

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 16, 2011

Paul Glauser  
Vice President  
Staker & Parson  
1000 W Center Street  
P.O. BOX 27598  
Salt Lake City, UT 84127-0598

**Re: NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2289 AND 2298  
CLASS II AIR QUALITY OPERATING PERMIT AP1442-0017 (FIN A0033)  
CHANGE OF LOCATION APPROVAL # 2236**

Dear Mr. Glauser:

On January 11, 2011, the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP) and Staker & Parson (S&P) held an enforcement conference to discuss the alleged violations related to operating prior to the issuance of Change of Location Approval (COLA) # 2236 and the crushing and screening plant throughput exceedances. Based on the information presented during the conference the NDEP determined that issuance of Notice of Alleged Air Quality Violation and Order (NOAV) **No. 2289 and 2298** was warranted. Operating without an Air Quality Operating Permit and the crushing and screening plant throughput rate exceedances represent air quality violations under **NAC 445B.275 Violations: Acts constituting; notice** (see below).

The attached **NOAV No.'s 2289 and 2298** allege that S&P 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:

- (d) Commencing construction or modification of a stationary source without applying for and receiving an operating permit or a modification of an operating permit as required by NAC 445B.001 to 445B.3497, inclusive, or a mercury operating permit to construct as required by NAC 445B.3611 to 445B.3689, inclusive;
- (c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit;

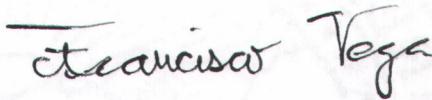


NOAV's No. 2289 and 2298 constitute major violations under **NAC 445B.281 Violations: Classification; administrative fines**. It is the first NOAV's issued to S&P in over 60 months.

An appeal of NOAV No. 2289 and 2298 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 please contact me at (775) 687-9343.

Sincerely,



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

FV/jp

Enclosures: 1. Notice of Alleged Air Quality Violation and Order No. 2289 & 2298  
2. SEC Appeal Form #3

cc (w/enc. 1 and 2): John Walker, SEC  
Elko County Board of Commissioners  
Files (A0033)

Route to (w/enc. 1 and 2): Michael Elges, NDEP  
Jeff Denison, NDEP

Certified Mail #:7009 3410 0000 1454 5188

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. 2298

**NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER**

**NOTICE OF ALLEGED AIR QUALITY VIOLATION**

**Person(s) to Whom Served:** Paul Glauser – Vice President

**Company Name:** Staker and Parson Companies

**Address:** 244 North 2200 West Suite 100, Salt Lake City, Utah 84116

**Permit Number:** AP1442-0017 **FIN:** A0033

**Site of Alleged Violation:** COLA 2263 – Tobar Pit, Wells, NV

**Date of Observation:** **Arrival:** **Departure:**

**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 the crushing and screening plant within the production limits specified in Class II General Air Quality Operating Permit for Temporary Sources AP1442-0017, Change Of Location Approval #2236.

**Evidence:**

Staker and Parson (S&P) operated crushing and screening equipment under Class II General Air Quality Operating Permit for Temporary Sources AP1442-0017, Change Of Location Approval (COLA) #2236. On August 11, 2010 The Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP) issued COLA #2236 to S&P. COLA #2236 allows S&P to operate out of the Tobar Pit for a year. The Tobar Pit is located 9 miles south of Wells, NV.

On January 25, 2011, an enforcement conference was held between the NDEP and S&P. During the enforce conference S&P self-reported that the crushing and screening plant exceeded the permitted production limit. At that time S&P provided the NDEP a copy of the crushing & screening plant daily operating records, S&P told the NDEP that they subcontracted out the crushing and screening portion of the paving project and they let the subcontractor operate under the assumption that they were operating within the limitations of COLA permit #2236. It was explained to S&P that compliance with the permit is the responsibility of the owner or operator of the permit.

An NDEP review of the operating records showed that the plant operated for 29 days. 27 out of the 29 days of operation the plant exceeded its production limit. The plant average production rate was 490 tons of material per hour or 31% over the 375 ton per hour limit.

Under NAC 445B.281 (Violations, Classification; administrative fines) exceeding the permitted production rate of a Class II General Air Quality Operating Permit for Temporary Sources, Change Of Location Approval constitutes a major violation. This Notice of Alleged Air Quality Violation and Order constitutes S&P's first air quality violation within the last 60 months.

# NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2298

## 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: Adhere to all of the production rates that are specified under the specific operating condition of an 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 16, 2011

FV/jp  
Certified Mail #: 7009 3410 0000 1454 5188

*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. 2289

**NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER**  
**NOTICE OF ALLEGED AIR QUALITY VIOLATION**

**Person(s) to Whom Served:** Paul Glauser – Vice President  
**Company Name:** Staker and Parson Companies  
**Address:** 244 North 2200 West Suite 100, Salt Lake City, Utah 84116  
**Permit Number:** AP1442-0017 **FIN:** A0033

**Site of Alleged Violation:** COLA 2263 – Tobar Pit, Wells, NV  
**Date of Observation:** **Arrival:** **Departure:**  
**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 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:

- (d) Commencing construction or modification of a stationary source without applying for and receiving an operating permit or a modification of an operating permit as required by NAC 445B.001 to 445B.3497, inclusive, or a mercury operating permit to construct as required by NAC 445B.3611 to 445B.3689, inclusive;

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

Failure to receive an air quality operating permit prior to commencing construction and operation.

**Evidence:**

Staker and Parson (S&P) operated crushing and screening equipment under Class II General Air Quality Operating Permit for Temporary Sources AP1442-0017, Change Of Location Approval (COLA) #2236. On August 11, 2010 The Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP) issued COLA #2236 to S&P. COLA #2236 allows S&P to operate out of the Tobar Pit for a year. The Tobar Pit is located 9 miles south of Wells, NV.

On December 15, 2010 a review of the S&P permit file was conducted, the inspector compared the COLA project start date to the issuance date of the COLA #2236. The inspector discovered that S&P started operation twenty days prior to the permit being issued. On August 27, 2010, S&P submitted their COLA actual start of operations reporting form to the NDEP-BAPC, the form stated that S&P started operating out the Tobar Pit on July 23, 2010.

On December 16, 2010, the NDEP-BAPC notified S&P's responsible official about the violation.

Commencing construction and operation constitutes a major violation under NAC 445B.281 Violations: Classification; administrative fines. This Notice of Alleged Air Quality Violation and Order constitutes S&P's first air quality violation within the last 60 months.

# NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2289

## 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.281.3: \$ \_\_\_\_\_

\_\_\_\_\_ To take corrective action: Stake and Parson must receive an air quality operating permit before constructing and operating at a temporary site. \_\_\_\_\_

\_\_\_\_\_ 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 16, 2011

FV/jp  
Certified Mail #: 7009 3410 0000 1454 5188

*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.*

**FORM # 3**  
**FORM FOR REQUESTING AN APPEAL HEARING**  
**BEFORE THE NEVADA STATE ENVIRONMENTAL COMMISSION**

1. Name, address, telephone number, and signature of applicant:  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Representative Capacity (if applicable): \_\_\_\_\_
2. Specify type of applicant: Individual, Partnership, Corporation, or Other: \_\_\_\_\_
3. Other person or persons authorized to receive service of notice: \_\_\_\_\_
4. Complete description of the business or activity and the location of the activity involved in the request: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Nature of the appeal and grounds thereof: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. Section or sections of the State Air Quality Regulations, Water Pollution Control Regulations, Hazardous Waste Regulations, Solid Waste Management Regulations, or NRS section involved in the appeal: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. Approximate time in hours and minutes necessary for delivery of oral testimony and reading of prepared statements as admissible evidence to be entered in the record: \_\_\_\_\_

Date of Request \_\_\_\_\_

Send Form To: John Walker, State Environmental Commission, 901 South Stewart Street, Suite 4001  
Carson City, Nevada 89701-5249 (Fax 775-687-5856)