

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL VALLEY REGION

ORDER R5-2012- \_\_

CEASE AND DESIST ORDER  
FOR  
GOLDEN HILLS SANITATION COMPANY  
GOLDEN HILLS COMMUNITY WASTEWATER TREATMENT FACILITY  
KERN COUNTY

TO CEASE AND DESIST  
FROM DISCHARGING CONTRARY TO REQUIREMENTS

The California Regional Water Quality Control Board, Central Valley Region, ("Central Valley Water Board" or "Board") finds that:

1. On 11 December 1981, the Central Valley Water Board issued Waste Discharge Requirements ("WDRs") Order 81-122, which prescribed waste discharge requirements for the Golden Hills Community Wastewater Treatment Facility (the "Facility"), which provides sewer service to portions of the Golden Hills community near Tehachapi, California. WDRs Order 81-122 was issued jointly to the Golden Hills Community Services District ("GHSCSD") and the Golden Hills Sanitation Company ("GHSC"). At the time WDRs Order 81-122 was issued, the Facility was not yet built, but GHSCSD owned the land where the Facility was located, and GHSC was to become the operator of the Facility, "until operational stability has been demonstrated." GHSC still is the Facility's operator.
2. The Facility is located approximately 5 miles west of the city of Tehachapi, and consists of an extended aeration package treatment plant, chlorination facilities, rapid sand filter, approximately 2,500 feet of force main, and a wet weather effluent storage reservoir (Tom Sawyer Lake) with approximately 110 acre-feet of storage.
3. On 3 July 2001, the Central Valley Water Board issued a Cleanup and Abatement Order to GHSC, GHSCSD, and A.B. Land Development, Inc. (the current owner of Tom Sawyer Lake) to address nuisance conditions that were being created at Tom Sawyer Lake by the operation of the Facility.
4. On 18 October 2001, the GHSCSD signed a quitclaim deed that transferred title to the Facility to GHSC.
5. On 1 March 2002, the Central Valley Water Board issued an Order removing GHSCSD from WDRs Order 81-122.
6. On 20 May 2010, the Public Utilities Commission of the State of California ("CPUC") granted a Certificate of Public Convenience and Necessity ("CPCN") to GHSC. The CPCN affirmed current rates and authorized memorandum accounts. However, the CPCN also states that "GHSC's current operation will operate at a significant negative net income ... GHSC would require about \$100,000 in additional revenues at existing rates to achieve a 0% return on estimated rate base." This "significant negative net income" was made up for by a commitment from the estates of Lillian and Carlie Smith, which committed to paying for GHSC's operating expenses through September 2011.
7. The estates of Lillian and Carlie Smith have stated that they will no longer provide funding for GHSC's operations.
8. On 21 February 2012, GHSC issued a letter to its ratepayers, informing them that GHSC would no longer provide its services at the Facility. The reason given for discontinuing service was that the estates of Lillian and Carlie Smith were no longer providing funds to make up for the difference between the funds collected from the ratepayers and the Facility's actual operating expenses.

9. On 22 February 2012, CPUC Commissioner Michel P. Florio issued a Temporary Restraining Order (the "TSO") requiring the owners and operators of the Facility to continue to provide service until the CPUC appoints a receiver for the Facility pursuant to Public Utilities Code section 855.
10. On 23 February 2012, GHSC responded to the issuance of the TSO by letter, questioned the CPUC's authority to issue the TSO, and reiterated GHSC's intention to abandon operations at the Facility.
11. WDRs Order 81-122 contains the following requirements:
  1. Neither the treatment nor the discharge shall cause a pollution or nuisance as defined by the California Water Code, Section 13050.

...

5. The discharger from the treatment plant prior to entering irrigation storage (Tom Sawyer Lake) or spray irrigation disposal at the Golden Hills golf course shall not contain constituents in excess of the following limits:

Constituents	Units	30-Day Mean	Maximum
<b>BOD</b>	mg/l	30	60
<b>Suspended Solids</b>	mg/l	30	60
<b>Settleable Matter</b>	ml/l	0.1	0.2
<b>Coliform Organisms</b>	MPN/100 ml	23	240

12. Should GHSC abandon the Facility, discharges of wastes would occur in violation of WDRs Order 81-122.
13. Water Code section 13301 states, in relevant part:

When a regional board finds that a discharge of waste is taking place or threatening to take place in violation of requirements or discharge prohibitions prescribed by the regional board or the state board, the board may issue an order to cease and desist and direct that those persons not complying with the requirements or discharge prohibitions (a) comply forthwith, (b) comply in accordance with a time schedule set by the board, or (c) in the event of a threatened violation, take appropriate remedial or preventive action. ... Cease and desist orders may be issued directly by a board, after notice and hearing.

GHSC's stated intention to abandon the Facility will result in violations of WDRs Order 81-122, and therefore, the issuance of a Cease and Desist Order is appropriate.

14. Issuance of this Order is an enforcement action of a regulatory agency and is therefore exempt from the provisions of the California Environmental Quality Act (Pub. Resources Code § 21000 et seq.), in accordance with California Code of Regulations, title 14, section 15321(a)(2).

**IT IS HEREBY ORDERED** that, pursuant to Water Code section 13301, Golden Hills Sanitation Company, its agents, successors, and assigns shall:

1. Comply with the Discharge Prohibitions, Discharge Specifications, and Provisions contained in WDRs Order 81-122 until a receiver is appointed by the California Public Utilities Commission.

If, in the opinion of the Executive Officer, the Discharger fails to comply with the provisions of this Order, the Executive Officer is hereby authorized to refer this matter to the Attorney General for judicial enforcement or may issue a complaint for administrative civil liability.

Failure to comply with this Order or with WDRs Order 81-122 may result in the assessment of Administrative Civil Liability of up to \$10,000 per violation, per day, depending on the violation, pursuant to the Water Code, including sections 13268, 13350 and 13385. The Central Valley Water Board reserves its right to take any enforcement actions authorized by law.

Any person aggrieved by this action of the Central Valley Water Board may petition the State Water Board to review the action in accordance with Water Code section 13320 and California Code of Regulations, title 23, sections 2050 and following. The State Water Board must receive the petition by 5:00 p.m., 30 days after the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received by the State Water Board by 5:00 p.m. on the next business day. Copies of the law and regulations applicable to filing petitions may be found on the Internet at:

[http://www.waterboards.ca.gov/public\\_notices/petitions/water\\_quality](http://www.waterboards.ca.gov/public_notices/petitions/water_quality)

or will be provided upon request.

I, PAMELA C. CREEDON, Executive Officer, do hereby certify the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Central Valley Region, on 30 March 2012.

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PAMELA C. CREEDON, Executive Officer