

CERTIFIED MAIL - RETURN RECEIPT REQUIRED

January 30, 2025

Glen Riley
Vice President
Riley Industrial Services, Inc.
2615 San Juan Boulevard
Farmington, NM 87401
glenr@rileyindustrial.com

Kimberly Holden
Administrative Assistant
Riley Industrial Services, Inc.
2615 San Juan Boulevard
Farmington, NM 87401
kimberlyholden@rileyindustrial.com

RE: NOTICE OF VIOLATION WITH PROPOSED PENALTIES

RILEY INDUSTRIAL SERVICES, INC. EPA ID# NMD161754296

Dear Glen Riley and Kimberly Holden:

Beginning on May 16, 2023, the New Mexico Environment Department ("NMED") conducted a hazardous waste Compliance Evaluation Inspection ("Inspection") at Riley Industrial Services, Inc., ("RIS"), located at 2615 San Juan Boulevard, Farmington, New Mexico ("Facility"). RIS performs a variety of field services to the construction, oilfield and other industries, including: abrasive blasting, painting, coating, hydroblasting and hydroexcavation, and vacuum truck services. These operations generate hazardous waste paint-related materials and universal waste upon return of supplies to the Facility.

Based on observations and review of the information obtained, NMED has determined that RIS is a Large Quantity Generator ("LQG") of hazardous waste as defined in 40 Code of Federal Regulations ("CFR") 262.13. Furthermore, NMED has determined that RIS has violated the New Mexico Hazardous Waste Management Regulations ("HWMR") 20.4.1 New Mexico Administrative Code ("NMAC"), in Calendar Years ("CY") 2020 through 2023, as specified below.

NMED inspector observed the following violations:

1. For CY 2020, CY 2021, CY 2022 and CY 2023, failure to properly calculate hazardous wastes to determine generator status. Specifically, NMED observed, documented, and interviewed facility personnel and determined wastes resulting from field operations had the same point of generation at the Riley Industrial Facility, resulting in total waste generated exceeded the threshold of small quantity generator status June 2020 through

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June 2022, and September 2022 through January 2023. The Riley Industrial Facility is the point of generation for the hazardous wastes observed during the inspection, based on hazardous waste manifests obtained and per facility responses during the inspection describing the process of waste management beginning at the Riley Industrial Facility. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.13.

Civil Penalty

As a result of Violation 1, NMED is assessing a civil penalty of \$141,450.00

Corrective Action

RIS submitted an updated registration as an LQG on November 29, 2023.

2. For CY 2023, failure to perform weekly inspections of container condition at the Central Accumulation Area ("CAA"). Specifically, RIS provided one monthly container inspection log in response to NMED's request for weekly inspection records for the CAA, and could not provide any other records demonstrating that weekly inspections occurred. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(2)(iv).

Civil Penalty

As a result of Violation 2, NMED is assessing a civil penalty of \$43,010.00

Corrective Action

RIS must provide NMED with documentation, such as weekly inspection logs, demonstrating that weekly inspections of the CAA are occurring.

3. For CY 2023, failure to label satellite containers of hazardous waste with the words "hazardous waste". Specifically, NMED observed two 5-gallon containers at the waste receiving pallet Satellite Accumulation Area ("SAA") that were not labeled with the words "hazardous waste". This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.15(a)(5)(i).

Civil Penalty

As a result of Violation 3, NMED is assessing a civil penalty of \$1,380.00

Corrective Action

Photographs received from RIS on November 2, 2023, demonstrate that this violation has been corrected.

4. For CY 2023, failure to label satellite containers of hazardous waste with an indication of the hazard(s) presented by the waste. Specifically, NMED observed two 5-gallon containers of waste containing MEK at the waste receiving pallet SAA that were not

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labeled with the toxicity hazard indicator. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.15(a)(5)(ii).

Civil Penalty

As a result of Violation 4, NMED is assessing a civil penalty of \$1,380.00

Corrective Action

Photographs received from RIS on November 2, 2023, demonstrate that this violation has been corrected.

5. For CY 2023, failure to label containers of hazardous waste with the words "hazardous waste". Specifically, NMED observed two 55-gallon containers of hazardous paint-related waste in the CAA that were not labeled with the words "hazardous waste". This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(6)(i)(A).

Civil Penalty

As a result of Violation 5, NMED is assessing a civil penalty of \$2,300.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

6. For CY 2023, failure to label containers of hazardous waste with an indication of the hazard(s) presented by the waste. Specifically, NMED observed two 55-gallon containers of hazardous paint-related waste in the CAA that did not have a hazard indicator label. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(6)(i)(B).

Civil Penalty

As a result of Violation 6, NMED is assessing a civil penalty of \$2,300.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

7. For CY 2023, failure to mark containers of hazardous waste with the date upon which accumulation began. Specifically, NMED observed two 55-gallon containers of hazardous paint-related waste in the CAA that were not marked with an accumulation start date. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(6)(i)(C).

Civil Penalty

As a result of Violation 7, NMED is assessing a civil penalty of \$690.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

8. For CY 2023, failure to keep containers of hazardous waste closed. Specifically, NMED observed two 55-gallon containers of hazardous paint-related waste in the CAA that were open at the time of inspection. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(2)(iii)(A).

Civil Penalty

As a result of Violation 8, NMED is assessing a civil penalty of \$2,300.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

9. For CY 2020, CY 2021, and CY 2022, failure to correctly determine and pay hazardous waste generator fees. Specifically, NMED determined based on hazardous waste manifests, facility representative interviews, and analysis of the waste-generating process at RIS that Large Quantity Generator quantities of hazardous waste were being generated at the property from 2020-2022. RIS had been improperly categorizing separate areas of their facility as 2 distinct Small Quantity Generators and had paid fees accordingly. NMED determined that the property had a singular point of generation. This is a violation of 20.4.3.201(A) NMAC.

Civil Penalty

NMED will not assess an additional civil penalty for the non-payment of these fees, as last fees automatically incur from non-payment.

Corrective Action

NMED received payment of the appropriate past-due fees on December 12, 2023.

10. For CY 2021 and CY 2023, failure to submit a Biennial Hazardous Waste Report to NMED by March 1 of an even-numbered year following an odd-numbered year in which the Facility operated as a Large Quantity Generator. Specifically, NMED determined based on facility processes observed during the inspection, interviews with facility personnel, and information obtained from hazardous waste manifests that RIS generated greater than 2200 pounds of hazardous waste per month during CY 2021 and CY 2023. At the

time of inspection, RIS had not submitted the Biennial Report that was due March 1, 2022. Additionally, RIS did not submit the Biennial Report that was due March 1, 2024 until July 25, 2024. Both failures are a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.41(a).

Civil Penalty

For the CY 2021 failure to submit the Biennial Report, NMED chooses not to assess an additional civil penalty on top of the one RIS paid the United States Environmental Protection Agency ("EPA"), Region 6, on July 23, 2024.

For the CY 2023 failure to submit the Biennial Report, NMED is assessing a civil penalty of \$43,010.00, as RIS failed to submit the CY 2023 Biennial Report by the due date of March 1, 2024.

Corrective Action

The CY 2021 Biennial Report was received by NMED on November 28, 2023, and the CY 2023 Biennial Report was received on July 24, 2024.

11. For CY 2023, failure to store universal waste lamps in closed containers capable of preventing breakage. Specifically, NMED observed 1 open box of spent fluorescent lamps, and several loose spent fluorescent lamps, at the maintenance shop. This is a violation of 20.4.1.1000 NMAC, incorporating 40 CFR § 273.13(d)(1).

Civil Penalty

As a result of Violation 11, NMED is assessing a civil penalty of \$460.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

12. For CY 2023, failure to label universal waste lamps with the words "universal waste", or with other wording to identify the waste. Specifically, NMED observed 7 unlabeled boxes of spent fluorescent lamps, and several loose spent fluorescent lamps, at the maintenance shop. This is a violation of 20.4.1.1000 NMAC, incorporating 40 CFR § 273.14(e) and 20.4.1.1001(B) NMAC.

Civil Penalty

As a result of Violation 12, NMED is assessing a civil penalty of \$14,145.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

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13. For CY 2023, failure to demonstrate the length of time universal waste has accumulated. Specifically, NMED observed 7 undated boxes of spent fluorescent lamps, and several loose spent fluorescent lamps, at the maintenance shop. This is a violation of 20.4.1.1000 NMAC, incorporating 40 CFR § 273.15(c).

Civil Penalty

As a result of Violation 13, NMED is assessing a civil penalty of \$14,145.00

Corrective Action

Photographs received from RIS on May 23, 2023, demonstrate that this violation has been corrected.

The total Civil Penalty due for Violations 1 through 13 is \$266,570.00.

Regarding the Corrective Actions described above, RIS shall provide to NMED, within thirty (30) days of receipt of this letter, a written description of the actions taken by RIS to address Violation 2 described above or a schedule for implementation of corrective actions not yet completed.

In accordance with NMSA 1978, Section 74-4-10, NMED may: (1) issue a Compliance Order requiring compliance immediately or within a specified time period or assess a civil penalty for any past or current violations of up to \$10,000 per day of non-compliance for each violation, or both; or (2) commence a civil action in District Court for appropriate relief, including a temporary or permanent injunction. Any such order may include a suspension or revocation of any permit issued by NMED. Pursuant to the New Mexico Hazardous Waste Act ("HWA"), NMSA 1978, §§ 74-4-1 to 14, NMED is assessing a total civil penalty of \$266,570.00 to settle the violations of the HWA and the Hazardous Waste Management Regulations set forth in the NOV.

Please note that your facility will appear on the Department's Enforcement Watch as a result of this NOV (see: https://www.env.nm.gov/enforcement-watch/). Further, the Department will issue a press release to local media highlighting your facility as appearing on this webpage. Your facility will remain on the Enforcement Watch website as an active matter until this matter is fully resolved, including the payment of the assessed civil penalty.

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Pursuant to the NMED Delegation Order dated November 26, 2024, the Cabinet Secretary has delegated the authority to issue Notices of Violation under the Hazardous Waste Act and HWMRs to the Chief of the Hazardous Waste Bureau. If you have any questions regarding this letter, please contact Aaron Coffman of my staff at (505) 690-5211 or by email at aaron.coffman@env.nm.gov within 30 days of the date of this notice to schedule an informal conference concerning resolution of this matter. If no response is received from you within 30 days of the date of this notice, then a Stipulated Final Order will be mailed for your signature.

Sincerely,

John David Nance Chief Hazardous Waste Bureau

JDN: ac

cc: Aaron Coffman, CTAP Manager, NMED HWB

Peter J. Garcia Sr., NMED HWB Supervisor Damon Reyes, NMED District I Manager

Lisa Chai, NMED OGC

Ray Romero, NMED OGC Office Manager

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