

**BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

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In The Matter Of:

SOUTH COAST AIR QUALITY
MANAGEMENT DISTRICT,

Petitioner,

v.

BAKER COMMODITIES, INC.,

[Facility ID no. 800016]

Respondent.

Case No. 6223-1

**[PROPOSED] FINDINGS AND
DECISION GRANTING SECOND
MODIFIED ORDER FOR ABATEMENT**

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Dates: May 29 and June 11, 2024

Time: 9:30 a.m.

Place: Hearing Board Room
South Coast Air Quality
Management District
21865 Copley Drive
Diamond Br, CA 91765

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Baker Commodities Inc.'s ("Baker" or "Respondent") request to modify the June 21, 2023 Modified Order for Abatement ("First Modified Order for Abatement") to allow the facility located at 4020 Bandini Boulevard, Vernon, CA (the "Facility"), subject to certain improvements being constructed, to operate as a collection center for the receipt and short-term storage of raw rendering material within a Permanent Total Enclosure before transportation of the material offsite to a licensed rendering or processing facility, was heard on May 29 and June 11, 2024, pursuant to notice provided in accordance with the provisions of California Health and Safety Code, sections 40823 and 42451, subdivision (a), the South Coast Air Quality Management District's ("District" or "South Coast AQMD") Rule 812, and the Hearing Board Rules and Procedures, Rule 8, subdivision (k).

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BACKGROUND

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1. In 2022, the Hearing Board found Baker in violation of RuleRules 415, 2004, and 3002, and its permit conditions as set forth in the Hearing Board's Order for Abatement ("Original Order"). The Original Order shut down Baker's rendering, trap grease, and wastewater processing operations, until the Facility put certain operations or equipment into a permanent total enclosure or closed system. In 2023, the Hearing Board issued the First Modified Order for Abatement to allow the Facility to operate equipment necessary for its trap grease and used cooking oil operations and its associated wastewater treatment systems.

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[PROPOSED] FINDINGS AND DECISION GRANTING SECOND MODIFIED ORDER
BAKER COMMODITIES INC. FACILITY ID #800016

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FINDINGS OF FACT

The Hearing Board finds and decides as follows:

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1. Baker has decided to cease ~~rendering operations~~ cooking and downstream operations related to rendering of animal products (colloquially known, as “rendering”) at the Facility and memorialize that in the relevant permits. Instead, Baker will utilize the Facility as a collection center for the receipt and short-term storage of raw rendering material within a Permanent Total Enclosure before transportation of the material offsite to a licensed rendering or processing facility and will make certain substantial capital and operational improvements at the Facility as further described in the Order and Conditions below.
- ~~2. Termination of the Second Modified Order will occur upon completion and operation of the three new enclosures, including over the (i) grease pit trash area, (ii) J&M skimmer trash bin, and (iii) Centrisys trash bin. Upon termination of the Second Modified Order Baker may continue to operate as a collection center with the permanent capital and operational improvements in effect, in addition to its used cooking oil and trap grease recycling and associated wastewater operations.~~

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CONCLUSIONS

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1. Good cause exists to issue this Second Modified Order to allow Baker to operate, at the Facility, a collection center for the receipt and short-term storage of raw rendering material within a Permanent Total Enclosure before transportation of the material offsite to a licensed rendering or processing facility. This is in addition to its existing used cooking oil and trap grease recycling and associated wastewater operations.
2. The Second Modified Order will allow Baker, subject to the conditions set forth in Attachment A, to operate a collection center while it is constructing three new capital improvements described in ~~Section 7.8~~ of Attachment A.
3. This Second Modified Order shall terminate upon Baker’s achievement of final compliance and notice thereof to the Hearing Board and the District. Final compliance is ~~the completion~~ and operation of the three new capital improvements described in Section 7 enclosures, over the (i) grease pit trash area, (ii) J&M skimmer trash bin, and (iii) Centrisys trash bin and

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~~issuance of Attachment A, the permit to construct to expand the raw materials receiving area enclosure.~~

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- 4. Upon termination of the Second Modified Order and subject to permitting, Baker may continue to operate as a collection center with permanent capital and operational improvements in effect, in addition to its used cooking oil and trap grease recycling and associated wastewater operations.

ORDER AND CONDITIONS

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~~THEREFORE, based on the Findings of Fact and evidence and testimony presented at the hearing, and good cause appearing, the Hearing Board orders Baker to abide by the modified conditions set forth in Attachment A. This Second Modified Order fully replaces both the First Modified Order of Abatement and the Original Order. This Second Modified Order shall terminate upon Baker's final compliance, which includes completion and operation of the three new capital improvements set forth below and in Section 7 of Attachment A. Upon termination of the Second Modified Order, Baker may continue to conduct collection center operations, in addition to used cooking oil and trap grease recycling and associated wastewater operations, subject to maintenance of the permanent capital and operational improvements as described in Baker's Request to Modify.~~

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This Second Modified Order is not and does not act as a variance; Baker is subject to all rules and regulations of the District and to all applicable provisions of California law. Nothing herein shall be deemed or construed to limit the authority of the District to issue Notices of Violation, to seek civil penalties or injunctive release, or to other administrative legal relief. The Findings of Fact are based on evidence presented by the Executive Officer and Baker as of the date hereof.

Good cause appearing, it is so ordered.

BOARD MEMBER: _____

DATE: _____

ATTACHMENT A

Second Modified Conditions for Baker Commodities

1. RespondentBaker shall not resume grinding, cooking and downstream operations related to rendering of animal products at the Facility. RespondentBaker shall disconnect (if not already) and keep disconnected any gas, fuel, and/or steam lines to cookers used for rendering, including but not limited to Device D-411 and D-224. Within 14 days of the Second Modified Order's effective date, RespondentBaker shall pay expedited permit application fees and submit any necessary additional permit applications to modify other processes as may be necessary to operate as a collection center.
2. If Respondent'sBaker's permit application related to its raw materials receiving area enclosure expansion is withdrawn, denied or rejected, RespondentBaker shall submit a new permit application to operate as a collection center within 7 days from the date of withdrawal, denial or rejection.
3. RespondentBaker may use the Facility as a collection center, which is the receipt of raw rendering material for the purpose of short-term storage within a Permanent Total Enclosure before transportation of the material offsite to another licensed rendering plant or pet food processor. The location of the collection center operation involved is identified in **Exhibit A**.
4. RespondentBaker shall not use the Facility as a collection center, until it has conducted a demonstration of the use of loading and unloading equipment with rollup doors closed and truck inside the enclosure. If any of the permits to construct the three enclosures listed in 8 has not been issued within 120 days of the order or if any of the applications for any of these three enclosures are rejected or denied, Baker shall cease operating as a collection center. Baker shall submit a new permit application (or applications) within 7 days of the denial or rejection. Baker may resume operating as a collection center once all three permits to construct have been issued.
- 4-5. Baker shall not use the Open-Air Pit to store any "sludge" or water-bearing waste generated from the Facility unless such water-bearing waste is in an enclosure, covered container, or within a closed system.
- 5-6. RespondentBaker may operate its wastewater treatment system to process rainwater, washdown water, and water related to processing of used cooking oil.
- 6-7. RespondentBaker shall continue to comply with all obligations to operate its trap grease deliveries or process trap grease, including any current permit requirements for fully enclosing or putting into a closed system elements of the wastewater treatment system.
- 7-8. RespondentBaker shall implement the following capital improvements:
 - a. **New Capital Improvements:** Baker shall construct enclosures over the (i) grease pit trash area, (ii) J&M skimmer trash bin, and (iii) Centrisys trash bin, the locations of which are identified in **Exhibit A**. Baker shall apply for any other permits that may be necessary to construct such features within 30 days of approval of this Second Modified Order. Baker shall complete construction of the three enclosures within 120 calendar days of the issuance of District Permits to Construct and notify the District of completion of each enclosure. If the enclosures are not completed within 90 days,

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Baker shall cease its collection operations, unless otherwise agreed with the District, and shall notify the District. If Baker and the District are unable to reach agreement regarding an extension to Baker's time to complete the enclosures, Baker may submit a request for extension to the Hearing Board to continue collections operations. Baker shall suspend collection operations until such enclosures are complete or until the Hearing Board has approved its request for extension of time for continued collections operations pending completion. Baker shall comply with Permits to Construct the capital improvements, including source test requirements.

- b. If the District requests additional information to process the applications for enclosures and the raw material area expansion, Baker shall provide such additional information within 53 working days ~~unless there is a demonstrated need for additional time~~, or within the timeframe requested by the District, whichever is later.

~~8.9.~~ All trash or wastewater, digested sludge shall be disposed of in roll-off bins that will remain covered except when such bins are being filled. This condition applies to devices, including but not limited to D-269, D-329, D-234, D-368, and D-369. When material is dropped into roll-off bins, the bins shall have their freeboard height enclosed.

~~9.10.~~ For any equipment that discharges trash materials or digested sludge from trap grease wastewater operations into trash bins via a freeboard drop, ~~Respondent Baker~~ Baker shall cover the free board drop.

~~10.11.~~ Collections Operations Conditions

- ~~a) Baker shall not begin collections operations until applications for the permit to construct the three enclosures in 7.a. have been submitted.~~
- a) Baker shall not use the Facility as a collection center, until it has conducted a demonstration of the use of loading and unloading equipment with rollup doors closed and truck inside the enclosure.
- b) Baker shall store a maximum of ~~17560,000~~ 100,000 lbs. of Hard Material in its Raw Material Enclosure at any time, prior to completion of the extension of the Raw Material Enclosure. No other raw material shall be stored in the Raw Material Enclosure. "Hard Material" is defined as animal fat and bone, including animal carcasses and parts, packing house or grocery store cuttings and out-of-date products, viscera, offal, feces and other organic matter generated by food processors, but expressly excluding any trap or restaurant grease material.
- c) Hard Material shall be stored only on the floor of the enclosure. Pit shall be kept empty until new screws taking material from the pit have been built per the permit to construct to expand the raw material area enclosure.
- d) Hard Material shall only be received from 6:00 am to 8:00 pm.
- e) Baker shall typically only receive 20 deliveries of Hard Material between 6 a.m. and 10 p.m. but may also receive Hard Material after hours each day.
- d) No long term storage of Hard Material shall occur remain overnight at the Facility.
- e) Baker shall wash down the pit of its Raw Material Enclosure once per week. In performing these washdowns, Baker is not required to remove By 9:00 pm each

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~~day, all animal matter from the pit, but must clean the pit to the extent reasonably practicable.~~ Hard Material shall be removed from the Facility.

~~f)g)~~ Baker shall inspect the exterior of the Raw Material Enclosure daily, to ensure that no Hard Material escapes from the Raw Material Enclosure to the exterior.

~~e)h)~~ If Hard Material is discovered to have escaped from the Raw Material Enclosure to the exterior, Baker shall promptly clean up such material, investigate how such material escaped, and take corrective action to prevent Hard Material from escaping in the future.

~~h)i)~~ Baker shall not load or unload any Hard Material outside of the Raw Material Enclosure.

~~i)j)~~ Baker shall keep records, in the form of weight tickets from the Facility scale, of the inbound and outbound material to demonstrate compliance with the 17560,000 lbs. of Hard Material in its Raw Material Enclosure. The records shall be made readily available during any inspection or upon any request from South Coast AQMD personnel.

~~j)k)~~ ~~Respondent~~ Baker shall send the previous month's material records to South Coast AQMD (Attn: Paolo Longoni at plongoni@aqmd.gov) on the first Tuesday of each month.

12. ~~In addition to the conditions expressly set forth in Section 10 above, Odor Best Management Practices~~

~~a. Baker shall comply with do the following:~~

~~i. Covering of Incoming Transport Vehicles. Transport vehicles delivering raw rendering materials shall not be permitted past the policies first point of contact at a rendering facility for incoming trucks, such as a guard shack or weigh station, unless the cargo area of the vehicle is completely enclosed or fully tarped.~~

~~ii. Delivery of Raw Rendering Materials. The owner or operator shall ensure incoming raw rendering materials are transferred into the raw rendering receiving area enclosure within 60 minutes after the inbound truck enters the facility.~~

~~iii. Washing of Outgoing Transport Vehicles. Where raw rendering materials come directly into contact with a transport vehicle and the cargo area is exposed to the air, the cargo area shall be washed before exiting the enclosure. In addition, at the end of each working day, equipment and vehicles used to load and unload raw rendering material shall be washed inside the enclosure.~~

~~iv. Washing of Drums and Containers. Open drums or containers holding raw rendering materials shall be washed prior to leaving a rendering facility.~~

~~v. Washdown of Receiving Area. Walls, floors, and other surfaces of the receiving area of a rendering facility and any equipment operated in the receiving area, including screw conveyors, pumps, shovels, hoses, etc., shall be thoroughly washed to remove animal matter before start of collections on Monday, Thursday, and Saturday.~~

~~vi. Cleaning Floor Drains. Accessible interior and exterior floor drains shall be inspected and cleaned not less frequently than once per month to remove accumulation of rendering materials.~~

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vii. Odor Detection. If an odor is detected at or beyond the property line of the Facility by South Coast AQMD personnel and/or site staff, the Baker shall determine the odor source(s) as soon as possible and shall undertake remedial measures immediately, and no later than 30 minutes, to correct the problem. If after remedial measures are taken, an odor is still detected at or beyond the property line of the Facility, Baker shall take additional remedial measures as requested by the South Coast AQMD personnel, including but not limited to immediately foregoing receipt of additional materials for collection or removal of existing materials within 3 hours.

viii. Odor Log. Baker shall keep a contemporaneous daily log of odors detected at or beyond the property line of the Facility by South Coast AQMD personnel and/or on site staff and any remedial measure(s) taken. Such records shall be available to South Coast AQMD staff upon request.

~~11-13.~~ *If the hearing board decides to incorporate Baker's standard operating procedures attached hereto as Exhibits C, D, E, F, and G, the following provision is suggested: If there is a conflict between the standard operating procedures and the conditions in Attachment A, the conditions in Attachment A prevail and must be followed.*

~~12-14.~~ Respondent Baker shall notify the Clerk of the Hearing Board (ClerkofBoard@aqmd.gov) and South Coast AQMD inspector (plongoni@aqmd.gov) within 7 calendar days of achieving final compliance.

~~13-15.~~ A hearing on the status on the matter and possible modification of the order shall be heard on August 7, 2024, or as soon thereafter as the Hearing Board and the parties may schedule. Upon the stipulation of both parties, the hearing may be requested to be taken off calendar.

~~14-16.~~ The Second Modified Order automatically terminates upon the following:

- a. Respondent Baker achieving final compliance, which is the completion and operation of the new capital improvements described in Section 7 three new enclosures, over the (i) grease pit trash area, (ii) J&M skimmer trash bin, and (iii) Centrisys trash bin and issuance of the permit to construct to expand the enclosure for the raw materials receiving area.
- b. Respondent's Baker's notification to the Clerk of the Hearing Board (clerk and the District (plongoni@aqmd.gov and dhsu@aqmd.gov)) of final compliance.

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