

STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor

Leo M. Drozdoff, P.E., Director

Colleen Cripps, Ph.D., Administrator

February 15, 2011

John Portman
Operations Manager
Road and Highway Builders, LLC
500 Nevada Boulevard
Lovelock, NV 89419

Re: Notice of Alleged Air Quality Violation: Nos. 2259, 2260, 2261, 2272 and 2299
Class II Air Quality Operating Permit AP1611-2306.02; COLA 2205 (FIN A0076)

Dear Mr. Portman:

On February 9, 2011 the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP) and Road and Highway Builders, LLC (R&HB) held an enforcement conference to discuss R&HB's alleged failure to comply with Class II Air Quality Operating Permit AP16112306.02, COLA 2205. Based on the information presented during the enforcement conference the NDEP determined that issuance of Notice of Alleged Air Quality Violation and Order (NOAV) No.'s 2259, 2260, 2261, 2272 and 2299 is warranted. Failure to comply with Class II Air Quality Operating Permit AP16112306.02, COLA 2205 represents an air quality violation under **NAC 445B.275 Violations: Acts constituting; notice** (see below).

The attached NOAV No.'s 2259, 2260, 2261, 2272 and 2299 allege that R&HB is in violation of **Nevada Administrative Code (NAC) 445B.275 Violations: Acts constituting; notice**. **NAC 445B.275** states, in part, that: "1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by Nevada Revised Statutes NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit.

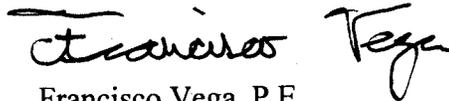
NOAV No.'s 2259, 2260, 2261, 2272 and 2299 constitute major violations under **NAC 445B.281 Violations: Classification; administrative fines**. Failure to comply with a permitted operational limitation constitutes a major violation. Along with related Notice of Air Quality Violation and Order (NOAV) No.'s 2179-2184, issued in November of 2009, NOAV No. 2259, 2260, 2261, 2272 and 2299 represents R&HB's seventh air quality violation within the last 60 months. As was discussed during the enforcement conference, **NOAV No. 2299** will be issued as a warning.



An appeal of NOAV No. **2259, 2260, 2261, 2272** and **2299** may be requested pursuant to **Nevada Revised Statutes (NRS) 445B.360** and SEC administrative rules. A copy of SEC Appeal Form #3 is enclosed. Appeals must be received within 10 days of receipt of this notice, pursuant to **NRS 445B.340**. Appeals are processed through John Walker, the Executive Secretary for the SEC, at 901 South Stewart Street, Suite 4001, Carson City, Nevada, 89701-5249. Mr. Walker can be reached at 775-687-9308, or by fax at 775-687-5856. Please provide me with a copy of any correspondence your company may have with the SEC.

If you have any questions regarding the alleged violations or the enforcement conference, please call Robert Whited at (775) 687-9335 or myself at (775) 687-9343.

Sincerely,



Francisco Vega, P.E.
Supervisor, Compliance and Enforcement Branch
Bureau of Air Pollution Control

✓ FV/rew

Enc.: 1. Notice of Alleged Air Quality Violation and Order No. 2259
2. Notice of Alleged Air Quality Violation and Order No. 2260
3. Notice of Alleged Air Quality Violation and Order No. 2261
4. Notice of Alleged Air Quality Violation and Order No. 2272
5. Notice of Alleged Air Quality Violation and Order No. 2299
6. SEC Appeal Form #3

cc (w/enc. 1 - 6): John Walker, SEC
Files (A0076)

Route to (w/enc. 1 - 6): Michael Elges, NDEP
Jeff Denison, NDEP

Certified Mail # 7009 3410 0000 1454 7106

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR POLLUTION CONTROL
901 SOUTH STEWART ST., SUITE 4001
CARSON CITY, NEVADA 89701-5249

NO. 2259

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Mr. John Portman

Company Name: Road and Highway Builders, LLC

Address: 500 Nevada Boulevard Lovelock, NV 89419

Permit Number: AP1611-2306.02

FIN: A0076

Site of Alleged Violation: COLA #2205 Approximately 5 miles west of Lovelock

Date of Observation: 6/9/2010 **Arrival:** 1:30PM **Departure:** 2:00PM

Ambient Temperature: °F **Clear:** **Cloudy:** **Rain:** **Snow:**

Wind Speed: mph **Wind Direction:**

It is alleged that the following regulation was violated by the person named in this notice:

NAC 445B.22037 Emissions of particulate matter: Fugitive dust. 1. No person may cause or permit the handling, storing, or transporting of any material in a manner which allows or may allow controllable particulate matter to become airborne. 2. Except as otherwise provided in subsection 4, no person may cause or permit the construction, repair, demolition, or use of unpaved or untreated areas without first putting into effect an ongoing program using the best practical methods to prevent particulate matter from becoming airborne. As used in this subsection, "best practical methods" includes, but is not limited to, paving, chemical stabilization, watering, phased construction and re-vegetation.

It is alleged that the following act or practice constitutes the violation:

Failure to control fugitive dust.

Evidence:

Road and Highway Builders (R&HB) operates an aggregate processing facility and hot-mix asphalt plant near Lovelock, NV in Pershing County under Class II General Air Quality Operating Permit AP1611-2306, COLA #2205. COLA #2205 was issued on December 18, 2009.

On June 9, 2010, Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) inspectors observed that R&HB was operating during a high wind event and fugitive dust was observed. R&HB failed to control fugitive dust as required by NAC 445B.22037.

Along with related Notice of Air Quality Violation and Order (NOAV) No's. 2179-2184, issued in November of 2009, NOAV No. 2259 represents R&HB's seventh air quality violation within the last 60 months.

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901 SOUTH STEWART ST., SUITE 4001
CARSON CITY, NEVADA 89701-5249

NO. 2260

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Mr. John Portman

Company Name: Road and Highway Builders, LLC

Address: 500 Nevada Blvd., Lovelock, NV 89419

Permit Number: AP1611-2306 **FIN:** A0076

Site of Alleged Violation: COLA #2205 Approximately 5 miles West of Lovelock

Date of Observation: 6/9/2010 **Arrival:** 1:30pm **Departure:** 2:00pm

Ambient Temperature: °F **Clear:** **Cloudy:** **Rain:** **Snow:**

Wind Speed: mph **Wind Direction:**

It is alleged that the following regulation was violated by the person named in this notice:

NAC 445B.275 Violations: Acts constituting; notice. 1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit.

It is alleged that the following act or practice constitutes the violation:

Failure to operate required emission controls.

Evidence:

Road and Highway Builders (R&HB) operates an aggregate processing facility and hot-mix asphalt plant near Lovelock, NV in Pershing County under Class II General Air Quality Operating Permit AP1611-2306, COLA #2205. COLA #2205 was issued on December 18, 2009.

On June 9, 2010 Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) inspectors driving on I-80 noticed large clouds of dust coming from the plant. Upon arrival the officials also noticed dust was emanating from the aggregate feed system (permitted System 3) to the asphalt plant. Upon investigation, the NDEP-BAPC officials discovered that R&HB was not operating emission controls (wet dust suppression) required by Class II General Air Quality Operating Permit AP1611-2306, COLA #2205 on four emission units (PF1.051, PF1.052, PF1.053 and PF1.054) in System 3. R&HB complied with the official's verbal request to shutdown the hot mix asphalt plant.

Failure to operate required emission controls constitutes a major violation. Along with related Notice of Air Quality Violation and Order (NOAV) No's. 2179-2184, issued in November of 2009, NOAV No. 2260 represents R&HB's seventh air quality violation within the last 60 months.

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2260

ORDER

Under the authority of NRS 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

_____ To pay the following administrative fine in accordance with 445B.281.1: \$ _____

To take corrective action: Ensure that all required emission controls operate at all times.

_____ To appear for a hearing before the Environmental Commission at:
Date: _____ Time: _____

_____ To appear for an enforcement conference at:
Date: _____ Time: _____

_____ This notice is a warning.

Signature Francisco Vega
Issued by: Francisco Vega, P.E.
Supervisor
Compliance and Enforcement Branch

Phone: 775-687-9343 Date: February 15, 2011

FV/rew

Certified Mail #: 7009 3410 0000 1454 7106

This order becomes final unless appealed within ten (10) days after receipt of this notice or ten (10) days after a required enforcement conference. The person named in this order may appeal this notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. An administrative fine may be levied by the Environmental Commission of not more than \$10,000 per day of violation.

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR POLLUTION CONTROL
901 SOUTH STEWART ST., SUITE 4001
CARSON CITY, NEVADA 89701-5249

NO. 2261

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Mr. John Portman

Company Name: Road and Highway Builders, LLC

Address: 500 Nevada Blvd., Lovelock, NV 89419

Permit Number: AP1611-2306

FIN: A0076

Site of Alleged Violation: COLA #2205 Approximately 5 miles West of Lovelock

Date of Observation: 6/9/2010 **Arrival:** 1:30pm **Departure:** 2:00pm

Ambient Temperature: °F **Clear:** **Cloudy:** **Rain:** **Snow:**

Wind Speed: mph **Wind Direction:**

It is alleged that the following regulation was violated by the person named in this notice:

NAC 445B.275 Violations: Acts constituting; notice. 1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit.

It is alleged that the following act or practice constitutes the violation:

Failure to comply with permitted emission limits.

Evidence:

Road and Highway Builders (R&HB) operates an aggregate processing facility and hot-mix asphalt plant near Lovelock, NV in Pershing County under Class II General Air Quality Operating Permit AP1611-2306, COLA #2205. COLA #2205 was issued on December 18, 2009.

On June 9, 2010 Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) officials driving on I-80 noticed dense clouds of dust coming from the plant. Upon arrival the officials discovered dust was emanating from the aggregate feed system (permitted System 3) to the asphalt plant. Upon further investigation, the NDEP-BAPC officials determined that the opacity of the emissions from the four emission units (PF1.051, PF1.052, PF1.053 and PF1.054) on System 3 exceeded the permitted opacity limit of 20%. R&HB complied with the official's verbal request to shutdown the hot mix asphalt plant.

Failure to comply with a permitted emission limit constitutes a major violation. Along with related Notice of Air Quality Violation and Order (NOAV) No's. 2179-2184, issued in November of 2009, NOAV No. 2261 represents R&HB's seventh air quality violation within the last 60 months.

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2261

ORDER

Under the authority of NRS 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

_____ To pay the following administrative fine in accordance with 445B.281.1: \$ _____

To take corrective action: Operate all required emission controls to ensure that all emission units comply with permitted emissions limits. _____

_____ To appear for a hearing before the Environmental Commission at:
Date: _____ Time: _____

_____ To appear for an enforcement conference at:
Date: _____ Time: _____

_____ This notice is a warning.

Signature Francisco Vega
Issued by: Francisco Vega, P.E.
Supervisor
Compliance and Enforcement Branch

Phone: 775-687-9343 Date: February 15, 2011

FV/rew

Certified Mail #: 7009 3410 0000 1454 7106

This order becomes final unless appealed within ten (10) days after receipt of this notice or ten (10) days after a required enforcement conference. The person named in this order may appeal this notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. An administrative fine may be levied by the Environmental Commission of not more than \$10,000 per day of violation.

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
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901 SOUTH STEWART ST., SUITE 4001
CARSON CITY, NEVADA 89701-5249

NO. 2272

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Mr. John Portman

Company Name: Road and Highway Builders, LLC

Address: 500 Nevada Blvd., Lovelock, NV 89419

Permit Number: AP1611-2306

FIN: A0076

Site of Alleged Violation: COLA #2205 Approximately 5 miles West of Lovelock

Date of Observation: 6/9/2010 **Arrival:** 1:30pm **Departure:** 2:00pm

Ambient Temperature: °F **Clear:** **Cloudy:** **Rain:** **Snow:**

Wind Speed: mph **Wind Direction:**

It is alleged that the following regulation was violated by the person named in this notice:

NAC 445B.275 Violations: Acts constituting; notice. 1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit.

It is alleged that the following act or practice constitutes the violation:

Failure to comply with permitted operational limits.

Evidence:

Road and Highway Builders (R&HB) operates an aggregate processing facility and hot-mix asphalt plant near Lovelock, NV in Pershing County under Class II General Air Quality Operating Permit AP1611-2306, COLA #2205. COLA #2205 was issued on December 18, 2009.

On June 9, 2010 Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) officials driving on I-80 noticed large clouds of dust coming from the plant. Upon arrival the officials also noticed dust was emanating from the aggregate feed system (permitted System 3) to the asphalt plant. Upon investigation, the NDEP-BAPC officials discovered that R&HB was not operating the emission controls (wet dust suppression) required on four emission units (PF1.051, PF1.052, PF1.053 and PF1.054) on System 3. R&HB complied with the official's verbal request to shutdown the hot mix asphalt plant.

On July 1, 2010 a meeting was held with Mr. Portman to discuss NOAV's 2259-2261. During this meeting operation records were requested to review the Daily Crushing Reports, Daily Marination Reports and Daily Hot Plant Reports. After reviewing the requested reports NDEP-BAPC discovered that the Daily Crushing Reports showed sixteen (16) different days in which hours of operation exceeded the daily limit of 10 hours set for the crushing and screening plant in Class II General Air Quality Operating Permit AP1611-2306.02, COLA #2205.

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2272

Evidence (continued):

The NDEP-BAPC met with R&HB again on February 9, 2011 to discuss the recent non-compliance discovery. R&HB explained that although the NDOT contract and the NDEP air quality permit were issued to R&HB; Rees's Construction was sub-contracted for the crushing and screening work. It was explained to the NDEP-BAPC that Rees's was given a copy of the permit and was aware of the operating limitations set by the permit. RH&B was told that the owner or operator of a permit is responsible for permit compliance.

Failure to comply with a permitted operational limitation constitutes a major violation. Along with related Notice of Air Quality Violation and Order (NOAV) No's. 2179-2184, issued in November of 2009, NOAV No. 2272 represents R&HB's seventh air quality violation within the last 60 months.

ORDER

Under the authority of NRS 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

_____ To pay the following administrative fine in accordance with 445B.281.1: \$ _____

To take corrective action: Comply with all operational limitations set forth in the valid air quality operating permit.

_____ To appear for a hearing before the Environmental Commission at:
Date: _____ Time: _____

_____ To appear for an enforcement conference at:
Date: _____ Time: _____

_____ This notice is a warning.

Signature Francisco Vega
Issued by: Francisco Vega, P.E.
Supervisor
Compliance and Enforcement Branch

Phone: 775-687-9343 Date: February 15, 2011

FV/rew

Certified Mail #: 7009 3410 0000 1454 7106

This order becomes final unless appealed within ten (10) days after receipt of this notice or ten (10) days after a required enforcement conference. The person named in this order may appeal this notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. An administrative fine may be levied by the Environmental Commission of not more than \$10,000 per day of violation.

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
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901 SOUTH STEWART ST., SUITE 4001
CARSON CITY, NEVADA 89701-5249

NO. 2299

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Mr. John Portman

Company Name: Road and Highway Builders, LLC

Address: 500 Nevada Blvd., Lovelock, NV 89419

Permit Number: AP1611-2306

FIN: A0076

Site of Alleged Violation: COLA #2205 Approximately 5 miles West of Lovelock

Date of Observation: 6/9/2010

Arrival: 1:30pm

Departure: 2:00pm

Ambient Temperature:

°F

Clear:

Cloudy:

Rain:

Snow:

Wind Speed:

mph

Wind Direction:

It is alleged that the following regulation was violated by the person named in this notice:

NAC 445B.275 Violations: Acts constituting; notice. 1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

- (e) Failure to comply with any requirement for recordkeeping, monitoring, reporting or compliance certification contained in an operating permit

It is alleged that the following act or practice constitutes the violation:

Failure to report daily hour of operation exceedances.

Evidence:

Road and Highway Builders (R&HB) operates an aggregate processing facility and hot-mix asphalt plant near Lovelock, NV in Pershing County under Class II General Air Quality Operating Permit AP1611-2306, COLA #2205. COLA #2205 was issued on December 18, 2009.

On June 9, 2010 Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) officials driving on I-80 noticed large clouds of dust coming from the plant. Upon arrival the officials also noticed dust was emanating from the aggregate feed system (permitted System 3) to the asphalt plant. Upon investigation, the NDEP-BAPC officials discovered that R&HB was not operating the emission controls (wet dust suppression) required on four emission units (PF1.051, PF1.052, PF1.053 and PF1.054) on System 3. R&HB complied with the official's verbal request to shutdown the hot mix asphalt plant.

On July 1, 2010 a meeting was held with Mr. Portman to discuss NOAV's 2259-2261. During this meeting operation records were requested to review the Daily Crushing Reports, Daily Marination Reports and Daily Hot Plant Reports. After reviewing the requested reports NDEP-BAPC discovered that the Daily Crushing Reports showed sixteen (16) different days in which hours of operation exceeded the daily limit of 10 hours set for the crushing and screening plant in Class II General Air Quality Operating Permit AP1611-2306.02, COLA #2205. R&HB failed to report these deviations within a timely manner.

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2299

Evidence (continued):

The NDEP-BAPC met with R&HB again on February 9, 2011 to discuss the recent non-compliance discovery. R&HB explained that although the NDOT contract and the NDEP air quality permit were issued to R&HB; Rees's Construction was sub-contracted for the crushing and screening work. It was explained to the NDEP-BAPC that Rees's was given a copy of the permit and was aware of the operating limitations set by the permit. RH&B was told that the owner or operator of a permit is responsible for permit compliance.

Failure to comply with a permitted operational limitation constitutes a major violation. Along with related Notice of Air Quality Violation and Order (NOAV) No's. 2179-2184, issued in November of 2009, NOAV No. 2299 represents R&HB's seventh air quality violation within the last 60 months.

ORDER

Under the authority of NRS 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

_____ To pay the following administrative fine in accordance with 445B.281.1: \$ _____

To take corrective action: Report all permit deviations within a timely manner.

_____ To appear for a hearing before the Environmental Commission at:
Date: _____ Time: _____

_____ To appear for an enforcement conference at:
Date: _____ Time: _____

This notice is a warning.

Signature Francisco Vega
Issued by: Francisco Vega, P.E.
Supervisor
Compliance and Enforcement Branch

Phone: 775-687-9343 Date: February 15, 2011

FV/rew

Certified Mail #: 7009 3410 0000 1454 7106

This order becomes final unless appealed within ten (10) days after receipt of this notice or ten (10) days after a required enforcement conference. The person named in this order may appeal this notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. An administrative fine may be levied by the Environmental Commission of not more than \$10,000 per day of violation.