



Florida Department of Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Mimi Drew
Secretary

October 6, 2010

Ms. Debra Russell, CFE
Director of Taxpayer Services & Exemptions
Budget/Finance
Wakulla County Property Appraiser's Office
3115-A Crawfordville Hwy
Crawfordville, Florida 32327

Re: St. Marks Powder Inc.

Dear Ms. Russell:

In accordance with §193.621, Florida Statutes, if it becomes necessary for a manufacturing or industrial plant or installation "to install or construct a facility in order to eliminate or reduce industrial air or water pollution, those facilities shall be deemed to have value, for purposes of assessment for ad valorem property taxes, no greater than their market value as salvage". Only those facilities specifically installed to eliminate or reduce air or water pollution are eligible for this type of assessment. Simply because items are required by environmental permit does not automatically make them eligible for the ad valorem exemption.

I have reviewed the material attached to your September 4, 2010 email, and subsequent revised list submitted by St. Marks Powder via email on October 4, 2010, concerning pollution control devices at St. Marks Powder, Inc. (St. Marks Powder). In my opinion, the items on the revised equipment list submitted by St. Marks Powder (attached) are "primarily for the purpose of pollution control" and are eligible for full assessment as pollution control devices pursuant to §193.621, Florida Statutes with the following exceptions:

- Items 4770, 4771, 6829, and 4442 – These items are associated with the bullet trap installed to capture fire rounds to minimize hazardous waste. As stated above, only those facilities installed to eliminate or reduce air or water pollution are eligible for assessment under §193.621, Florida Statutes.
- Items 4476, 4477, 4478, 4479, 7926, and 7928 – These items are listed as regulated under the RCRA hazardous waste permit for the facility and do not appear to be air or water pollution control equipment
- Items 8051 and 8139 – Asbestos abatement, and contaminated soil remediation and monitoring are not considered air or water pollution control equipment.
- Item 8136 – The Title V Air Operating Permit allows for the use of On-Spec used oil in the boiler. The inclusion of this in the Title V permit does not in and of itself qualify as pollution

October 6, 2010
Ms. Russell
St. Marks Powder

control equipment. In fact, it could be argued that combustion of used oil contributes to, rather than reduces, air pollution.

- Items 8260, 8252, and 8330 – It appears that these items are monitoring devices used to insure that St. Marks Powder reclaimed water is meeting the City of Tallahassee's specifications prior to transfer to the Purdom Power Plant. These are not items required in order to "eliminate or reduce industrial air or water pollution.
- Item 8188 – The belt filter press is used to "dewater" the sludge prior to disposal. This equipment aids in the reduction of solid waste, not air or water pollution.

Additionally, certification from a Professional Engineer is not included. In accordance with 62-8.040, F.A.C., a current evaluation of their equipment by a registered Professional Engineer in the State of Florida must also be submitted.

If you have any questions regarding this determination, please contact Cindy Mulkey at (850) 245-2175 or me at (850) 245-2002.

Sincerely,

A handwritten signature in blue ink that reads "Michael P. Halpin, P.E.".

Michael P. Halpin, P.E.
Administrator, Siting Office

Cc by email: D. Warren, St. Marks Powder
darren.warren@gd-ots.com

Asset ID	Asset	Comments	Total Cost
000000008132	REUSE OF RECLAIMED NPDES DISCH	Included in wastewater permit. Treatment includes media filtration, carbon absorption, & chlorination. Pumps treated effluent as reclaimed water for reuse by the Purdom Power Plant as cooling water.	\$1,301,815.74
00006222	ONE STEEL RECIRCULATING W	Not part of wastewater permit. Treats high nitroglycerine water in the wet processing area. High concentrations of nitroglycerine will kill the bacteria which treat the wastes in the wastewater plant.	-\$0.01
00007406	PIPING AT WASTE TREATMENT	Included in wastewater plant. Part of mid 80's expansion.	-\$0.01
00006933	N. G. DIKE SEALING	Secondary containment needed up-grading to insure that any nitroglycerine leaks from the tank & equipment inside the secondary containment would not be released into the environment. Included as part of our SPCC Plan and the Clean Water Act.	\$639.20
00006939	STEAM LINE TO AERATION TA	The Aeration Tank is included in the wastewater permit. During cold weather the bacteria in the tank are less active. Steam was added to maintain treatment efficiency.	\$195.19
00006905	FIFTH AERATOR TANK #484-8	The Aeration Tank is included in the wastewater permit. A fifth aerator was needed to supply enough dissolved oxygen to maintain a healthy bacteria colony.	\$6,566.32
00006915	LIFT STATION MODIFICATION	Lift Stations are included as part of the transmission (pumping) system in the wastewater permit application.	\$1,605.35
00006863	PACKOUT WATER CONTAINMENT	A lined pond was installed to supply surge capacity for a lift station. This particular lift station is in a fairly remote location. The lined pond give operations more time to deal with lift station problems prior to having a wastewater release.	\$39,916.61
00006873	CONTAINMENT DIKE	Secondary containment. Part of Spill Control & Countermeasures Plan under the Clean Water Act.	\$9,650.10
00004770	FAB/INSTALL BULLET TRAP	We test the powder we make by shooting it in a firing range & measuring the velocity & pressure. Bullet traps were installed to capture the fired rounds. This eliminated shooting the rounds into sand in these ranges. Previously the sand had to be sent off site as hazardous waste due to the lead content. The lead captured from the bullet traps is sent to a recycler. This was done as part of our Pollution Prevention/Waste Minimization program.	\$2,483.00
00004771	FAB/INSTALL BULLET TRAP	Same as 00004770 above.	\$2,483.00
00006866	CENTRAL LIFT STATION POWD	Part of the wastewater system. The Central Lift Stations accepts wastewater from all process lift stations & feeds the wastewater treatment system.	\$1,252.24
00006864	S. BARREL SUMP ALARMS	This sump captures wastewater at the S. Barrel. High level alarms were added with this project. This allows operators to take appropriate actions to try to prevent the sump from overflowing.	\$1,109.33
00006806	SANITARY SEWAGE SYSTEM 7	Prior to this project all wastewater (industrial & sanitary) was pumped thru the wastewater grit tanks. By installing a separate sanitary system (sanitary lift stations & a separate sanitary wastewater main), the sanitary waste can be added directly to the wastewater Aeration Tank by-passing the Grit Tank.	\$77,374.39

00004705	IPA SCRUBBER	Part of Title V Air Operating permit. Meets air limits for volatile organic compounds (in this case isopropyl alcohol-IPA).	\$11,354.64
00004700	CO2 STORAGE TANK	Part of wastewater permit. Liquid carbon dioxide is mixed with water to form carbonic acid. The carbonic acid is used to lower high pH in the effluent discharge.	\$10,363.22
00006802	DRYER SPRINKLER CONTAINME	Concrete work to contain sprinkler trip water at the dryers. The sprinkler water may flush gun powder from the dryer systems & therefore needed to be contained.	\$6,623.35
00006829	BULLET TRAP FOR BALLISTIC	Same as 00004770 & 0004771.	\$3,822.63
00004699	CO2 SPARING SYSTEM-LAGOON	Part of wastewater permit. 00004700 was for the purchase & installation of the CO2 tank itself. 0004699 for the mixer/sparger & associated piping	\$1,305.66
00004698	PH ANALYZER & PH PROBE	Part of wastewater permit. The pH analyzer & probe detects the pH of the wastewater & sends an electronic to the CO2 system to control the carbonic acid add.	\$946.33
00006710	TRASH SUMP OVERFLOW WL	Not part of wastewater permit. An automated filter was install at the wet processing area "trash" sump to remove solids prior to the water going to the wastewater treatment system.	\$29,274.19
00004442	RANGE 2 BULLET TRAP	Same as 00004770, 00004771, & 00006829.	\$10,611.62
00006828	SPENT/NITRATING ACID DIKE	Same as 00006933, but for the Spent Acid Tank & Nitrating Acid Tanks containment. Periodically, the concrete containment requires a special coating to be applied.	\$7,534.77
00006767	CHLORINE EDUCTION SYSTEM	Part of wastewater permit. Chlorine is used to sanitize wastewater (kill fecal coliform, e-coli, & pathogens). The system included an injector which mixes gaseous chlorine with water & piping to inject the chlorinatedwater into the wastewater effluent.	\$2,641.90
00006785	DUPLEX GRINDER LIFT STATI	Another sanitary lift station was added to the sanitary sewer system.	\$10,064.54
00004476	INSTALL BURN PAN & BURNER	Part of RCRA hazardous waste permit. Gas assisted open burn pans are used for treatment for energetic materials such as waste gun powder & waste nitroglycerine.	\$6,345.48
00004477	INSTALL BURN PAN & BURNER	Same as 00004776.	\$6,345.48
00004478	INSTALL BURN PAN & BURNER	Same as 0004476 & 00004477.	\$6,345.48
00004479	INSTALL POPPING KETTLE	Part of RCRA hazardous waste permit. A gas assisted "popping" kettle is used for treatment of shells from the on-site ballistic range that may or may not have fired. After treatment the metal is sent to a scrap metal recycler.	\$6,345.48
00006715	INC AERATION CAPACITY	Part of the wastewater permit. In order to increase aeration capacity, worn propellers on the aerators were replaced with new propellers designed to improve the oxygen exchange when the water is thrown into the air.	\$31,255.52
00004383	NEW SCRUBBER SYSTEM	Part of Title V Air Operating permit. Meets air limits for volatile organic compounds (in this case isopropyl alcohol-IPA). This was the IPA Scrubber at the S. Coater.	\$29,358.85
00004376	CONTROLS FOR SCRUBBERS	Part of Title V Air Operating permit. Automatic control for scrubber water for the S. Coater Scrubber.	\$25,000.00
00004513	AQUA-JET AERATOR	Part of wastewater permit. Added sixth aerator in the Aeration Tank.	\$15,535.76

00004518	PH CONTROL FOR DIGESTER	The Digester is part of the wastewater permit. A soda ash addition system was added to neutralize low pH water (acidic).	\$11,752.98
00004384	BLOWERS FOR NEW SCRUBBER	Part of Title V Air Operating permit. This is the blower that pulls the air thru S. Coater Scrubber.	\$10,416.66
00004493	REDUNDANT PH CNTL @ WTP	Part of wastewater permit. This is an on-line back-up pH control system for the treated effluent. Due to the severe service the pH probe fails periodically. Therefore, an on-line back was needed to insure permit limits are met.	\$6,674.38
00004368	NEW SCRUBBER P.V.F.	Part of Title V Air Operating permit. This is the interface between the S. Coater Scrubber controls & the computer system in the control room.	\$6,250.00
00004369	MISC. EQUIP OF SCRUBBER	Part of Title V Air Operating permit. Miscellaneous equipment associated with the S. Coater Scrubber.	\$6,180.55
00007926	BURNING PANS POWER & CONTROLS	Part of RCRA hazardous waste permit. Electrical power & control systems for the burn pans & popping kettles. This operation is controlled remotely (no one is allowed in the area during a burn).	\$78,750.00
00007927	PUMPING & PIPING SYSTEMS	Part of RCRA hazardous waste permit. The open burn unit is located remote from the rest of the plant. There is a sump & sump pump that pumps water several thousand feet to the wastewater treatment system.	\$51,000.00
00007924	CONCRETE CONTAINMENT@BURNGRND	Part of RCRA hazardous waste permit. The concrete containment for the open burn unit was designed to contain a 25 year flood.	\$28,746.69
00007928	BURNER CONTROL BUILDING	Part of RCRA hazardous waste permit. This is a small metal building that serves as the control room for the open burn unit.	\$5,175.00
00007964	NORTH COATER CONTAINMENT	Upgrade of secondary containment at N. Coater to prevent liquid discharges to the environment.	\$7,461.83
00007962	NORTH BLENDER CONTAINMENT	Upgrade of secondary containment at N. Blender to prevent liquid discharges to the environment.	\$7,249.00
00007963	NORTHEAST BLENDER CONTAINMENT	Upgrade of secondary containment at NE Blender to prevent liquid discharges to the environment.	\$6,609.16
00007961	ISCO REFRIGERATED SAMPLER	Refrigerated composite sample to collect samples for analyses required by the wastewater permit.	\$5,437.41
00008037	FUEL OIL TANK CATHODIC PROTECT	The fuel oil tank is a registered aboveground storage tank. Cathodic protection is required under State & Federal law.	\$81,893.66
00008110	LIFT STATION ALARMING	This was instrumentation installed so that the central lift station which feeds the wastewater treatment plant could be monitored from the front gate by the security guards & by the operators at the wet processing control room. These areas are monitored 24 hours a day. The wastewater plant is monitored 1-2 shifts a day.	\$28,802.93
00008051	SHAPER REPAIR/ASBESTOS ABATEME	Asbestos abatement of the graining lines shaper piping insulation.	\$25,964.34
00008074	REPLACE MOLYTEK WASTE TREATMNT	An old control system was replaced by a computer. Computer control of the wastewater system was essential to continue to meet permit limits.	\$21,246.47

00008036	WASTE TREATMENT PLANT EQUIPMEN	Part of wastewater permit. A steel ring was welded all the way around the bottom of the Aeration Tank. The bottom of the tank was pitted & needed to be strengthened.	\$14,026.28
00008054	STEAM SPARGE TO WTP EQUALIZ TK	The equalization tank is part of the wastewater permit. Previously, we heated the aeration tank, but we also need to start treatment in the equalization tank prior to the aeration tank. In cold weather, steam addition to the equalization tank is needed to keep the bacteria active.	\$13,351.37
00008035	LIFT STATION SPILL PREV #6	Spill prevention work at #6 Lift Station which is part of the transmission system for the wastewater plant (everything from the lift stations thru the wastewater plant is under the wastewater permit). The work consisted of separating certain electrical systems for the lift station & of sending high level alarms to the gate since there are times the Pilot Plant isn't manned.	\$13,146.41
00008040	AUTO PUMPING SYSTEM @ PITS	Installed to prevent pumping excessive quantities of water that contains high ammonia form the Pits area to the wastewater treatment plant.	\$11,180.87
00008056	FUEL OIL TANK CONTAINMENT	Installed to meet revised Spill Control & Countermeasures Plan Federal regulations.	\$9,828.00
000000008139	SWMU 37&40 CORRECTIONS	Part of the hazardous waste permit. This portion of the permit is the Hazardous & Solid Waste amendments that require permitted facilities to identify & remediate contaminated areas. Contaminated soils were removed, but groundwater monitoring continues.	\$63,754.90
000000008136	UPGRADE WASTE OIL SYS@BOILER	A waste oil tank & associated piping was installed at the boiler. On-spec used oil is burned in the boiler. This is included in the Title V Air Operating permit.	\$18,460.35
000000008137	PH MONITORING@#1 LIFT STATION	A pH monitoring system was installed at the #1 Lift Station in order to let treatment operators & shift supervisors know if high pH wastewater was being sent to the wastewater plant.	\$9,356.67
000000008261	DITCH ISOLATION VALVE S COATER	The ditch isolation valves throughout the facility. Their purpose is to stop flow in a ditch if there is a release to a ditch. This valve was installed in the ditch at the S. Coater. All the ditch valves are included in the Spill Control & Countermeasures Plan.	\$8,552.65
000000008260	INSTRUMENT. FOR FLUORIDE ANALY	Fluoride is analyzed in the reclaimed water we send to the Purdom Power Plant. Hydrofluoric acid can be formed in their equipment if the fluoride content is to high. Hydrofluoric acid is extremely corrosive. We send the samples off-site for analyses, but if it takes too long to obtain the results if there is a problem. Therefore, we purchased an analyzer so the we can react quicker if there is a problem.	\$7,340.33
000000008208	LAGOON COVER REPLACEMENT	The lagoon (or polishing pond) is part of the wastewater permit. During most of the year algae grows in the pond. A floating cover was placed on the back side of the pond to block sunlight & prevent algal growth.	\$78,803.83

000000008191	LIFT STATION 8 CAP. INCREASE	Lift Station #8 takes in water from several areas including the aerobic digester & the belt filter press. This lift station is part of the wastewater permit. The pump capacity & the line size from the pump to the central lift station were increased in order to handle flows going into the lift station.	\$28,893.84
000000008188	BELT PRESS FEED PUMP VAR. SP.	Part of wastewater permit. The belt filter press (for sludge removal) feed pump was replaced.	\$12,665.11
000000008276	SPILL PREVENTION CONTROL MOD	Modification were made to meet the revised Federal regulations for the SPCC Plan.	\$82,185.29
000000008252	ION CHROMATOGRAPH - WASTE WATE	The ion chromatograph was purchased for in-house process control of inorganic parameters we are required to monitor for the reclaimed waster pumped to the Purdom Power Plant.	\$58,942.53
000000008280	WL RW POINT SOURCE TREATMENT	Not part of wastewater permit. A pretreatment tank was installed in the wet process areas for point source treatment of wastewater prior to pumping to a lift station that feeds the wastewater plant.	\$70,556.37
000000008328	TKN Analyzer in Environ Lab	The Total Kjeldahl Nitrogen analyzer was obsolete & replaced. It is used for in-house process control of wastewater.	\$24,430.00
000000008330	Spectrophotometer for Water An	We obtained approval from the Purdom Power Plant to run silica analyses at the plant instead of sending samples to Savannah, Georgia, & waiting 3 weeks for results. The spectrophotometer has worked well.	\$6,822.79
000000008413	SODIUM HYPOCHLORITE ADDITION SY	Part of wastewater system. Sodium hypochlorite is used to "kill" filaments which can over-power the bacteria in the treatment that treat the wastewater. By controlling the add rate the filaments can be reduced to an acceptable level without killing the "good" bacteria.	\$18,628.99
000000008391	PT Tank ORP Control	Not part of wastewater permit. At the Pretreatment Tank (point source control) ORP (oxidation-reduction potential) is used to determine what treatment is occurring in the tank. A sensor & control system were installed.	\$9,137.44
		Total	\$2,615,840.43