

BRIAN SANDOVAL
Governor



STATE OF NEVADA
STATE ENVIRONMENTAL COMMISSION

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COUNSEL
Rose Marie Reynolds

STAFF
Valerie King
Executive Secretary

October 31, 2013

Robert Ford
Cadence Industries 1 LLC
1231 Sharon Rd.
Las Vegas, NV 89106

RE: Notice of Alleged Air Quality Violation No. 2141 - Failure to Operate with an Air Quality Operating Permit

Dear Mr. Ford:

On May 6, 2008, a representative from the Nevada Division of Environmental Protection (NDEP) met with officials from your company in an enforcement conference concerning Galtar LLC's (Galtar) alleged failure to operate with the required Air Quality Operating Permit. As an outcome of that meeting, NDEP issued the above referenced NOAV. Please see attached.

When NDEP sent the NOAV by certified mail on August 19, 2008, it informed Galtar of its appeal rights pursuant to NRS 445B.340 and NRS 445B.360. On September 2, 2008, Galtar filed an appeal. Galtar failed to prosecute the motion within one year, and pursuant to NAC 445B.894(4), NDEP made a motion to dismiss the appeal. On January 11, 2013, the State Environmental Commission (SEC) notified Mr. Ford via a certified letter that the motion to dismiss the appeal would be heard during the SEC regulatory meeting on February 13, 2013. Galtar failed to appear, and on February 13, 2013, the appeal was dismissed.

Since the Galtar appeal of NOAV No. 2141 has been dismissed, the SEC will determine the appropriate penalty for the violation contained in the above referenced NOAV at its meeting on December 4, 2013. This meeting will be held on Wednesday, December 4, 2013 at 10:00 a.m. in the Bryan Building in Carson City, Nevada (901 S. Stewart Street, 2nd Floor Tahoe Room).

Pursuant to NRS 445B.640(1), the SEC may levy an administrative fine of not more than \$10,000 per day per violation. At the meeting staff from NDEP will provide the SEC with a brief overview of the NOAV and its recommendation for an administrative fine of \$10,500.00, which has been calculated from a penalty matrix previously approved by the Commission.

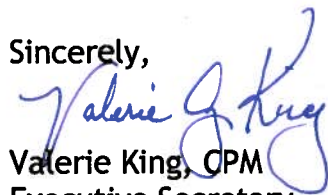
The Commission will formally levy a fine by accepting NDEP's recommendation or increasing or decreasing the fine amount based on the information presented at the meeting.

Your presence is not required at the December 4, 2013 meeting, although you or a company representative may wish to attend and speak on behalf of Galtar.

The SEC may, without further notice, take administrative action against Galtar if the SEC determines that such administrative action is warranted after it considers NOAV 2141.

If you have any questions regarding this notice, please contact me at (775) 687-9374.

Sincerely,



Valerie King, CPM
Executive Secretary

VK

Certified Mail # 9171 9690 0935 0011 9074 01

ec: Colleen Cripps, Administrator, NDEP
Rob Bamford, Chief, NDEP
Jasmine Mehta, Chief, NDEP
Francisco Vega, Supervisor, NDEP
Rose Marie Reynolds, DAG, SEC