

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

In the matter of:)
)
N&M Dairy) **Order No. R6V-2013-0075 (Proposed)**
Neil and Mary de Vries)
)
) **Settlement Agreement and Stipulation for**
) **Entry of Order; Order (Proposed)**
)
)

)

Section I: INTRODUCTION

This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order (“Stipulation”) is entered into by and between the California Regional Water Quality Control Board, Lahontan Region Prosecution Staff (“Prosecution Staff”), and Neil and Mary de Vries (Discharger, dba “N&M Dairy”) (“Discharger”) (collectively “Parties”) and is presented to the Lahontan Regional Water Quality Control Board (“Lahontan Water Board”) for adoption as an Order, by settlement, pursuant to Government Code section 11415.60.

Section II: RECITALS

1. Neil and Mary de Vries operate N&M Dairy and as trustees of the Neil and Mary de Vries Family Trust also own the 909-acre site adjacent to the Mojave River, located at 36001 Lords Road and 18200 Lords Road, and on Indian Trail and Wild Road, in Helendale in San Bernardino County (“Facility” or “Dairy”). The N&M Dairy includes San Bernardino County Assessor’s parcel numbers 466-041-01, -17, and -20 through -23; parcel numbers 466-091-15, -17, and -26; parcel numbers 466-101-06, and 07; and parcel number 466-111-02. A Facility location map that shows the location of the N&M Dairy parcels is provided in Exhibit A.
2. The barn, corrals, and feedlots of the Dairy are located on approximately 45 acres. Most of the remaining 864 acres of land are used for various purposes related to the dairy, including temporarily stockpiling of manure prior to off-site disposal and growing fodder crops. A portion of the manure generated at the Facility has been periodically applied to the agricultural fields where the fodder crops are grown.
3. Dairy waste includes constituents in manure, wash water, storm water, animal feed, and other materials that are produced or used at the Dairy and have the potential to be released into the environment and affect water quality.

4. Discharger is subject to Waste Discharge Requirements, Board Order No. 6-01-38, (WDRs 6-01-38) prescribing waste discharge requirements including manure application rates and design criteria for new waste containment structures.
5. On July 2, 2010 the Lahontan Water Board issued Cleanup and Abatement Order No. R6V-2010-0029 (CAO 0029) directing the Discharger to correct nuisance conditions resulting from the wash water discharge and on-site manure management (odor and flies) by removing excess manure and developing a Nutrient Management Plan and a Best Management Practices Plan for the N&M Dairy. CAO 0029 was amended on December 2, 2010 (CAO 0029-A1) to allow an additional year to remove all excess manure by October 19, 2011.

CAO 0029 was amended a second time (CAO 0029-A2) on December 13, 2011, extending the October 19, 2011 compliance date for removing excess manure to January 17, 2012. This amendment also established minimum standards and reporting requirements for monthly manure removal. CAO 0029-A2 contains the following pertinent requirements.

- a. Directive No. 4 in CAO 0029-A1, as amended by CAO 0029-A2, requires the Discharger to remove all excess manure by January 17, 2012.
 - b. Directive No. 2 in in CAO 0029-A2 requires the Discharger to submit monthly manure removal progress reports by the third day of each month starting January 3, 2012, until all excess manure is removed.
6. On August 8, 2011, the Lahontan Water Board issued Cleanup and Abatement Order No. R6V-2011-0056 (CAO 0056) directing the Discharger to correct continued and ongoing nuisance conditions of odors and flies from improper wash water and storm water discharges and manure management practices. CAO 0056 also directed the Discharger to address groundwater pollution originating from its unlined wastewater ponds.

Directive No. 7 of CAO 0056 requires the Discharger complete grading of all drainage systems and corrals to convey storm water from the corrals and eliminate ponding within the corrals by December 15, 2012.

7. The Facility permit requires the Discharger to monitor four on-site groundwater monitoring wells on a semi-annual basis and report the results to the Lahontan Water Board. The Discharger's self-monitoring reports indicate the Facility has contaminated and/or caused a condition of pollution to groundwater where nitrates and salts (total dissolved solids, or TDS) exceeded maximum contaminant levels (MCLs).
8. On August 2, 2011, the Lahontan Water Board issued Cleanup and Abatement Order No. R6V-2011-0055 (CAO 0055), amended by Order No. R6V-2011-0055-A1 (CAO 0055-A1). The Orders direct the Discharger to supply interim uninterrupted

replacement water service for consumption and cooking to residences served by private domestic wells that have been adversely impacted by concentrations of nitrates and/or total dissolved solids (TDS or salts).

9. The Discharger is alleged to have violated Directive No. 4 of CAO 0029-A1, as amended by CAO 0029-A2, Directive No. 2 of CAO 0029-A2 and Directive No. 7 of CAO-0056, resulting in liabilities pursuant to Water Code sections 13350 and 13268 for violating a cleanup and abatement order issued, reissued, or amended by the Lahontan Water Board. Below is a summary of the violations.
 - a. Violation 1: The Discharger violated Directive No. 4 of CAO 0029-A1 (as amended by CAO 0029-A2) by failing to remove all excess manure from the facility by January 17, 2012. A minor amount of excess older manure remained at the facility in December 2012.
 - b. Violation 2: The Discharger violated Directive No. 2 of CAO 0029-A2 by submitting the March through September, 2012, monthly manure removal progress reports past their respective due dates (the third day of every month). No manure was being removed during this period of time. The progress reports were later submitted on October 26, 2012.
 - c. Violation 3: The Discharger violated Directive No. 7 of CAO 0056 by failing to complete drainage and corral grading and eliminate ponding in corrals by December 15, 2012.
10. On November 17, 2009, the State Water Board adopted Resolution No. 2009-0083 amending the Water Quality Enforcement Policy ("Enforcement Policy"). The Enforcement Policy was approved by the Office of Administrative Law and became effective on May 20, 2010. The Enforcement Policy establishes a methodology for assessing administrative civil liability. The Prosecution Staff considered the methodology set forth in the Enforcement Policy for Violations 1 through 3, as shown in Exhibit B, which is attached hereto and incorporated by reference as though fully set forth herein.
11. The Parties have engaged in settlement negotiations and agree to fully settle the matter without administrative or civil litigation and by presenting this Stipulation to the Lahontan Water Board for adoption as an Order by settlement, pursuant to Government Code section 11415.60. The Parties agree to settle the matter without any further investigation or analysis of culpability or adequacy of the allegations. In settling this matter, the Discharger does not admit to any of the findings in this Order that it has been or is in violation of the Water Code, or any other federal, state, or local law or ordinance, provided, the Discharger agrees that in the event of any future enforcement actions by the Lahontan Water Board, this Order may be used as evidence of a prior enforcement action consistent with Water Code section 13267. The amount of administrative civil liability imposed pursuant to this Stipulation and Order is the amount calculated by the Prosecution Staff using the State Water

Board's Enforcement Policy. The resolution of the alleged violations is fair and reasonable and fulfills all of its enforcement objectives, that no further action is warranted concerning Violations 1 through 3, except as provided in this Stipulation and Order, and that this Stipulation and Order is in the best interest of the public.

12. Additional Settlement Considerations: The Parties acknowledge the following in agreeing to this Settlement:

- a. The Discharger has removed the cows from the Dairy and will be closing its operations. Considerations related to the Dairy closing include, the cost of approximately \$250,000 to close the Dairy, the removal of manure, a potential source of the nuisance conditions, and the beneficial reuse of that manure for composting, the elimination of a source of nitrate and salts to soil and groundwater, and elimination of potential wastewater discharges to groundwater and surface water from the Dairy operations, the removal of a potential income-stream from the Discharger.
- b. The Discharger has proposed a Supplemental Environmental Project (SEP) consisting of the creation of a conservation easement of a portion of the Dairy property within and adjacent to the Mojave River's active channel. The conservation easement may reduce the value of the property with the extinguishment of the property's development rights.
- c. The Lahontan Water Board approves modifications or substantially similar modifications of the monitoring requirements in CAO 0055-A1 and the monitoring and reporting program for WDRs 6-01-38 as follows:
 - i. Domestic Wells Nos. 3a, 9b, 9c, 15, 16, 20, 21, 31, and 32 as identified in the Dairy's "Domestic Supply Well Sampling Report" dated April 29, 2013, will be removed from the monitoring program, because they are located within a tight cluster of domestic wells that can be represented by a single well and the Discharger's data has shown historically insignificant detections of nitrate and TDS.
 - ii. Domestic Wells Nos. 26, 27, 28, 29, and 30, as identified in the N&M Dairy's "Domestic Supply Well Sampling Report" dated April 29, 2013, will be removed from the monitoring program, because they are abandoned inoperable wells.
 - iii. Domestic Wells Nos. 7a, 42, 43, 44, 45, 46, and 47, as identified in the Dairy's "Domestic Supply Well Sampling Report" dated April 29, 2013, will be removed from the monitoring program because they are out of the study area.
 - iv. A trigger for TDS for domestic well water replacement at 815 mg/L rather than 500 mg/L as required under R6-2011-0055.
 - v. Monitoring frequency for Facility and other wells in the monitoring program(s) will be updated to every nine (9) months.

- d. Regional Board staff will consider a reduction of the area of study for replacement water, otherwise known as the Revised Affected Area or Study Area, as appropriate, based on information obtained from Discharger and other sources. In the meantime, Discharger will continue to provide replacement drinking water as required under CAO 0055-A1.
- e. At a future Lahontan Board Meeting after the Discharger complies with the Dairy Closure Plan, Regional Water Board staff intend to propose a rescission of the Waste Discharge Requirements No. 6-01-38.
- f. Regional Board staff propose to rescind CAO 0055-A1 Investigative Order No. R6V-2010-044 and propose the Assistant Executive Officer to issue a new Cleanup and Abatement Order containing the above monitoring and replacement water trigger modifications.
- g. The total adjusted monetary assessment is \$376,850 as a result of negotiations with the Discharger pursuant to Government Code section 11415.60 and Page 22 of the Enforcement Policy. Due to recent administrative considerations, staff costs are not being recovered as part of this settlement.
- h. As a negotiated term pursuant to Government Code section 11415.60, the parties agree that failure by the Discharger to comply with the terms of the Conservation Easement including the prohibited activities shall result in a penalty of \$1,000 per day of violation.

Section III: STIPULATIONS

The Parties incorporate Paragraphs 1 through 12 by this reference, as if set forth fully herein, and stipulate to entry of this Order as set forth below, and recommend that the Lahontan Water Board issue this Stipulated Order to effectuate the settlement:

13. Administrative Civil Liability: The Discharger hereby agrees to the imposition of an administrative civil liability totaling **\$376,850**. The Discharger agrees to remit ONE HUNDRED EIGHTY EIGHT THOUSAND FOUR HUNDRED TWENTY-FIVE DOLLARS (\$188,425) by check payable to the *Waste Discharge Permit Fund*. Payment is due within thirty (30) days of issuance of this Order. Further, the Parties agree that the remaining \$188,425 administrative civil liability shall be suspended pending completion of a supplemental environmental project (SEP) as outlined in this Stipulation and Order.

The Discharger shall indicate on the check the number of this Order. The Discharger shall send the original signed check to the State Water Resources Control Board, attention: Accounting, P.O. Box 100, Sacramento, CA 95812-0100 and shall send a copy to Lauri Kemper, Assistant Executive Officer, Lahontan Regional Water Quality Control Board, 2501 Lake Tahoe Boulevard, South Lake Tahoe, CA 96150.

14. SEP Definitions

- a. “Designated Lahontan Water Board Representative” – the representative from the Lahontan Water Board responsible for oversight of the supplemental environmental project (SEP). The contact information for this representative will be determined by the Lahontan Water Board Executive Officer and will be transmitted to the Discharger.
- b. “Enforcement Coordinator” – The person on the Lahontan Water Board staff who is responsible for enforcement coordination.
- c. “SEP Completion Date” – The date in which the SEP will be completed in its entirety.

15. Description of the SEP

Background: The Mojave River is normally dry, except for a small stretch of perennial flow and periods of flow after intense or extended storms. The Mojave River Floodplain Aquifer, which flows beneath the river’s surface and adjacent floodplain, is the primary source of water to meet agricultural, municipal and domestic needs in the area. The Facility is located adjacent to, and partially within, the floodplain of the Mojave River.

SEP Project: The Parties have agreed the SEP Amount will be credited towards the creation of a Conservation Easement in perpetuity on a portion of the Dairy property within and adjacent to the Mojave River’s active channel. The SEP will allow for the area placed within the Conservation Easement to naturally return to a fully functioning river floodplain and adjacent habitat area, thereby improving floodplain function, water quality and beneficial uses. In addition, the Conservation Easement serves to buffer any future agricultural, commercial and/or industrial uses at the Facility from the Mojave River, which could reduce or prevent the additional loading of nutrients into waters of the state in the future, thereby benefitting water quality within the Mojave River watershed. The Conservation Easement will restrict the Dischargers’ ability to use the land for farming and for other uses as detailed within the SEP Project Description (Exhibit C) in order to allow the land to return to natural floodplain habitat. The existing water wells and related infrastructure will be allowed to remain and in active use.

The SEP boundaries, depicted in Exhibit C will include approximately 310 acres to be finalized at the conservation easement demarcation milestone. The SEP boundaries include areas within the active channel of the Mojave River, and areas that are irrigated agricultural fields within the floodplain or adjacent to the floodplain of the Mojave River.

The SEP meets the qualification criteria as specified in the State Water Board's Policy on Supplemental Environmental Projects, February 3, 2009 (SEP Policy), as follows:

- The SEP Amount identified in this Order (\$188,425) does not exceed 50 percent of the total adjusted monetary assessment.
- The SEP is not otherwise required of the Discharger, as it has no permit, order or other requirement to set aside its land for conservation purposes, and the SEP is not mitigation to offset the impacts of the Discharger's projects.
- The SEP benefits ground water quality through removing an alleged source of salts and nutrients pollution in this closed ground water basin.
- The SEP meets the SEP Policy's nexus criteria where there is a relationship between the nature and location of the violation and the nature and location of the SEP. The violations relating to the failure to maintain management practices at N&M Dairy are directly associated with the SEP, which is to prohibit the use of the land as a dairy or other agricultural operation and allow the area to return to the natural floodplain habitat. There is also an immediate nexus between the location of the violation and the SEP, where the SEP is located on the same property that the violations occurred.
- The SEP does not directly benefit the Lahontan Water Board, its members, its staff or family of members of staff.

Exhibit C provides additional detail and tasks that must be completed and is incorporated herein.

SEP Milestones: The following SEP milestones constitute tasks that must be completed by dates certain. The SEP shall be completed in its entirety no later than July 31, 2014 (SEP Completion Date). If other circumstances beyond the reasonable control of the Discharger prevent completion of the SEP by that date, the Assistant Executive Officer may extend the SEP Completion Date. The Discharger must send its request for an extension in writing with the necessary justification to the Assistant Executive Officer.

a) Conservation Easement Boundary Survey

A report consisting of maps, plats, descriptions or other documents produced as a result of the boundary survey must be submitted to the Lahontan Water Board by **December 30, 2013**.

b) Conservation Easement Boundary Demarcation Proposal

A proposal acceptable to the Executive Officer of the Lahontan Water Board for identifying the boundaries of the Conservation Easement must be submitted by **December 30, 2013**.

c) Completion of Conservation Easement Demarcation

Documentation, consisting of photographs or other proof, that the Conservation Easement has been demarcated in accordance with the Lahontan Water Board-accepted Demarcation Proposal must be submitted to the Lahontan Water Board by **July 31, 2014**.

d) Recording the Conservation Easement

Proof of the execution of the Conservation Easement must be submitted to the Lahontan Water Board by **July 31, 2014**. The Conservation Easement must be recorded with the County Recorder by **July 31, 2014**.

16. Publicity Associated with SEP: Whenever the Discharger publicizes one or more elements of the SEP, it shall state in a **prominent manner** that the project is being undertaken as part of the settlement of an enforcement action by the Lahontan Water Board against the Discharger.

17. Site Inspections: Discharger shall permit inspection of the SEP by the Lahontan Regional Board staff at any time without notice during normal business hours.

18. Audits and Certification of Environmental Project

a. Certification of Performance of Work (Final Completion Report)

On or before 60 days after completion of the SEP, the Discharger shall submit a report, submitted under penalty of perjury, stating that the SEP has been completed in accordance with the terms of this Stipulation. Such documentation must include a copy of document creating the Conservation Easement, and may include photographs, invoices, receipts, certifications, and other materials reasonably necessary for the Lahontan Water Board to evaluate the completion of the SEP by the Discharger.

b. Third Party Audit

If the Designated Lahontan Water Board Representative obtains information that causes the representative to reasonably believe that the Discharger has not adequately completed any of the work in the SEP Workplan, the Designated Lahontan Water Board Representative may require, and the Discharger shall submit, at its sole cost, a report prepared by an independent third party(ies) acceptable to the Lahontan Water Board staff providing such party(ies)'s professional opinion that Discharger has completed the SEP as claimed by the Discharger. In the event of such an audit, the Discharger agrees that it will provide the third-party auditor with access to all documents which the auditor requests. Such information shall be provided to the Designated Lahontan Water Board Representative within three (3) months of the completion of the Discharger's SEP obligations. The audit need not address any costs incurred by the Lahontan Water Board for oversight.

19. Lahontan Water Board Acceptance of Completed SEP: Upon the Discharger's satisfaction of its obligations under this Stipulation and Order, the completion of the SEP and any audits, the Designated Lahontan Water Board Representative, with notice to the Enforcement Coordinator, shall send the Discharger a letter recognizing satisfactory completion of its obligations under the SEP. The letter shall terminate any further SEP obligations of the Discharger, except as identified in No. 20, below, and result in the permanent stay of the Suspended Administrative Civil Liability.

20. Failure to Complete the SEP: If the SEP is not fully implemented within the SEP Completion Period required by this Stipulation and Order, as identified in Stipulation No. 15, above, the Designated Lahontan Water Board Representative shall issue a Notice of Violation. As a consequence, the Discharger shall be liable to pay the entire Suspended Administrative Civil Liability. Discharger shall not be entitled to any credit, offset, or reimbursement from the Lahontan Water Board for expenditures made on the SEP prior to the date of the "Notice of Violation" by the Lahontan Water Board. The amount of the Suspended Administrative Civil Liability owed, \$188,425, shall be brought before the Lahontan Water Board via a "Motion for Payment of Suspended Liability." Upon approval by the Lahontan Water Board, the Suspended Administrative Civil Liability amount owed shall be paid to the Waste Discharge Permit Fund within thirty (30) days after the service to the Discharger of the Lahontan Water Board's determination. In addition, the Discharger shall be liable for the Lahontan Water Board's reasonable costs of enforcement, including but not limited to legal costs and expert witness fees. Payment of the Suspended Administrative Civil Liability amount will satisfy the Discharger's obligations to implement the SEP.

21. Lahontan Water Board is Not Liable: Neither the Lahontan Water Board members nor the Lahontan Water Board staff, attorneys, or representatives shall be liable for any injury or damage to persons or property resulting from acts or omissions by Discharger, its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and Order, nor shall the Lahontan Water Board, its members or staff be held as parties to or guarantors of any contract entered into by Discharger, its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and Order.

The Discharger covenant not to sue or pursue any administrative or civil claim or claims against any State Agency or the State of California, or their officers, employees, representatives, agents, or attorneys arising out of or relating to any matter expressly addressed by this Stipulation and Order or the SEP.

22. Compliance with Applicable Laws: The Discharger understands that payment of administrative civil liability in accordance with the terms of this Stipulation and Order or compliance with the terms of this Stipulation and Order is not a substitute for compliance with applicable laws, and that continuing violations of the type alleged

herein may subject it to further enforcement, including additional administrative civil liability.

23. **Attorney's Fees and Costs:** Except as otherwise provided herein, each Party shall bear all attorneys' fees and costs arising from the Party's own counsel in connection with the matters set forth herein.
24. **Matters Addressed by Stipulation:** Upon adoption by the Lahontan Water Board as an Order, this Stipulation represents a final and binding resolution and settlement of all claims, violations or causes of action alleged herein. The provisions of this Paragraph are expressly conditioned on the full payment of the stipulated penalty amounts, in accordance with Paragraphs 13, 15, and 20, and by the deadlines specified in Paragraphs 13, 15, and 20, and the Discharger's full satisfaction of the obligations described in Paragraphs 13, 14, 15, 16, 17, 19, 20 and 21.
25. **No Waiver of Right to Enforce:** The failure of the Prosecution Staff or Lahontan Regional Board to enforce any provision of this Stipulated Order shall in no way be deemed a waiver of such provision, or in any way affect the validity of this Order. The failure of the Prosecution Staff or Lahontan Regional Board to enforce any such provision shall not preclude it from later enforcing the same or any other provision of this Stipulated Order.
26. **Public Notice:** The Parties agree that this Stipulation and Proposed Order, as signed by the Parties, will be noticed for a 30-day public comment period prior to being presented to the Lahontan Water Board for adoption. If the Lahontan Water Board Assistant Executive Officer or other Prosecution Staff receives significant new information that reasonably affects the propriety of presenting this Stipulation to the Lahontan Water Board for adoption as an Order by settlement, the Parties agree to meet and confer concerning any such objections and comments, and may agree to revise or adjust the Stipulation as necessary or advisable under the circumstances. Alternatively, the Assistant Executive Officer may unilaterally declare this Stipulation void and decide not to present the Order to the Lahontan Water Board. The Discharger agrees that it may not rescind or otherwise withdraw its approval of this proposed Stipulation and Order.
27. **Interpretation:** This Stipulation and Order shall be construed as if the Parties prepared it jointly. Any uncertainty or ambiguity shall not be interpreted against any one Party. The Discharger is represented by counsel in this matter.
28. **No Oral Modification:** This Stipulation and Order shall not be modified by any of the Parties by oral representation made before or after its execution. All modifications must be in writing, signed by all Parties and approved the Lahontan Water Board.
29. **Integration:** This Stipulated Order constitutes the entire agreement between the Parties and may not be amended or supplemented except as provided for in this Stipulated Order.

30. If the Stipulated Order Does Not Take Effect: In the event that this Order does not take effect because it is not approved by the Lahontan Water Board, or its delegate, or is vacated in whole or in part by the State Water Board or a court, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing before the Lahontan Water Board to determine whether to assess administrative civil liabilities for the underlying alleged violations, unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing. The Parties agree to waive the following objections:

- a. Objections related to prejudice or bias of any of the Lahontan Water Board members or their advisors and any other objections that are premised in whole or in part on the fact that the Lahontan Water Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions as a consequence of reviewing the Stipulation and/or the Order, and therefore may have formed impressions or conclusions prior to any contested evidentiary hearing in this matter; or
- b. Laches or delay or other equitable defenses based on the time period for administrative or judicial review to the extent this period has been extended by these settlement proceedings.

31. Waiver of Hearing: The Discharger has been informed of the rights provided by California Water Code section 13323, subdivision (b), and hereby waives its right to an evidentiary hearing before the Lahontan Water Board prior to the adoption of the Order. The Stipulation and Order will be heard as a settlement agreement before the Lahontan Water Board, but the hearing will not be an evidentiary hearing.

32. Waiver of Right to Petition: The Discharger hereby waives its right to petition the Lahontan Water Board's adoption of the Order for review by the State Water Board, and further waives its rights, if any, to appeal the same to a California Superior Court and/or any California appellate level court.

33. Discharger's Covenant Not to Sue: The Discharger covenants not to sue or pursue any administrative or civil claim(s) against any State Agency or the State of California, their officers, Board Members, employees, representatives, agents, or attorneys arising out of or relating to this Stipulation and Order.

34. No Third Party Benefits: Nothing in this Stipulated Order shall be deemed to create any rights in favor of, or to inure to the benefit of, any persons, who are not a signatory to this Stipulation (third party), or to waive or release any defense or limitation against third party claims.

35. Necessity for Written Approvals: All approvals and decisions of the Lahontan Water Board under the terms of this Order shall be communicated to the Discharger in writing. No oral advice, guidance, suggestions or comments by employees or officials of the Lahontan Water Board regarding submissions or notices shall be construed to relieve the Discharger of its obligation to obtain any final written approval required by this Order.

36. Authority to Bind: Each person executing this Stipulation in a representative capacity represents and warrants that he or she is authorized to execute this Stipulation on behalf of and to bind the entity on whose behalf he or she executes the Stipulation.

37. Authority of Executive Officer to Extend Due Dates: The Executive Officer or the Executive Officer's delegee may extend any of the due dates in this Stipulated Order upon the joint request of the Parties. Such extensions must be in writing.

38. Effective Date: The obligations in this Stipulated Order are effective and binding only upon the entry of an Order by the Lahontan Water Board which incorporates the terms of this Stipulation.

39. Severability: This Stipulation and Order are severable; should any provision be found invalid the remainder shall remain in full force and effect.

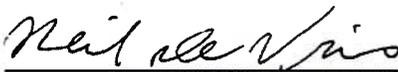
40. Counterpart Signatures: This Stipulation may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one document.

IT IS SO STIPULATED.

California Regional Water Quality Control Board
Lahontan Region

By: 
Lauri Kemper
Assistant Executive Officer

Date: August 29, 2013

By: 
Neil de Vries

Date: 8-29-13

By: Mary de Vries
Mary de Vries

Date: 8-29-13

Order of the Lahontan Water Board

This Order incorporates the foregoing Stipulation.

1. In accepting the foregoing Stipulation, the Lahontan Water Board has considered, where applicable, each of the factors prescribed in California Water Code section 13327. The Lahontan Water Board's consideration of these factors is based upon information obtained by the Lahontan Water Board' staff in investigating Violation Nos. 1 through 3 or otherwise provided to the Lahontan Water Board.
2. This is an action to enforce the laws and regulations administered by the Lahontan Water Board. The Lahontan Water Board finds that issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, sections 21000 et seq.), in accordance with section 15321(a)(2), title 14, of the California Code of Regulations.

Pursuant to California Water Code section 13323 and Government Code section 11415.60, **IT IS HEREBY ORDERED** on behalf of the California Lahontan Regional Water Quality Control Board.

Patty Z. Kouyoumdjian
Executive Officer

Date: _____

Exhibits:

- A. Facility Map
- B. Administrative Civil Liability Methodology for Violation Nos. 1, 2, and 3
- C. SEP Description and Schedule for Performance