
Ag	silver	0.43	0.24
Zn	zinc	2.61	1.48
CNa	amenable cyanide	0.86	0.32
CNt	total cyanide	1.20	0.65
TTO	total toxic organics	2.13	-

- 5. Medallic Art violated Section 307(d) of the Act [33 U.S.C. Section 1317(d)] by not complying with the Federal self-monitoring requirements, in that:
 - a. The wastewater discharges were not self-monitored for cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide, and total toxic organics;
 - b. The Federal regulation requires Medallic Art to self-monitor at least twice per year for all Federally-regulated pollutants, resulting in at least 2 days of violation per year, for a total of 10 days of violation over the past five years.
- 6. The September 13, 2006 EPA report of the July 19 inspection of Medallic Art is by reference made part of this Order.

ADMINISTRATIVE ORDER

Taking these Findings into consideration and considering the potential environmental and human health effects of the violations and all good faith efforts to comply, EPA has determined that compliance in accordance with the following requirements is reasonable. Pursuant to Section 308(a) and 309(a)(3), (a)(4) and (a)(5)(A) of the Act [33 U.S.C. Section 1318(a) and 1319(a)(3), (a)(4) and (a)(5)(A)], IT IS HEREBY ORDERED that Medallic Art comply with the following requirements:

Inspection Report Response

1. By **OCTOBER 30, 2006**, Medallic Art shall submit a short response to the findings in Sections 2 through 5 of the September 13, 2006 EPA inspection report.

Final Compliance Sampling Point

2. By **OCTOBER 30, 2006**, Medallic Art shall submit a preliminary engineering plan of the steps to be taken in order to establish a final compliance sampling point accounting for all process-related wastewater discharges to the sewers, designated in this Order as IWD-MA1. This preliminary engineering plan shall include:
 - a. A detailed description of all equipment and operating procedures to be used to provide a final compliance sampling point accounting for all process-related wastewater discharges to the sewers;
 - b. A description of the installations to be used to ensure that the final compliance sampling point accounts for the pumice polishing tail waters, vibratory burnishing wash water, work sink drainage, shop clothes washing wash water, and zamboni floor cleaning waters, all of which are process-related waterwaters, but not reverse osmosis reject water which is considered a dilution water under the Federal regulations in 40 CFR 403.6;

- c. A schedule of all corrective actions to be made to provide a final compliance sampling point accounting for all process-related wastewater discharges to the sewers, not to extend beyond the deadline specified in Item 3 of this Order.
3. **NOVEMBER 28, 2006**, Medallic Art shall complete the steps necessary to provide a final compliance sampling point accounting for all process-related wastewater discharges to the sewers, and submit a notice of completion.

Self-Monitoring Schedules

4. Sampling Schedule: For a year, from **DECEMBER 1, 2007 THROUGH NOVEMBER 30, 2007**, Medallic Art shall self-monitor the process-related wastewater discharges at the final compliance sample point established as required by Item 3 of this Order, above, designated as IWD-MA1:
 - a. **ONCE EVERY MONTH**, Medallic Art shall self-monitor the process-related wastewater discharges to the sewers for discharge flow rate and pH;
 - b. **ONCE EVERY QUARTER** (before December 28, 2006, March 28, 2007, June 28, 2007, and October 28, 2007), Medallic Art shall self-monitor the process-related wastewater discharges to the sewers for oil and grease, cadmium, chromium, copper, iron, lead, nickel, silver, and zinc;
 - c. **ONCE EVERY SIX-MONTHS** (before March 28, 2007, and October 28, 2007), Medallic Art shall self-monitor the process-related wastewater discharges to the sewers for total toxic organics and total cyanide;

d. **ONCE EVERY SIX-MONTHS** (before March 28, 2007, and October 28, 2007), the sampling required by Items 4(a), 4(b) and 4(c) of this Order above must account for and be representative of the contributions from each one of the following discharged wastewaters:

- Pumice polishing tail waters
- Vibratory burnishing wash water
- Work sink drainage
- Shop clothes washing wash water
- Zamboni floor cleaning waters

5. Sampling and Analysis: Medallic Art shall self-monitor and analyze using the sampling protocols listed below, and the EPA approved analytical methods (or equivalent) necessary to achieve the detection limits indicated below:

parameters and pollutants	sampling method protocols	detection limits
cadmium	24-hour composite *	10 µg/l
chromium	24-hour composite *	10 µg/l
copper	24-hour composite *	10 µg/l
lead	24-hour composite *	10 µg/l
iron	24-hour composite *	10 µg/l
nickel	24-hour composite *	10 µg/l
silver	24-hour composite *	10 µg/l
zinc	24-hour composite *	10 µg/l
cyanide - total	24-hour manual composite grabs	10 µg/l
total toxic organics	grab	10 µg/l
oil and grease - petroleum	grab	1 mg/l
discharge flow rate (gpd)	unspecified	-
pH (s.u.)	field grabs	0.1 s.u.
* 24-hour composites may be replaced by grabs if the discharge is from a once-per-day batch discharge		

6 Self-Certifications: The toxic organics self-monitoring required by Item 4(c), above, may be replaced by self-certifications, after approval by EPA, of a toxic organics management plan as provided for in 40 CFR 433.12(a).

Submittals

7. By the **TWENTY-EIGHTH (28th) DAY OF EACH MONTH**, Medallic Art shall submit all self-monitoring results for the previous month. The first monthly report is due on January 28, 2007 for the December 2006 self-monitoring. The 12th-and-last monthly report is due on December 28, 2007 for the November 2007 self-monitoring.
8. For each sample, Medallic Art shall record the following:
 - a. The sample results;
 - b. The EPA analytical methods used;
 - c. The date, time, location of sampling, and sampling point;
 - d. The type of sample (ie. 24-hour composite, grab, or manual composite);
 - e. Any of the discharged wastewaters listed in Section 4(d) above, accounted for by the sample;
 - f. The name of the laboratory used; and
 - g. Self-certifications in lieu of self-monitoring as allowed by Item 6 of this Order.
9. All reports submitted pursuant to this Order shall be signed by a principal executive officer of Medallic Art and shall include the following self-certifying statement:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, I certify that the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I certify that all wastewater samples analyzed and reported herein are representative of the ordinary process wastewater flow from this facility. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

10. This Order is not and shall not be interpreted to be an NPDES permit under Section 402 of the Act [33 U.S.C. Section 1342], nor a Lyon County or State of Nevada sewer discharge permit under 40 CFR 403.8(f)(iii), nor shall it in any way relieve Medallic Art of obligations imposed by the Act, or any other Federal, State or local law, including the Lyon County sewer use ordinances.
11. All submittals shall be mailed to the following addresses:

U.S. ENVIRONMENTAL PROTECTION AGENCY
75 Hawthorne Street
San Francisco, California 94105
Attn: Greg V. Arthur (WTR-7)

NEVADA DEPARTMENT OF ENVIRONMENTAL PROTECTION
901 South Stewart Street, Suite 4001
Carson City, Nevada 89701-5249
Attn: Joe Maez

LYON COUNTY SANITATION DISTRICT
34 Lakes Blvd, Suite 103
Dayton, Nevada 89403
Attn: Skeet Sellers
12. This Order takes effect upon signature.

Original signed by:
Alexis Strauss

Alexis Strauss
Director, Water Division

September 27, 2006

Dated