



JUN 2 4 2010

Martin Flores Malibu Boats One Malibu Court Merced, CA 95340

Re:

Notice of Final Action - Title V Permit Renewal

District Facility # N-3941 Project # N-1084452

Dear Mr. Flores:

The District has issued the Final Renewed Title V Permit for Malibu Boats. The preliminary decision for this project was made on May 6, 2010. No comments were received subsequent to the District preliminary decision.

The public notice for issuance of the Final Renewed Title V Permit will be published approximately three days from the date of this letter.

Thank you for your cooperation in this matter. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

David Warner

Director of Permit Services

Attachments

cc: Brian Clements, Permit Services Engineer

Seyed Sadredin

Executive Director/Air Pollution Control Officer





JUN 2 4 2010

Gerardo C. Rios, Chief Permits Office (AIR-3) U.S. EPA - Region IX 75 Hawthorne St. San Francisco, CA 94105

Re:

Notice of Final Action - Title V Permit Renewal

District Facility # N-3941 Project # N-1084452

Dear Mr. Rios:

The District has issued the Final Renewed Title V Permit for Malibu Boats. The preliminary decision for this project was made on May 6, 2010. No comments were received subsequent to the District preliminary decision.

The public notice for issuance of the Final Renewed Title V Permit will be published approximately three days from the date of this letter.

I would like to thank you and your staff for working with us. We appreciate your concurrence with this action. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

David Warner

Director of Permit Services

Attachments

cc: Brian Clements, Permit Services Engineer

Seyed Sadredin

Executive Director/Air Pollution Control Officer





JUN 2 4 2010

Mike Tollstrup, Chief **Project Assessment Branch** Air Resources Board P O Box 2815 Sacramento, CA 95812-2815

Notice of Final Action - Title V Permit Renewal

District Facility # N-3941 Project # N-1084452

Dear Mr. Tollstrup:

The District has issued the Final Renewed Title V Permit for Malibu Boats. The preliminary decision for this project was made on May 6, 2010. No comments were received subsequent to the District preliminary decision.

The public notice for issuance of the Final Renewed Title V Permit will be published approximately three days from the date of this letter.

I would like to thank you and your staff for working with us. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

Director of Permit Services

Attachments

cc: Brian Clements, Permit Services Engineer

Seyed Sadredin

Executive Director/Air Pollution Control Officer

SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT NOTICE OF FINAL DECISION TO ISSUE RENEWED FEDERALLY MANDATED OPERATING PERMIT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue the renewed Federally Mandated Operating Permit to Malibu Boats for its fiberglass boat manufacturing facility located at One Malibu Court in Merced, CA., California.

The District's analysis of the legal and factual basis for this proposed action, project #N-1084452, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. For additional information regarding this matter, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.





Permit to Operate

FACILITY: N-3941 EXPIRATION DATE: 05/31/2014

LEGAL OWNER OR OPERATOR:

MAILING ADDRESS:

MALIBU BOATS LLC

ONE MALIBU CT

MERCED, CA 95340

FACILITY LOCATION:

ONE MALIBU COURT

MERCED, CA

FACILITY DESCRIPTION:

FIBERGLASS BOAT MANUFACTURING

The Facility's Permit to Operate may include Facility-wide Requirements as well as requirements that apply to specific permit units.

This Permit to Operate remains valid through the permit expiration date listed above, subject to payment of annual permit fees and compliance with permit conditions and all applicable local, state, and federal regulations. This permit is valid only at the location specified above, and becomes void upon any transfer of ownership or location. Any modification of the equipment or operation, as defined in District Rule 2201, will require prior District approval. This permit shall be posted as prescribed in District Rule 2010.

Seyed Sadredin

Executive Director / APCO

David Warner
Director of Permit Services

FACILITY: N-3941-0-3 **EXPIRATION DATE: 05/31/2014**

FACILITY-WIDE REQUIREMENTS

- The owner or operator shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. [District Rule 1100 and County Rule109 (Merced)] Federally Enforceable Through Title V Permit
- The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100 and County Rule 109 (Merced)] Federally Enforceable Through Title V Permit
- The owner or operator of any stationary source operation that emits more than 25 tons per year of nitrogen oxides or reactive organic compounds, shall provide the District annually with a written statement in such form and at such time as the District prescribes, showing actual emissions of nitrogen oxides and reactive organic compounds from that source. [District Rule 1160, 5.0] Federally Enforceable Through Title V Permit
- Any person building, altering or replacing any operation, article, machine, equipment, or other contrivance, the use of which may cause the issuance of air contaminants or the use of which may eliminate, reduce, or control the issuance of air contaminants, shall first obtain an Authority to Construct (ATC) from the District unless exempted by District Rule 2020 (3/21/02). [District Rule 2010, 3.0 and 4.0; and 2020] Federally Enforceable Through Title V Permit
- The permittee must comply with all conditions of the permit including permit revisions originated by the District. All terms and conditions of a permit that are required pursuant to the Clean Air Act (CAA), including provisions to limit potential to emit, are enforceable by the EPA and Citizens under the CAA. Any permit noncompliance constitutes a violation of the CAA and the District Rules and Regulations, and is grounds for enforcement action, for permit termination, revocation, reopening and reissuance, or modification; or for denial of a permit renewal application. [District Rules 2070, 7.0; 2080; and 2520, 9.8.1 and 9.12.1] Federally Enforceable Through Title V Permit
- A Permit to Operate or an Authority to Construct shall not be transferred unless a new application is filed with and approved by the District. [District Rule 2031] Federally Enforceable Through Title V Permit
- Every application for a permit required under Rule 2010 (12/17/92) shall be filed in a manner and form prescribed by the District. [District Rule 2040] Federally Enforceable Through Title V Permit
- The operator shall maintain records of required monitoring that include: 1) the date, place, and time of sampling or measurement; 2) the date(s) analyses were performed; 3) the company or entity that performed the analysis; 4) the analytical techniques or methods used; 5) the results of such analysis; and 6) the operating conditions at the time of sampling or measurement. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
- The operator shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, or report. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate. Any amendments to these Facility-wide Requirements that affect specific Permit Units may constitute modification of those Permit Units.

Facility Name: MALIBU BOATS LLC

Location: ONE MALIBU COURT, MERCED, CA N-3941-0-3: Jun 21 2010 2:17PM -- CLEMENTB

- 10. The operator shall submit reports of any required monitoring at least every six months unless a different frequency is required by an applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. [District Rule 2520, 9.5.1] Federally Enforceable Through Title V Permit
- 11. Deviations from permit conditions must be promptly reported, including deviations attributable to upset conditions, as defined in the permit. For the purpose of this condition, promptly means as soon as reasonably possible, but no later than 10 days after detection. The report shall include the probable cause of such deviations, and any corrective actions or preventive measures taken. All required reports must be certified by a responsible official consistent with section 10.0 of District Rule 2520 (6/21/01). [District Rules 2520, 9.5.2 and 1100, 7.0] Federally Enforceable Through Title V Permit
- 12. If for any reason a permit requirement or condition is being challenged for its constitutionality or validity by a court of competent jurisdiction, the outcome of such challenge shall not affect or invalidate the remainder of the conditions or requirements in that permit. [District Rule 2520, 9.7] Federally Enforceable Through Title V Permit
- 13. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit. [District Rule 2520, 9.8.2] Federally Enforceable Through Title V Permit
- 14. The permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [District Rule 2520, 9.8.3] Federally Enforceable Through Title V Permit
- 15. The permit does not convey any property rights of any sort, or any exclusive privilege. [District Rule 2520, 9.8.4] Federally Enforceable Through Title V Permit
- 16. The Permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to EPA along with a claim of confidentiality. [District Rule 2520, 9.8.5] Federally Enforceable Through Title V Permit
- 17. The permittee shall pay annual permit fees and other applicable fees as prescribed in Regulation III of the District Rules and Regulations. [District Rule 2520, 9.9] Federally Enforceable Through Title V Permit
- 18. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 2520, 9.13.2.1] Federally Enforceable Through Title V Permit
- 19. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 2520, 9.13.2.2] Federally Enforceable Through Title V Permit
- 20. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to inspect at reasonable times any facilities, equipment, practices, or operations regulated or required under the permit. [District Rule 2520, 9.13.2.3] Federally Enforceable Through Title V Permit
- 21. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements. [District Rule 2520, 9.13.2.4] Federally Enforceable Through Title V Permit
- 22. No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (2/17/05). If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101 and County Rule 401 (Merced)] Federally Enforceable Through Title V Permit

Facility Name: MALIBU BOATS LLC
Location: ONE MALIBU COURT MERCED C

Location: ONE MALIBU COURT, MERCED, CA N-3941-0-3: Jun 21 2010 2:17PM - CLEMENTB

- 23. No person shall manufacture, blend, repackage, supply, sell, solicit or apply any architectural coating with a VOC content in excess of the corresponding limit specified in the Table of Standards of District Rule 4601 (12/17/09) for use or sale within the District. [District Rule 4601, 5.1] Federally Enforceable Through Title V Permit
- 24. All VOC-containing materials for architectural coatings subject to Rule 4601 (12/17/09) shall be stored in closed containers when not in use. [District Rule 4601, 5.4] Federally Enforceable Through Title V Permit
- 25. The permittee shall comply with all the Labeling and Test Methods requirements outlined in Rule 4601 (12/17/09) sections 6.1 and 6.3. [District Rule 4601, 6.1 and 6.3] Federally Enforceable Through Title V Permit
- 26. With each report or document submitted under a permit requirement or a request for information by the District or EPA, the permittee shall include a certification of truth, accuracy, and completeness by a responsible official. [District Rule 2520, 9.13.1 and 10.0] Federally Enforceable Through Title V Permit
- 27. If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR 82, Subpart F. [40 CFR 82 Subpart F] Federally Enforceable Through Title V Permit
- 28. If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR 82, Subpart B. [40 CFR 82, Subpart B] Federally Enforceable Through Title V Permit
- 29. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8021 and 8011] Federally Enforceable Through Title V Permit
- 30. Outdoor handling, storage and transport of any bulk material which emits dust shall comply with the requirements of District Rule 8031, unless specifically exempted under Section 4.0 of Rule 8031 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8031 and 8011] Federally Enforceable Through Title V Permit
- 31. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8041 and 8011] Federally Enforceable Through Title V Permit
- 32. Whenever open areas are disturbed or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 (8/19/04) or Rule 8011 (8/19/04), [District Rule 8051 and 8011] Federally Enforceable Through Title V Permit
- 33. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8061 and Rule 8011] Federally Enforceable Through Title V Permit
- 34. Any unpaved vehicle/equipment area that anticipates more than 75 vehicle trips per day shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment area that anticipates more than 100 vehicle trips per day shall comply with the requirements of Section 5.1.2 of District Rule 8071. All sources shall comply with the requirements of Section 5.0 of District Rule 8071 unless specifically exempted under Section 4.0 of Rule 8071 (9/16/04) or Rule 8011 (8/19/04). [District Rule 8071 and Rule 8011] Federally Enforceable Through Title V Permit
- 35. Any owner or operator of a demolition or renovation activity, as defined in 40 CFR 61.141, shall comply with the applicable inspection, notification, removal, and disposal procedures for asbestos containing materials as specified in 40 CFR 61.145 (Standard for Demolition and Renovation). [40 CFR 61 Subpart M] Federally Enforceable Through Title V Permit

Location: N-3941-0-3 : Jun 21 2010 2:17PM - CLEMENTB

- 36. The permittee shall submit certifications of compliance with the terms and standards contained in Title V permits, including emission limits, standards and work practices, to the District and the EPA annually (or more frequently as specified in an applicable requirement or as specified by the District). The certification shall include the identification of each permit term or condition, the compliance status, whether compliance was continuous or intermittent, the methods used for determining the compliance status, and any other facts required by the District to determine the compliance status of the source. [District Rule 2520, 9.16] Federally Enforceable Through Title V Permit
- 37. The permittee shall submit an application for Title V permit renewal to the District at least six months, but not greater than 18 months, prior to the permit expiration date. [District Rule 2520, 5.2] Federally Enforceable Through Title V Permit
- 38. When a term is not defined in a Title V permit condition, the definition in the rule cited as the origin and authority for the condition in a Title V permits shall apply. [District Rule 2520, 9.1.1] Federally Enforceable Through Title V Permit
- 39. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following outdated SIP requirements: Rule 401 (Merced), Rule 109 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 12.2] Federally Enforceable Through Title V Permit
- 40. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following applicable requirements: SJVUAPCD Rules 1100, sections 6.1 and 7.0 (12/17/92); 2010, sections 3.0 and 4.0 (12/17/92); 2031 (12/17/92); 2040 (12/17/92); 2070, section 7.0 (12/17/92); 2080 (12/17/92); 4101 (2/17/05); 4601, sections 5.1, 5.2, 5.3, and 5.8 (12/17/09); 8021 (8/19/04); 8031 (8/19/04); 8041 (8/19/04); 8051 (8/19/04); 8061 (8/19/04); and 8071 (9/16/04). A permit shield is granted from these requirements. [District Rule 2520, 12.2] Federally Enforceable Through Title V Permit
- 41. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
- 42. Permittee shall demonstrate compliance with the organic Hazardous Air Pollutant (HAP) emission limit requirements of 40 CFR 63, Subpart VVVV (National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing) using the compliant materials option or the emissions averaging option. Compliance using either option shall be demonstrated on a 12-month rolling-average basis and shall be determined at the end of every month (12 times per year). The first 12 month period begins on August 23, 2004. [40 CFR 63.5701 and 40 CFR 63.5710(a)] Federally Enforceable Through Title V Permit
- 43. While using the compliant materials option, the organic HAP content limits, by weight, are listed as follows: Production resin applied with atomization 28%; Production resin applied with nonatomization 35%; pigmented gel coat applied with any method 33%; clear gel coat applied with any method 48%; tooling resin applied with atomization 30%; tooling resin applied with nonatomization 39%; or tooling gel coat applied with any method 40%. [40 CFR 63.5713(a)] Federally Enforceable Through Title V Permit
- 44. While using the compliant materials option, compliance shall be demonstrated if all of the resins and gel coats used by an operation have organic HAP contents no greater than the applicable organic HAP content limits specified above. If any of the resins or gel coats used by an operation have organic HAP contents greater than the applicable organic HAP content limits specified above, the permittee shall demonstrate compliance for that specific resin or gel coating category using Equation 1 of 40 CFR 63.5713(c): Weighted-Average HAP Content (%) = [summation of (Mi x HAPi)] / [summation of Mi], where Mi = mass of open molding resin or gel used in the past 12 months, in megagrams; and HAPi = the organic HAP content, by weight percent, of each open molding resin or gel coat used in the past 12 months. If the weighted-average HAP content exceeds the applicable organic HAP content limits specified above, compliance has not been demonstrated using the compliant materials option. [40 CFR 63.5713] Federally Enforceable Through Title V Permit
- 45. While using the emissions averaging option, the permittee shall use Equation 1 of 40 CFR 63.5710(b) to demonstrate that the organic HAP emissions from this facility do not exceed the organic HAP emission limit determined by Equation 1 of 40 CFR 63.5698(b), for the same 12-month period. If the result of Equation 1 of 40 CFR 63.5710(b) is greater than the result of Equation 1 of 40 CFR 63.5698(b), compliance has not been demonstrated using the emissions averaging option. [40 CFR 63.5710(b)] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

- 46. While using the emissions averaging option, the organic HAP emissions from this facility shall not exceed the limit established by Equation 1 of 40 CFR 63.5698(b): HAP Limit = [(46 x Mr) + (159 x Mpg) + (291 x Mcg) + (54 x Mtr) + (214 x Mtg)], where Mr = mass of production resins used in the past 12 months; Mpg = mass of pigmented gel coats used in the past 12 months; Mtr = mass of tooling resins used in the past 12 months: and Mtg = mass of tooling gel coats used in the past 12 months. All units are in megagrams. [40 CFR 63.5698(b)] Federally Enforceable Through Title V Permit
- 47. While using the emissions averaging option, the permittee shall calculate actual HAP emissions from the preceding 12 months using Equation 1 of 40 CFR 63.5710(b): Actual HAP Emissions = (PVr x Mr) + (PVpg x Mpg) + (PVcg x Mcg) + (PVtr x Mtr) + (PVtg x Mtg), where PVr = weighted-average MACT model point value for production resin used in the past 12 months; Mr = mass of production resin used in the past 12 months; PVpg = weighted-average MACT model point value for pigmented gel coat used in the past 12 months; Mpg = mass of pigmented gel coats used in the past 12 months; Mcg = mass of clear gel coats used in the past 12 months; PVtr = weighted-average MACT model point value for tooling resin used in the past 12 months; PVtg = weighted-average MACT model point value for tooling resin used in the past 12 months; PVtg = weighted-average MACT model point value for tooling gel coat used in the past 12 months; and Mtg = mass of tooling gel coats used in the past 12 months. All mass units are in megagrams and all weighted-average MACT model point values are in kilograms per megagram. [40 CFR 63.5710(b)] Federally Enforceable Through Title V Permit
- 48. While using the emissions averaging option, the weighted-average MACT point values for each resin or gel coat used by this facility shall be determined using Equation 2 of 40 CFR 63.5710(c): Weighted-Average MACT Point Value (PVr, PVpg, PVcg, PVtr and PVtg) = [summation of (Mi x PVi)] / [summation of Mi], where Mi = mass of each resin or gel coat used within the past 12 months, in megagrams; and PVi = MACT model point value for each resin or gel coat used within the past 12 months, in kilograms of HAP per megagram of material applied. [40 CFR 63.5710(c)] Federally Enforceable Through Title V Permit
- 49. While using the emissions averaging option, the MACT model point values for all resins and gel coats applied shall be determined using the formulas listed in Table 3 of 40 CFR 63, Subpart VVVV: atomized resin [0.014 x (Resin HAP%, by weight)^2.425]; atomized resin, plus vacuum bagging with roll out [0.01185 x (Resin HAP%, by weight)^2.425]; nonatomized resin [0.014 x (Resin HAP%, by weight)^2.275]; nonatomized resin, plus bagging with roll out [0.0110 x (Resin HAP%, by weight)^2.275; nonatomized resin, plus bagging without roll out [0.0076 x (Resin HAP%, by weight)^2.275]. [40 CFR 63.5710(d)] Federally Enforceable Through Title V Permit
- 50. All gel coat and resin mixing containers with a capacity equal to or greater than 55 gallons, including those used for on-site mixing of putties and polyputties shall have a cover. The covers shall have no visible gaps and shall be in place at all times, except when material is being manually added to or removed from a container, or when mixing or pumping equipment is being placed in or removed from a container. [40 CFR 63.5731(a)(b)] Federally Enforceable Through Title V Permit
- 51. For routine flushing or resin and gel coat application equipment (e.g. spray guns, flowcoaters, brushes, rollers, and squeegees), permittee shall use cleaning solvents that contain no more than 5% organic HAP, by weight. For removal of cured resin and gel coat from application equipment, no organic HAP content limit applies. [40 CFR 63.5734(a)] Federally Enforceable Through Title V Permit
- 52. Organic HAP-containing solvents used for removing cured resin or gel coat shall be stored in containers with covers. The covers must have no visible gaps and shall be in place at all times, except when equipment to cleaned is placed in or removed from the container. On containers with a capacity greater than 2 gallons, the distance from the top of the container to the solvent surface must be equal to or greater than 0.75 times the diameter of the container. [40 CFR 63.5734(b)] Federally Enforceable Through Title V Permit
- 53. At least once per month, 55 gallon or greater mixing containers and all containers holding organic HAP containing solvents used for removing cured resin or gel coat must be inspected to ensure the covers have no visible gaps. Records of the inspections and any repairs made to the covers must be kept. [40 CFR 63.5731(c)(d) and 63.5737(c)] Federally Enforceable Through Title V Permit

N-3941-0-3 : Jun 21 2010 2:17PM -- CLEMENTE

- 54. Permittee shall use adhesives that contain no more than 5% by weight of organic HAP content for all carpet and fabric operations. [40 CFR 63.5740(a)] Federally Enforceable Through Title V Permit
- 55. Permittee shall maintain a record of the organic HAP content of cleaning solvents used for routine cleaning of resin and gel coat application equipment and adhesives used for all carpet and fabric operations. [40 CFR 63.5737(a) and 63.5740(b)] Federally Enforceable Through Title V Permit
- 56. Permittee shall determine HAP content of affected materials using one or more of the methods outlined in 40 CFR 63.5758. [40 CFR 63.5758] Federally Enforceable Through Title V Permit
- 57. Permittee shall submit a notification of compliance status to the District no later than 30 days after the end of the first 12-month averaging period. The notification shall include the following: type and quantity of HAP's emitted at the facility; the method used to determine compliance; the method that will be used to determine continuing compliance; and a statement by the permittee as to whether the facility has complied with the HAP content limits. If there is a change to information submitted in the notification, changes shall be submitted in writing within 15 days after the change. [40 CFR 63.5761] Federally Enforceable Through Title V Permit
- 58. Permittee shall submit a compliance report to the District every 6 months. Each report shall cover the applicable semiannual reporting period from April 28 through October 27 or from October 28 through April 27. Each compliance report shall be submitted no later than 60 days after the end of the semiannual reporting period. [40 CFR 63.5764(b)] Federally Enforceable Through Title V Permit
- 59. The compliance report shall include the following information: (1) Company name and address; (2) Signed and dated statement by a responsible official certifying the truth, accuracy, and completeness of the report; (3) Dates covered by the compliance report; (4) Description of any changes in the manufacturing process since the last compliance report; (5) Table or statement showing, for each regulated operation, the applicable organic HAP content limit and application equipment requirement with which the facility is complying and the actual weighted-average organic HAP content for each operation during each of the rolling 12-month averaging periods that end during the reporting period; (6) If compliance is achieved during the reporting period, a statement indicating such effect shall be included with the report; and (7) If any of the regulated operations were not in compliance during the reporting period, the following shall be included with the semiannual compliance report: (i) Operation(s) involved in the deviation; (ii) quantity, organic HAP content, and application method of the materials involved in the deviation; (iii) actions taken to minimize the deviation and to prevent it in the future; and (iv) Statement of whether or not the facility was in compliance for the 12-month averaging period that ended at the end of the reporting period. [40 CFR 63.5764(c)] Federally Enforceable Through Title V Permit
- The following exemptions apply to the gel coat and resin operations: (1) Gel coat materials used for part/mold repair and touch up shall be exempt from the organic HAP content limits. The total gel coat materials used in this exemption shall not exceed 1 percent by weight of all gel coat used at the facility on a 12-month rolling-average basis. Records shall be kept of the amount of gel coats used per month for which this exemption is being used and copies of calculations showing that the exempt amount does not exceed 1 percent of all gel coat used. (2) Pure 100% vinylester resin used for skin coats. The total resin materials included in the exemption shall not exceed 5% by weight of all resin used at the facility on a 12-month rolling-average basis. Records shall be kept of the amount of 100 percent vinylester skin coat used per month for which this exemption is being used and copies of calculations showing that the exempt amount does not exceed 5% percent of all resin used. [40 CFR 63.5698(d)] Federally Enforceable Through Title V Permit
- 61. Permittee shall maintain the following records, in addition to those records required by conditions of this permit: (1) a copy of each notification and report submitted to the District; (2) Support documentation for any notice or report submitted to the District; (3) Total amounts of each production resin, pigmented gel coat, clear gel coat, tooling resin, and tooling gel coat used per month and the weighted-average organic HAP content for each category of material, expressed as weight percent (this record is not required if all materials used comply with the organic HAP content requirements); (4) for production resin and tooling resin the amounts of each applied by atomized or nonatomized methods. [40 CFR 63,5767] Federally Enforceable Through Title V Permit

Facility Name: MALIBU BOATS LLC

Location: ONE MALIBU COURT, MERCED, CA N-3941-0-3: Jun 21 2010 2:17PM - CLEMENTB

62. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report begin every April 28, unless alternative dates are approved by the District Compliance Division. These reports are due within 30 days after the end of the reporting period. [District Rule 2520] Federally Enforceable Through Title V Permit

PERMIT UNIT: N-3941-1-6

EXPIRATION DATE: 05/31/2014

EQUIPMENT DESCRIPTION:

GEL COAT SPRAY BOOTH SERVED BY A 3 HP FAN AND EXHAUST FILTERS

PERMIT UNIT REQUIREMENTS

- 1. The particulate matter emissions from the stack of the paint spray booth shall not exceed 0.1 gr/dscf [District Rule 4201] Federally Enforceable Through Title V Permit
- 2. Exhaust fans shall be switched on prior to the start of the gel coat operation. [District NSR Rule] Federally Enforceable Through Title V Permit
- 3. The combined VOC emissions from the equipment operating under permits N-3941-1, N-3941-2 and N-3941-3 shall not exceed 250 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- 4. The combined PM10 emissions from the equipment operating under permits N-3941-1 and N-3941-2 shall not exceed 15.8 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- 5. Only HVLP, electrostatic, airless, or air assisted airless application equipment shall be used, and the application equipment shall be operated in accordance with the manufacturer's recommendations. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- 6. Permittee shall demonstrate that HVLP guns manufactured prior to 1/1/96 operate between 0.1 and 10 psig air atomizing pressure, by manufacturer's published technical material or by use of a certified air pressure tip gauge. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- 7. Low VOC gel coats shall be used. The monomer content of low VOC resins and gel coat shall not exceed 35% by weight. The monomer content of low VOC pigmented gel coat shall not exceed 45% by weight. The monomer content of low VOC speciality resins and clear gel coats shall not exceed 50% by weight. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- 8. Effective on and after January 1, 2011, open molding resin and gel coat VOC contents shall not exceed any of the following limits, expressed in weighted average monomer VOC content (weight percent limit): production resin atomized spray: 28%, production resin nonatomized: 35%, pigmented gel coat: 33%, clear gel coat: 48%, tooling resin atomized spray: 30%, tooling resin nonatomized: 39%, tooling gel coat: 40%. [District Rule 4684, 5.2]
- 9. Effective on and after January 1, 2011, all containers greater than 208 liters (55 gallons), including those used for onsite mixing of putties and polyputties, have a cover with no visible gaps in place at all times, except when material is being manually added or removed from a container, or when mixing or pumping equipment is being placed in or removed from a container. [District Rule 4684, 5.2]
- 10. The VOC content of organic solvents used in cleaning operations shall not exceed 25 g/l (0.21 lb/gal). [District Rule 4684, 5.3] Federally Enforceable Through Title V Permit
- 11. The permittee shall store or dispose of all uncured polyester resin materials, fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts, and thinners in self-closing non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. [District Rule 4684, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: MALIBU BOATS LLC
Location: ONE MALIBU COURT, MERCED, CA
N-3941-1-6: Jun 21 2010 2:17PM - CLEMENTB

- 12. The emission rate per square meter of exposed surface during polymerization of polyester resins is to be determined using: SCAQMD Method 309 (Static Method for Determination of Volatile Emissions from Polyester and Vinyl Resins Operations), Attachment A, 1/8/91. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 13. The monomer content of uncatalyzed resin materials is to be determined using ASTM D2369 (Standard Test Method for Volatile Content of Coatings) or SCAQMD Test Method 312. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 14. The VOC content of cleaning materials shall be determined using EPA Method 24 (40 CFR Part 60, Appendix A). [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 15. Determination of emissions of VOC from spray gun cleaning systems shall be made using SCAQMD "General Test Method for Determining Solvent Losses from Spray gun Cleaning Systems", October 3, 1989. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 16. Exhaust filters shall be inspected at least quarterly when the unit is not in operation for tears, scuffs, abrasions or holes which may interfere with the PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 17. The April 7, 1999, document, "Technical Discussion of the Unified Emission Factors for Open Molding of Composites" by the Composites Fabricators Association shall be used to calculate daily emissions, for activities addressed by the document. [District Rule 2520] Federally Enforceable Through Title V Permit
- 18. The permittee shall inspect spray booth exhaust stacks weekly for excess visible emissions. The inspection shall include verifying the HVLP spray gun(s) and spray booth filter/exhaust equipment are performing normal, designed functions and are being operated according to standard procedures, and per the manufacturer's recommendations. If the equipment is not performing according to design and procedures or if excessive visible emissions are observed from the exhaust stack, the permittee shall take corrective within 24 hours. If excessive visible emissions cannot be corrected within 24 hours, EPA Method 9, except for data reduction (section 2.5), shall be conducted to determine compliance with 20% facility-wide opacity limit. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 19. Records of filter maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of individual performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 20. The permittee shall maintain the following records with regards to spray booth exhaust and equipment inspections: 1) date and time of inspection, 2) stack or emission point identification 3) operational status/conditions of spray gun/filter equipment, 4) observed results and conclusions, 5) description of corrective actions taken to resolve any observed excess opacity, 6) date and time opacity problem was resolved, 7) date of Method 9 test and results if conducted, and 8) name of person(s) performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 21. The permittee shall maintain the following records on a daily basis: 1) the type and quantity of all resins, gel coats, fillers, catalysts, and cleaning materials (including cleaning solvents), 2) the VOC content, in weight percent, of all polyester resin and gel coat, filler materials, including the weight percent of non-monomer VOC content of the resin and gel coat, used or stored at the facility, 3) the VOC content of all cleaning materials used and stored, and 4) the weight loss per square meter during resin polymerization for each vapor-suppressed resin. [District Rule 4684, 6.1] Federally Enforceable Through Title V Permit
- 22. A daily record of the combined VOC emissions from the equipment operating under permits N-3941-1, N-3941-2, and N-3941-3 shall be maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit
- 23. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070 and 4684, 6.1]

N-3941-1-6 : Jun 21 2010 2:17PM -- CLEMENTE

PERMIT UNIT: N-3941-2-4

EXPIRATION DATE: 05/31/2014

EQUIPMENT DESCRIPTION:

GEL COAT SPRAY BOOTH SERVED BY A 3 HP FAN AND EXHAUST FILTERS

PERMIT UNIT REQUIREMENTS

- 1. The particulate matter emissions from the stack of the paint spray booth shall not exceed 0.1 gr/dscf [District Rule 4201] Federally Enforceable Through Title V Permit
- 2. Exhaust fans shall be switched on prior to the start of the gel coat operation. [District NSR Rule] Federally Enforceable Through Title V Permit
- 3. The combined VOC emissions from the equipment operating under permits N-3941-1, N-3941-2 and N-3941-3 shall not exceed 250 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- 4. The combined PM10 emissions from the equipment operating under permits N-3941-1 and N-3941-2 shall not exceed 15.8 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- 5. Only HVLP, electrostatic, airless, or air assisted airless application equipment shall be used, and the application equipment shall be operated in accordance with the manufacturer's recommendations. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- 6. Permittee shall demonstrate that HVLP guns manufactured prior to 1/1/96 operate between 0.1 and 10 psig air atomizing pressure, by manufacturer's published technical material or by use of a certified air pressure tip gauge. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- 7. Low VOC gel coats shall be used. The monomer content of low VOC resins and gel coat shall not exceed 35% by weight. The monomer content of low VOC pigmented gel coat shall not exceed 45% by weight. The monomer content of low VOC speciality resins and clear gel coats shall not exceed 50% by weight. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- 8. Effective on and after January 1, 2011, open molding resin and gel coat VOC contents shall not exceed any of the following limits, expressed in weighted average monomer VOC content (weight percent limit): production resin atomized spray: 28%, production resin nonatomized: 35%, pigmented gel coat: 33%, clear gel coat: 48%, tooling resin atomized spray: 30%, tooling resin nonatomized: 39%, tooling gel coat: 40%. [District Rule 4684, 5.2]
- 9. Effective on and after January 1, 2011, all containers greater than 208 liters (55 gallons), including those used for onsite mixing of putties and polyputties, have a cover with no visible gaps in place at all times, except when material is being manually added or removed from a container, or when mixing or pumping equipment is being placed in or removed from a container. [District Rule 4684, 5.2]
- 10. The VOC content of organic solvents used in cleaning operations shall not exceed 25 g/l (0.21 lb/gal). [District Rule 4684, 5.3] Federally Enforceable Through Title V Permit
- 11. The permittee shall store or dispose of all uncured polyester resin materials, fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts, and thinners in self-closing non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. [District Rule 4684, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: MALIBU BOATS LLC Location: ONE MALIBU COURT, MERCED, CA N-3941-2-4: Jun 21 2010 2:17PM - CLEMENTB

- 12. The emission rate per square meter of exposed surface during polymerization of polyester resins is to be determined using: SCAOMD Method 309 (Static Method for Determination of Volatile Emissions from Polyester and Vinyl Resins Operations), Attachment A. 1/8/91. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 13. The monomer content of uncatalyzed resin materials is to be determined using ASTM D2369 (Standard Test Method for Volatile Content of Coatings) or SCAOMD Test Method 312. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 14. The VOC content of cleaning materials shall be determined using EPA Method 24 (40 CFR Part 60, Appendix A). [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 15. Determination of emissions of VOC from spray gun cleaning systems shall be made using SCAQMD "General Test Method for Determining Solvent Losses from Spray gun Cleaning Systems", October 3, 1989. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 16. Exhaust filters shall be inspected at least quarterly when the unit is not in operation for tears, scuffs, abrasions or holes which may interfere with the PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 17. The April 7, 1999, document, "Technical Discussion of the Unified Emission Factors for Open Molding of Composites" by the Composites Fabricators Association shall be used to calculate daily emissions, for activities addressed by the document. [District Rule 2520] Federally Enforceable Through Title V Permit
- 18. The permittee shall inspect spray booth exhaust stacks weekly for excess visible emissions. The inspection shall include verifying the HVLP spray gun(s) and spray booth filter/exhaust equipment are performing normal, designed functions and are being operated according to standard procedures, and per the manufacturer's recommendations. If the equipment is not performing according to design and procedures or if excessive visible emissions are observed from the exhaust stack, the permittee shall take corrective within 24 hours. If excessive visible emissions cannot be corrected within 24 hours, EPA Method 9, except for data reduction (section 2.5), shall be conducted to determine compliance with 20% facility-wide opacity limit. [District Rule 2520, 9.2] Federally Enforceable Through Title V **Permit**
- 19. Records of filter maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of individual performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 20. The permittee shall maintain the following records with regards to spray booth exhaust and equipment inspections: 1) date and time of inspection, 2) stack or emission point identification 3) operational status/conditions of spray gun/filter equipment, 4) observed results and conclusions, 5) description of corrective actions taken to resolve any observed excess opacity, 6) date and time opacity problem was resolved, 7) date of Method 9 test and results if conducted, and 8) name of person(s) performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V **Permit**
- 21. The permittee shall maintain the following records on a daily basis: 1) the type and quantity of all resins, gel coats, fillers, catalysts, and cleaning materials (including cleaning solvents), 2) the VOC content, in weight percent, of all polyester resin and gel coat, filler materials, including the weight percent of non-monomer VOC content of the resin and gel coat, used or stored at the facility, 3) the VOC content of all cleaning materials used and stored, and 4) the weight loss per square meter during resin polymerization for each vapor-suppressed resin. [District Rule 4684, 6.1] Federally Enforceable Through Title V Permit
- 22. A daily record of the combined VOC emissions from the equipment operating under permits N-3941-1, N-3941-2, and N-3941-3 shall be maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit
- 23. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070 and 4684, 6.1]

Facility Name: MALIBU BOATS LLC ONE MALIBU COURT, MERCED, CA Location:

N-3941-2-4 : Jun 21 2010 2:17PM -- CLEMENTE

PERMIT UNIT: N-3941-3-4

EXPIRATION DATE: 05/31/2014

EQUIPMENT DESCRIPTION:

POLYESTER RESIN AND ADHESIVE APPLICATION OPERATIONS SERVED BY AN AIR FILTRATION SYSTEM WITH **DRY FILTERS**

PERMIT UNIT REQUIREMENTS

- 1. Exhaust fans shall be switched on prior to the start of the gel coat operation. [District NSR Rule] Federally Enforceable Through Title V Permit
- The particulate matter emissions form the stack of the paint spray booth shall not exceed 0.1 gr/dscf [District Rule 4201] Federally Enforceable Through Title V Permit
- The combined VOC emissions from the equipment operating under permits N-3941-1, N-3941-2 and N-3941-3 shall not exceed 250 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- Low VOC gel coats shall be used. The monomer content of low VOC resins and gel coat shall not exceed 35% by weight. The monomer content of low VOC pigmented gel coat shall not exceed 45% by weight. The monomer content of low VOC speciality resins and clear gel coats shall not exceed 50% by weight. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- Only HVLP, electrostatic, airless, or air assisted airless application equipment shall be used, and the application equipment shall be operated in accordance with the manufacturer's recommendations. [District Rules 4653, 5.1 and 4684, 5.1] Federally Enforceable Through Title V Permit
- Permittee shall demonstrate that HVLP guns manufactured prior to 1/1/96 operate between 0.1 and 10 psig air atomizing pressure, by manufacturer's published technical material or by use of a certified air pressure tip gauge. [District Rules 4653, 5.1 and 4684, 5.1] Federally Enforceable Through Title V Permit
- Effective on and after January 1, 2011, open molding resin and gel coat VOC contents shall not exceed any of the following limits, expressed in weighted average monomer VOC content (weight percent limit): production resin atomized spray: 28%, production resin nonatomized: 35%, pigmented gel coat: 33%, clear gel coat: 48%, tooling resin atomized spray: 30%, tooling resin nonatomized: 39%, tooling gel coat: 40%. [District Rule 4684, 5.2]
- Effective on and after January 1, 2011, all containers greater than 208 liters (55 gallons), including those used for onsite mixing of putties and polyputties, have a cover with no visible gaps in place at all times, except when material is being manually added or removed from a container, or when mixing or pumping equipment is being placed in or removed from a container. [District Rule 4684, 5.2]
- The VOC content of organic solvents used in cleaning operations shall not exceed 25 g/l (0.21 lb/gal). [District Rule 4684, 5.3] Federally Enforceable Through Title V Permit
- The permittee shall store or dispose of all uncured polyester resin materials, fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts, and thinners in self-closing non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. [District Rule 4684, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: MALIBU BOATS LLC Location: ONE MALIBU COURT, MERCED, CA N-3941-3-4 : Jun 21 2010 2:17PM - CLEMENTB

- 11. The emission rate per square meter of exposed surface during polymerization of polyester resins is to be determined using: SCAOMD Method 309 (Static Method for Determination of Volatile Emissions from Polyester and Vinyl Resins Operations), Attachment A, 1/8/91. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 12. The monomer content of uncatalyzed resin materials is to be determined using ASTM D2369 (Standard Test Method for Volatile Content of Coatings) or SCAQMD Test Method 312. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 13. The VOC content of cleaning materials shall be determined using EPA Method 24 (40 CFR Part 60, Appendix A). [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 14. Determination of emissions of VOC from spray gun cleaning systems shall be made using SCAQMD "General Test Method for Determining Solvent Losses from Spray gun Cleaning Systems", October 3, 1989. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 15. Air-atomized spray shall be used only for the application of contact adhesives or specialty contact adhesives. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 16. The following requirements are effective through December 31, 2010: The VOC content of adhesive products used for specific applications shall not exceed the following limits, expressed as grams of VOC per liter of adhesive product. excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: multipurpose construction, 200 g/l; floor covering installation, 150 g/l; ceramic tile installation, 130 g/l; perimeter bonded sheet flooring installation, 660 g/l; single-ply roof material installation, 250 g/l; structural glazing, 100 g/l; ABS welding adhesive, 400 g/l; CPVC welding adhesive, 490 g/l; PVC welding adhesive, 510 g/l; other plastic cement welding adhesive, 450 g/l; plastic cement welding adhesive primer, 650 g/l; adhesive primers, 250 g/l; staple and nail manufacturing 640 g/l; contact adhesive, 250 g/l; contact adhesive-specialty, 250 g/l; rubber vulcanization adhesive/primer, 850 g/l; waterproof resorcinol glue, 170 g/l; tire repair, N/A; cove base installation, 250 g/l. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- The following requirements are effective on and after January 1, 2011: The VOC content of adhesive products used for specific applications shall not exceed the following limits, expressed as grams of VOC per liter of adhesive product. excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: multipurpose construction, 200 g/l; floor covering installation, 150 g/l; ceramic tile installation, 130 g/l; perimeter bonded sheet flooring installation, 660 g/l; single-ply roof material installation, 250 g/l; structural glazing, 100 g/l; ABS welding adhesive, 400 g/l; CPVC welding adhesive. 490 g/l; PVC welding adhesive, 500 g/l; other plastic cement welding adhesive, 450 g/l; plastic cement welding adhesive primer, 650 g/l; adhesive primers, 250 g/l; staple and nail manufacturing 640 g/l; contact adhesive, 250 g/l; contact adhesive-specialty, 250 g/l; rubber vulcanization adhesive/primer, 850 g/l; waterproof resorcinol glue, 170 g/l; tire repair, 100 g/l; cove base installation, 150 g/l. [District Rule 4653, 5.1] Federally Enforceable Through Title V **Permit**
- 18. The following requirements are effective through December 31, 2010: The VOC content of adhesive products expressed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: metal to metal, 30 g/l; porous materials, 120 g/l; plastic foam, 120 g/l; wood, 30 g/l; pre-formed rubber products, 250 g/l; reinforced plastic composite, 250 g/l; all other substrates, 250 g/l. The higher of the two limits applies to the bonding of two dissimilar substrates. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 19. The following requirements are effective on and after January 1, 2011: The VOC content of adhesive products expressed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: metal to metal, 30 g/l; porous materials, 120 g/l; plastic foam, 120 g/l; wood, 30 g/l; pre-formed rubber products, 250 g/l; reinforced plastic composite, 200 g/l; all other substrates, 250 g/l. The higher of the two limits applies to the bonding of two dissimilar substrates. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 20. The permittee shall store all VOC-containing adhesives, adhesive primers, and process related waste materials in closed containers. [District Rule 4653, 5.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

Location: ONE MALIBU COURT, MERCED, CA N-3941-3-4: Jun 21 2010 2:17PM - CLEMENTB

- 21. The permittee shall ensure that mixing and storage containers for used VOC-containing adhesives, adhesive primers, and process-related waste materials are kept closed at all times except when depositing or removing these materials. [District Rule 4653, 5.3]
- 22. The permittee shall minimize spills of VOC-containing adhesives, adhesive primers, and process-related waste materials. [District Rule 4653, 5.3] Federally Enforceable Through Title V Permit
- 23. The permittee shall convey VOC-containing adhesives, adhesive primers, and process-related waste materials from one location to another in closed containers or pipes. [District Rule 4653, 5.3]
- 24. VOC content of organic solvents used in cleaning operations shall not exceed any of the following limits: general product cleaning during manufacturing process or surface preparation for adhesive applications: 25 g/l (0.21 lb/gal), surface preparation cleaning prior to rubber vulcanization: 850 g/l (7.1 lb/gal), repair and maintenance cleaning: 25 g/l (0.21 lb/gal), and cleaning of adhesive application equipment: 25 g/l (0.21 lb/gal). [District Rule 4653, 5.5]
- 25. If performing surface preparation cleaning prior to rubber vulcanization using a cleaning solvent with a VOC content greater than 25 g/l (0.21 lb/gallon), the cleaning shall be performed by one or more of the following methods: wipe cleaning; application of solvent from hand-held spray bottles from which solvents are dispensed without a propellant-induced force; or non-atomized solvent flow method in which the cleaning solvent is collected in a container or a collection system which is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container; or solvent flushing method in which the cleaning solvent is discharged into a container that is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container. The discharged solvent from the equipment must be collected into containers without atomizing into the open air. The solvent may be flushed through the system by air or hydraulic pressure, or by pumping. [District Rule 4653, 5.5]
- 26. Solvent shall not be atomized into the open air. This provision shall not apply to the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems, and cleaning with spray bottles or containers. [District Rule 4653, 5.5]
- 27. Permittee shall not use VOC-containing materials to clean adhesive application equipment, unless an enclosed system or equipment that is proven to equally effective at controlling emissions is used for cleaning. If an enclosed system is used, it must totally enclose spray guns, cups, nozzles, bowls, and other parts during washing, rinsing and draining procedures, and it must be used according to the manufacturer's recommendations and must be closed when not in use. [District Rule 4653, 5.5]
- 28. Permittee shall store or dispose of adhesives, catalysts, thinners, cleaning materials, fresh or spent solvents, and waste solvent materials such as cloth, paper, etc., in closed, non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. The containers used for disposal of adhesive materials, solvents, or any unused VOC containing materials shall be self-closing. [District Rule 4653, 5.6]
- 29. The permittee shall implement the following work practices when participating in organic solvent cleaning activities:

 1) minimize spills of VOC-containing cleaning materials, 2) convey VOC-containing cleaning materials from one location to another in closed containers or pipes, and 3) minimize VOC emissions from cleaning of application, storage, mixing, and conveying equipment by ensuring that the equipment cleaning is performed without atomizing the cleaning solvent and all spent solvent is captured in closed containers. [District Rule 4653, 5.7]
- 30. Each container of adhesive product subject to this rule shall display the maximum VOC content of the adhesive product as applied. The VOC content shall be displayed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products. Each container of solvent subject to this rule shall display the maximum VOC content (in grams of VOC per liter of material) as applied. [District Rule 4653, 6.2]
- 31. Each container of adhesive product subject to this rule shall display a statement of the manufacturer's recommendations regarding thinning, reducing, or mixing of the adhesive product with any other VOC containing material. Mixing recommendations shall specify a ratio which results in a compliant, as applied, adhesive product. [District Rule 4653, 6.2]

Location: ONE MALIBU COURT, MERCED, CA

N-3941-3-4 : Jun 21 2010 2:17PM -- CLEMENT

- 32. The VOC and solids content of adhesive products and solvents shall be determined using EPA Method 24 or other test method approved by ARB and EPA. [District Rule 4653, 6.3] Federally Enforceable Through Title V Permit
- 33. Exhaust filters shall be inspected at least quarterly when the unit is not in operation for tears, scuffs, abrasions or holes which may interfere with the PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 34. The April 7, 1999, document, "Technical Discussion of the Unified Emission Factors for Open Molding of Composites" by the Composites Fabricators Association shall be used to calculate daily emissions, for activities addressed by the document. [District Rule 2520] Federally Enforceable Through Title V Permit
- 35. The permittee shall inspect spray booth exhaust stacks weekly for excess visible emissions. The inspection shall include verifying the HVLP spray gun(s) and spray booth filter/exhaust equipment are performing normal, designed functions and are being operated according to standard procedures, and per the manufacturer's recommendations. If the equipment is not performing according to design and procedures or if excessive visible emissions are observed from the exhaust stack, the permittee shall take corrective within 24 hours. If excessive visible emissions cannot be corrected within 24 hours, EPA Method 9, except for data reduction (section 2.5), shall be conducted to determine compliance with 20% facility-wide opacity limit. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 36. The permittee shall maintain the following records with regards to spray booth exhaust and equipment inspections: 1) date and time of inspection, 2) stack or emission point identification 3) operational status/conditions of spray gun/filter equipment, 4) observed results and conclusions, 5) description of corrective actions taken to resolve any observed excess opacity, 6) date and time opacity problem was resolved, 7) date of Method 9 test and results if conducted, and 8) name of person(s) performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 37. A daily record of the combined VOC emissions from the equipment operating under permits N-3941-1, N-3941-2, and N-3941-3 shall be maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit
- 38. Records of filter maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of individual performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 39. The permittee shall maintain the following adhesives records on a daily basis: 1) the type and quantity of all adhesive materials used, and 2) the VOC content, in grams VOC per liter, of all adhesive materials used. [District Rule 4653, 6.1]
- 40. The permittee shall maintain the following solvent cleaning records on a daily basis: 1) keep a copy of the manufacturer's product data sheet or material safety data sheet of the solvents used for cleaning activities, and 2) maintain a list of solvents that are being used that includes: a) the name of the solvent and it's manufacturer's name, b) the VOC content of the solvent expressed in grams/liter or lb/gallon, c) the VOC content of blended solvents, as applied, d) the type of cleaning activity for each solvent used, and e) the quantity of solvents used for cleaning operations. [District Rule 4653, 6.1]
- 41. The permittee shall maintain the following records on a daily basis: 1) the type and quantity of all resins, gel coats, fillers, catalysts, and cleaning materials (including cleaning solvents), 2) the VOC content, in weight percent, of all polyester resin and gel coat, filler materials, including the weight percent of non-monomer VOC content of the resin and gel coat, used or stored at the facility, 3) the VOC content of all cleaning materials used and stored, and 4) the weight loss per square meter during resin polymerization for each vapor-suppressed resin. [District Rule 4684, 6.1] Federally Enforceable Through Title V Permit
- 42. All records shall be retained for a minimum of 5 years, and shall be made available for District inspection upon request. [District Rules 1070, 4653, 6.1 and 4684, 6.1] Federally Enforceable Through Title V Permit

N-3941-3-4 : Jun 21 2010 2:17PM - CLEMENTE

PERMIT UNIT: N-3941-4-4

EXPIRATION DATE: 05/31/2014

EQUIPMENT DESCRIPTION:

GELCOAT OPERATION SERVED BY A SPRAY BOOTH AND A GEL COAT GUN.

PERMIT UNIT REQUIREMENTS

- The particulate matter emissions from the stack of the paint spray booth shall not exceed 0.1 gr/dscf. [District Rule 4201] Federally Enforceable Through Title V Permit
- Exhaust fans shall be switched on prior to the start of the gel coat operation. [District NSR Rule] Federally Enforceable Through Title V Permit
- The VOC emissions for this gel coating operation, including the use of cleanup solvents, shall not exceed 100 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- The combined VOC emissions from the equipment operating under permits N-3941-4 and N-3941-5 shall not exceed 54,750 pounds in any calendar year. [District NSR Rule] Federally Enforceable Through Title V Permit
- The PM10 emissions for this gel coating operation shall not exceed 6.3 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- Only HVLP, electrostatic, airless, or air assisted airless application equipment shall be used, and the application equipment shall be operated in accordance with the manufacturer's recommendations. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- Permittee shall demonstrate that HVLP guns manufactured prior to 1/1/96 operate between 0.1 and 10 psig air atomizing pressure, by manufacturer's published technical material or by use of a certified air pressure tip gauge. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- Low VOC gel coats shall be used. The monomer content of low VOC resins and gel coat shall not exceed 35% by weight. The monomer content of low VOC pigmented gel coat shall not exceed 45% by weight. The monomer content of low VOC speciality resins and clear gel coats shall not exceed 50% by weight. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- Effective on and after January 1, 2011, open molding resin and gel coat VOC contents shall not exceed any of the following limits, expressed in weighted average monomer VOC content (weight percent limit): production resin atomized spray: 28%, production resin nonatomized: 35%, pigmented gel coat: 33%, clear gel coat: 48%, tooling resin atomized spray: 30%, tooling resin nonatomized: 39%, tooling gel coat: 40%. [District Rule 4684, 5.2]
- 10. Effective on and after January 1, 2011, all containers greater than 208 liters (55 gallons), including those used for onsite mixing of putties and polyputties, have a cover with no visible gaps in place at all times, except when material is being manually added or removed from a container, or when mixing or pumping equipment is being placed in or removed from a container. [District Rule 4684, 5.2]
- 11. The VOC content of organic solvents used in cleaning operations shall not exceed 25 g/l (0.21 lb/gal). [District Rule 4684, 5.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: MALIBU BOATS LLC ONE MALIBU COURT MERCED, CA Location: 941-4-4 : Jun 21 2010 2:17PM - CLEMENTS

- 12. The permittee shall store or dispose of all uncured polyester resin materials, fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts, and thinners in self-closing non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. [District Rule 4684, 5.4] Federally Enforceable Through Title V Permit
- 13. The emission rate per square meter of exposed surface during polymerization of polyester resins is to be determined using: SCAQMD Method 309 (Static Method for Determination of Volatile Emissions from Polyester and Vinyl Resins Operations), Attachment A, 1/8/91. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 14. The monomer content of uncatalyzed resin materials is to be determined using ASTM D2369 (Standard Test Method for Volatile Content of Coatings) or SCAQMD Test Method 312. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 15. The VOC content of cleaning materials shall be determined using EPA Method 24 (40 CFR Part 60, Appendix A). [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 16. Determination of emissions of VOC from spray gun cleaning systems shall be made using SCAQMD "General Test Method for Determining Solvent Losses from Spray gun Cleaning Systems", October 3, 1989. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 17. Exhaust filters shall be inspected at least quarterly when the unit is not in operation for tears, scuffs, abrasions or holes which may interfere with the PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 18. The April 7, 1999, document, "Technical Discussion of the Unified Emission Factors for Open Molding of Composites" by the Composites Fabricators Association shall be used to calculate daily emissions, for activities addressed by the document. [District Rule 2520] Federally Enforceable Through Title V Permit
- 19. The permittee shall inspect spray booth exhaust stacks weekly for excess visible emissions. The inspection shall include verifying the HVLP spray gun(s) and spray booth filter/exhaust equipment are performing normal, designed functions and are being operated according to standard procedures, and per the manufacturer's recommendations. If the equipment is not performing according to design and procedures or if excessive visible emissions are observed from the exhaust stack, the permittee shall take corrective within 24 hours. If excessive visible emissions cannot be corrected within 24 hours, EPA Method 9, except for data reduction (section 2.5), shall be conducted to determine compliance with 20% facility-wide opacity limit. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 20. Records of filter maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of individual performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 21. The permittee shall maintain the following records with regards to spray booth exhaust and equipment inspections: 1) date and time of inspection, 2) stack or emission point identification 3) operational status/conditions of spray gun/filter equipment, 4) observed results and conclusions, 5) description of corrective actions taken to resolve any observed excess opacity, 6) date and time opacity problem was resolved, 7) date of Method 9 test and results if conducted, and 8) name of person(s) performing the inspection. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 22. The permittee shall maintain the following records on a daily basis: 1) the type and quantity of all resins, gel coats, fillers, catalysts, and cleaning materials (including cleaning solvents), 2) the VOC content, in weight percent, of all polyester resin and gel coat, filler materials, including the weight percent of non-monomer VOC content of the resin and gel coat, used or stored at the facility, 3) the VOC content of all cleaning materials used and stored, and 4) the weight loss per square meter during resin polymerization for each vapor-suppressed resin. [District Rule 4684, 6.1] Federally Enforceable Through Title V Permit
- 23. A daily record of the VOC emissions shall be maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit

Facility Name: MALIBU BOATS LLC
Location: ONE MALIBU COURT, MERCED, CA
N-3941-4-4: Jun 21 2010 2:17PM - CLEMENTB

- 24. A cumulative record of the annual VOC emissions from the equipment operating under permits N-3941-4 and N-3941-5 shall be updated daily and maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit
- 25. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070 and 4684, 6.1]

PERMIT UNIT: N-3941-5-3

EXPIRATION DATE: 05/31/2014

EQUIPMENT DESCRIPTION:

HAND LAYUP FIBERGLASS RESIN AND ADHESIVE OPERATION

PERMIT UNIT REQUIREMENTS

- 1. The particulate matter emissions from the process shall not exceed 0.1 gr/dscf [District Rule 4201] Federally Enforceable Through Title V Permit
- The VOC emissions for this hand layup fiberglass resin and adhesive operation, including the use of clean up solvents. shall not exceed 100 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
- The combined VOC emissions from the equipment operating under permits N-3941-4 and N-3941-5 shall not exceed 54,750 pounds in any calendar year. [District NSR Rule] Federally Enforceable Through Title V Permit
- Only HVLP, electrostatic, airless, or air assisted airless application equipment shall be used, and the application equipment shall be operated in accordance with the manufacturer's recommendations. [District Rules 4653, 5.1 and 4684, 5.11 Federally Enforceable Through Title V Permit
- Permittee shall demonstrate that HVLP guns manufactured prior to 1/1/96 operate between 0.1 and 10 psig air atomizing pressure, by manufacturer's published technical material or by use of a certified air pressure tip gauge. [District Rules 4653, 5.1 and 4684, 5.1] Federally Enforceable Through Title V Permit
- Low VOC gel coats shall be used. The monomer content of low VOC resins and gel coat shall not exceed 35% by weight. The monomer content of low VOC pigmented gel coat shall not exceed 45% by weight. The monomer content of low VOC speciality resins and clear gel coats shall not exceed 50% by weight. [District Rule 4684, 5.1] Federally Enforceable Through Title V Permit
- Effective on and after January 1, 2011, open molding resin and gel coat VOC contents shall not exceed any of the following limits, expressed in weighted average monomer VOC content (weight percent limit): production resin atomized spray: 28%, production resin nonatomized: 35%, pigmented gel coat: 33%, clear gel coat: 48%, tooling resin atomized spray: 30%, tooling resin nonatomized: 39%, tooling gel coat: 40%. [District Rule 4684, 5.2]
- Effective on and after January 1, 2011, all containers greater than 208 liters (55 gallons), including those used for onsite mixing of putties and polyputties, have a cover with no visible gaps in place at all times, except when material is being manually added or removed from a container, or when mixing or pumping equipment is being placed in or removed from a container. [District Rule 4684, 5.2]
- The VOC content of organic solvents used in cleaning operations shall not exceed 25 g/l (0.21 lb/gal). [District Rule 4684, 5.3] Federally Enforceable Through Title V Permit
- 10. The permittee shall store or dispose of all uncured polyester resin materials, fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts, and thinners in self-closing non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. [District Rule 4684, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

ONE MALIBU COURT, MERCED, CA Location: N-3941-5-3 : Jun 21 2010 2:18PM - CLEMENTB

- 11. The emission rate per square meter of exposed surface during polymerization of polyester resins is to be determined using: SCAQMD Method 309 (Static Method for Determination of Volatile Emissions from Polyester and Vinyl Resins Operations), Attachment A, 1/8/91. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 12. The monomer content of uncatalyzed resin materials is to be determined using ASTM D2369 (Standard Test Method for Volatile Content of Coatings) or SCAQMD Test Method 312. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 13. The VOC content of cleaning materials shall be determined using EPA Method 24 (40 CFR Part 60, Appendix A). [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 14. Determination of emissions of VOC from spray gun cleaning systems shall be made using SCAQMD "General Test Method for Determining Solvent Losses from Spray gun Cleaning Systems", October 3, 1989. [District Rule 4684, 6.2] Federally Enforceable Through Title V Permit
- 15. Air-atomized spray shall only be used for the application of contact adhesives or specialty contact adhesives. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 16. The following requirements are effective through December 31, 2010: The VOC content of adhesive products used for specific applications shall not exceed the following limits, expressed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: multipurpose construction, 200 g/l; floor covering installation, 150 g/l; ceramic tile installation, 130 g/l; perimeter bonded sheet flooring installation, 660 g/l; single-ply roof material installation, 250 g/l; structural glazing, 100 g/l; ABS welding adhesive, 400 g/l; CPVC welding adhesive, 490 g/l; PVC welding adhesive, 510 g/l; other plastic cement welding adhesive, 450 g/l; plastic cement welding adhesive primer, 650 g/l; adhesive primers, 250 g/l; staple and nail manufacturing 640 g/l; contact adhesive, 250 g/l; contact adhesive-specialty, 250 g/l; rubber vulcanization adhesive/primer, 850 g/l; waterproof resorcinol glue, 170 g/l; tire repair, N/A; cove base installation, 250 g/l. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 17. The following requirements are effective on and after January 1, 2011: The VOC content of adhesive products used for specific applications shall not exceed the following limits, expressed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: multipurpose construction, 200 g/l; floor covering installation, 150 g/l; ceramic tile installation, 130 g/l; perimeter bonded sheet flooring installation, 660 g/l; single-ply roof material installation, 250 g/l; structural glazing, 100 g/l; ABS welding adhesive, 400 g/l; CPVC welding adhesive, 490 g/l; PVC welding adhesive, 500 g/l; other plastic cement welding adhesive, 450 g/l; plastic cement welding adhesive primer, 650 g/l; adhesive primers, 250 g/l; staple and nail manufacturing 640 g/l; contact adhesive, 250 g/l; contact adhesive-specialty, 250 g/l; rubber vulcanization adhesive/primer, 850 g/l; waterproof resorcinol glue, 170 g/l; tire repair, 100 g/l; cove base installation, 150 g/l. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 18. The following requirements are effective through December 31, 2010: The VOC content of adhesive products expressed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: metal to metal, 30 g/l; porous materials, 120 g/l; plastic foam, 120 g/l; wood, 30 g/l; pre-formed rubber products, 250 g/l; reinforced plastic composite, 250 g/l; all other substrates, 250 g/l. The higher of the two limits applies to the bonding of two dissimilar substrates. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 19. The following requirements are effective on and after January 1, 2011: The VOC content of adhesive products expressed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products, as applied, except where specified elsewhere in this permit: metal to metal, 30 g/l; porous materials, 120 g/l; plastic foam, 120 g/l; wood, 30 g/l; pre-formed rubber products, 250 g/l; reinforced plastic composite, 200 g/l; all other substrates, 250 g/l. The higher of the two limits applies to the bonding of two dissimilar substrates. [District Rule 4653, 5.1] Federally Enforceable Through Title V Permit
- 20. The permittee shall store all VOC-containing adhesives, adhesive primers, and process related waste materials in closed containers. [District Rule 4653, 5.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: MALIBU BOATS LLC
Location: ONE MALIBU COURT, MERCED, CA
N-3941-5-3: Jun 21 2010 2:18PM - CLEMENTB

- 21. The permittee shall ensure that mixing and storage containers for used VOC-containing adhesives, adhesive primers, and process-related waste materials are kept closed at all times except when depositing or removing these materials. [District Rule 4653, 5.3] Federally Enforceable Through Title V Permit
- 22. The permittee shall minimize spills of VOC-containing adhesives, adhesive primers, and process-related waste materials. [District Rule 4653, 5.3] Federally Enforceable Through Title V Permit
- 23. The permittee shall convey VOC-containing adhesives, adhesive primers, and process-related waste materials from one location to another in closed containers or pipes. [District Rule 4653, 5.3] Federally Enforceable Through Title V Permit
- 24. VOC content of organic solvents used in cleaning operations shall not exceed any of the following limits: general product cleaning during manufacturing process or surface preparation for adhesive applications: 25 g/l (0.21 lb/gal), surface preparation cleaning prior to rubber vulcanization: 850 g/l (7.1 lb/gal), repair and maintenance cleaning: 25 g/l (0.21 lb/gal), and cleaning of adhesive application equipment: 25 g/l (0.21 lb/gal). [District Rule 4653, 5.5] Federally Enforceable Through Title V Permit
- 25. If performing surface preparation cleaning prior to rubber vulcanization using a cleaning solvent with a VOC content greater than 25 g/l (0.21 lb/gallon), the cleaning shall be performed by one or more of the following methods: wipe cleaning; application of solvent from hand-held spray bottles from which solvents are dispensed without a propellantinduced force; or non-atomized solvent flow method in which the cleaning solvent is collected in a container or a collection system which is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container; or solvent flushing method in which the cleaning solvent is discharged into a container that is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container. The discharged solvent from the equipment must be collected into containers without atomizing into the open air. The solvent may be flushed through the system by air or hydraulic pressure, or by pumping. [District Rule 4653, 5.5] Federally Enforceable Through Title V Permit
- 26. Solvent shall not be atomized into the open air. This provision shall not apply to the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems, and cleaning with spray bottles or containers. [District Rule 4653, 5.5] Federally Enforceable Through Title V Permit
- 27. Permittee shall not use VOC-containing materials to clean adhesive application equipment, unless an enclosed system or equipment that is proven to equally effective at controlling emissions is used for cleaning. If an enclosed system is used, it must totally enclose spray guns, cups, nozzles, bowls, and other parts during washing, rinsing and draining procedures, and it must be used according to the manufacturer's recommendations and must be closed when not in use. [District Rule 4653, 5.5] Federally Enforceable Through Title V Permit
- 28. Permittee shall store or dispose of adhesives, catalysts, thinners, cleaning materials, fresh or spent solvents, and waste solvent materials such as cloth, paper, etc., in closed, non-absorbent and non-leaking containers. The containers shall remain closed at all times except when depositing or removing the contents of the containers or when the container is empty. The containers used for disposal of adhesive materials, solvents, or any unused VOC containing materials shall be self-closing. [District Rule 4653, 5.6] Federally Enforceable Through Title V Permit
- The permittee shall implement the following work practices when participating in organic solvent cleaning activities: 1) minimize spills of VOC-containing cleaning materials, 2) convey VOC-containing cleaning materials from one location to another in closed containers or pipes, and 3) minimize VOC emissions from cleaning of application, storage, mixing, and conveying equipment by ensuring that the equipment cleaning is performed without atomizing the cleaning solvent and all spent solvent is captured in closed containers. [District Rule 4653, 5.7] Federally Enforceable Through Title V Permit
- 30. Each container of adhesive product subject to this rule shall display the maximum VOC content of the adhesive product as applied. The VOC content shall be displayed as grams of VOC per liter of adhesive product, excluding water and exempt compounds, or grams of VOC per liter of material for low-solids adhesive products. Each container of solvent subject to this rule shall display the maximum VOC content (in grams of VOC per liter of material) as applied. [District Rule 4653, 6.2] Federally Enforceable Through Title V Permit

Facility Name: MALIBU BOATS LLC ocation: ONE MALIBU COURT, MERCED, CA 1941-5-3 : Jun 21 2010 2:18PM - CLEMENTB Location:

- 31. Each container of adhesive product subject to this rule shall display a statement of the manufacturer's recommendations regarding thinning, reducing, or mixing of the adhesive product with any other VOC containing material. Mixing recommendations shall specify a ratio which results in a compliant, as applied, adhesive product. [District Rule 4653, 6.2] Federally Enforceable Through Title V Permit
- 32. Exhaust filters shall be inspected at least quarterly when the unit is not in operation for tears, scuffs, abrasions or holes which may interfere with the PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 33. The April 7, 1999, document, "Technical Discussion of the Unified Emission Factors for Open Molding of Composites" by the Composites Fabricators Association shall be used to calculate daily emissions, for activities addressed by the document. [District Rule 2520] Federally Enforceable Through Title V Permit
- 34. A daily record of the VOC emissions shall be maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit
- 35. A cumulative record of the annual VOC emissions from the equipment operating under permits N-3941-4 and N-3941-5 shall be updated daily and maintained on the premises at all times. [District Rule 1070] Federally Enforceable Through Title V Permit
- 36. Records of filter maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of individual performing the inspection. [District Rule 2520, 9.3] Federally Enforceable Through Title V Permit
- 37. The permittee shall maintain the following adhesives records on a daily basis: 1) the type and quantity of all adhesive materials used, and 2) the VOC content, in grams VOC per liter, of all adhesive materials used. [District Rule 4653, 6.1] Federally Enforceable Through Title V Permit
- 38. The permittee shall maintain the following solvent cleaning records on a daily basis: 1) keep a copy of the manufacturer's product data sheet or material safety data sheet of the solvents used for cleaning activities, and 2) maintain a list of solvents that are being used that includes: a) the name of the solvent and it's manufacturer's name, b) the VOC content of the solvent expressed in grams/liter or lb/gallon, c) the VOC content of blended solvents, as applied, d) the type of cleaning activity for each solvent used, and e) the quantity of solvents used for cleaning operations. [District Rule 4653, 6.1] Federally Enforceable Through Title V Permit
- 39. The permittee shall maintain the following records on a daily basis: 1) the type and quantity of all resins, gel coats, fillers, catalysts, and cleaning materials (including cleaning solvents), 2) the VOC content, in weight percent, of all polyester resin and gel coat, filler materials, including the weight percent of non-monomer VOC content of the resin and gel coat, used or stored at the facility, 3) the VOC content of all cleaning materials used and stored, and 4) the weight loss per square meter during resin polymerization for each vapor-suppressed resin. [District Rule 4684, 6.1] Federally Enforceable Through Title V Permit
- 40. All records shall be retained for a minimum of 5 years, and shall be made available for District inspection upon request. [District Rules 1070, 4653, 6.1, and 4684, 6.1] Federally Enforceable Through Title V Permit

PERMIT UNIT: N-3941-6-2

EXPIRATION DATE: 05/31/2014

EQUIPMENT DESCRIPTION:

CENTRAL VACUUMING SYSTEM SERVED BY A VACUTECH MODEL SFS3484 FABRIC FILTER COLLECTOR

PERMIT UNIT REQUIREMENTS

- Visible emissions from baghouse serving the central vacuuming operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District NSR Rule] Federally Enforceable Through Title V Permit
- Replacement bags numbering at least 10% of the total number of bags in the largest baghouse using each type of bag shall be maintained on the premises. [District NSR Rule] Federally Enforceable Through Title V Permit
- A spare set of bags shall be maintained on the premises at all times. [District NSR Rule] Federally Enforceable Through Title V Permit
- Material removed from the dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
- The baghouse cleaning frequency and duration shall be adjusted as recommended by the manufacturer to optimize the control efficiency. [District NSR Rule] Federally Enforceable Through Title V Permit
- The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District NSR Rule] Federally Enforceable Through Title V Permit
- Dust collection system shall be completely inspected annually while in operation for evidence of particulate matter leaks and repaired as needed. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- Dust collector filters shall be thoroughly inspected annually for tears, scuffs, abrasions, holes, or any evidence of particulate matter leaks and shall be replaced as needed. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- The permittee shall perform quarterly checks of the pressure drop across the bags and records of the checks shall be maintained. [District Rule 2520, 9.3] Federally Enforceable Through Title V Permit
- 10. Visible emissions from the baghouse shall be checked quarterly. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 11. The baghouse shall be operated and maintained in a manner that the pressure differential gauge reads within the range recommended by the manufacturer. If the reading is outside the manufacturer's specified range, corrective action shall be taken to return the pressure to a value within the manufacturer's specified range. [District Rule 2520, 9.2] Federally Enforceable Through Title V Permit
- 12. The total amount of material collected by the baghouse shall not exceed 20 pounds in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE These terms and conditions are part of the Facility-wide Permit to Operate.

Location: ONE MALIBU COURT, MERCED, CA N-3941-62: Jun 21 2010 2:18PM — CLEMENTB

- 13. PM10 emissions from the baghouse shall not exceed 0.01 pound per pound of material collected. [District NSR Rule] Federally Enforceable Through Title V Permit
- 14. Records of dust collector maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.3] Federally Enforceable Through Title V Permit
- 15. A daily log shall be maintained and shall include the date and quantity of material collected from the baghouse. [District NSR Rule] Federally Enforceable Through Title V Permit
- 16. All records shall be retained for a minimum of 5 years, and shall be made available for District inspection upon request. [District Rule 2520, 9.3] Federally Enforceable Through Title V Permit

N-3941-6-2: Jun 21 2010 2:18PM -- CLEMENTB