



Santa Ana Regional Water Quality Control Board

May 3, 2023

SPX Cooling Tech LLC
550 W Mercury Lane
Brea, CA 92821
(Via Certified Mail)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Manu Abraham
manu.abraham@spx.com
(Via Email)

CONDITIONAL SETTLEMENT OFFER NO. R8-2023-0032 TO PARTICIPATE IN EXPEDITED PAYMENT PROGRAM RELATING TO VIOLATIONS OF THE GENERAL PERMIT FOR STORM WATER DISCHARGES ASSOCIATED WITH INDUSTRIAL ACTIVITIES (ORDER NO. 2014-0057-DWQ, NPDES NO. CAS000001) FOR SPX COOLING TECH LLC, 550 W MERCURY LANE, BREA, WDID NO. 8 30I000465

Dear Mr. Abraham,

This letter is to notify SPX Cooling Tech LLC, (hereinafter “Discharger” or “you”) of alleged violations subject to Mandatory Minimum Penalties (MMPs) pursuant to the California Water Code (Water Code) section 13385 identified in the State Water Resources Control Board’s water quality data system and to allow the Discharger to participate in the Santa Ana Regional Water Quality Control Board’s (Santa Ana Water Board) Expedited Payment Program to address these MMPs.

NOTICE OF VIOLATION:

Based on information in the Stormwater Multiple Application & Report Tracking System (SMARTS), the Santa Ana Water Board alleges that the Discharger is in violation of the General Permit for Storm Water Discharges Associated with Industrial Activities, Order No. 2014-0057-DWQ as amended by Order No. 2015-0122-DWQ and Order No. 2018-0028-DWQ, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS000001 (Industrial General Permit), for exceedances of the Total Maximum Daily Load Numeric Effluent Limits (NELs), found in Attachment E, and for failure to timely submit discharge monitoring reports for the facility located at 550 W Mercury Lane in the City of Brea. The Discharger will have the opportunity to address the alleged violations as discussed below.

STATUTORY LIABILITY:

KRISTINE MURRAY, CHAIR | JAYNE JOY, EXECUTIVE OFFICER

3737 Main Street, Suite 500, Riverside, CA 92501-3348 | www.waterboards.ca.gov/santaana

Pursuant to Water Code section 13385, subdivisions (h) and (l), the Discharger is subject to an MMP of three thousand dollars (\$3,000) for specified serious and chronic violation as defined by statute. For the purposes of subdivision (h) of section 13385, failure to file a discharge monitoring report required pursuant to section 13383 for each complete period of 30 days following the deadline for submitting the report constitutes a serious violation. The Discharger may also be subject to discretionary administrative civil liabilities of up to ten thousand dollars (\$10,000) for each day in which the violation occurs. Any discretionary administrative civil liabilities may be assessed by the Santa Ana Water Board beginning with the date that the violations first occurred. The formal enforcement action that the Santa Ana Water Board uses to assess such liability is an administrative civil liability complaint (ACLC), although the Santa Ana Water Board may instead refer such matters to the Attorney General's Office for prosecution. If referred to the Attorney General for prosecution, the Superior Court may assess up to twenty-five thousand dollars (\$25,000) per violation.

Dischargers enrolled in the Industrial General Permit and located in a watershed with an applicable TMDL, may be subject to NELs as articulated in Attachment E and as presented in Attachment C of the Industrial General Permit as follows: *"Responsible Discharger shall compare all sampling and analytical results from each distinct sample (individual or combined as authorized by XI.C.5) to the corresponding instantaneous maximum NEL values in the TMDL Compliance Table E-2."* The Industrial General Permit, Attachment C, provides that *"An instantaneous maximum NEL exceedance occurs when two (2) or more analytical results from samples collected for any single parameter within a reporting year exceed the instantaneous maximum NEL value."* In order to determine compliance with applicable NELs, Santa Ana Water Board staff has reviewed sampling data submitted by you to SMARTS to determine whether MMPs apply to your facility for the 2020-2021 reporting year.

DISCHARGER'S OPTIONS FOR RESPONSE TO OFFER:

You have two options to respond as outlined below.

1. **Accept the Expedited Payment Program offer** by complying with this proposed Settlement Agreement and agreeing to pay a settlement of **thirty-nine thousand dollars (\$39,000)**. The minimum administrative civil liability pursuant to Water Code section 13385 is \$3,000 for each specified serious or chronic violation. This is a Conditional Offer subject to certain terms and conditions set forth below. If you choose this option, **you must sign and submit the enclosed Acceptance and Waiver form by June 1, 2023**. The form provides submittal instructions. Final closure on this action is only possible after ultimate submission of the settlement amount.

Please submit an original (blue ink) signed Acceptance and Waiver form to:

David Rosas, General Stormwater Unit
Santa Ana Regional Water Quality Control Board

3737 Main Street, Suite 500
Riverside, CA 92501-3348

In response to the Conditional Offer and payment in settlement of this enforcement action, the Santa Ana Water Board will forego issuance of a formal administrative complaint, will not refer the violation to the Attorney General, and will waive its right to seek additional discretionary civil liabilities for the violations identified.

2. **Contest the alleged violations** by submitting in writing, the basis of your challenge with supporting evidence. If you choose this option, you must **submit your written documentation by June 1, 2023**. The Santa Ana Water Board Prosecution Team will review your submission, and if we agree with you, we will notify you in writing that our enforcement action has been terminated. All responses should be directed to David Rosas.

If you do not respond in a manner described in the above options, the Santa Ana Water Board will prepare an ACLC for the violations. The liability amount sought in the ACLC and/or imposed by the Santa Ana Water Board may be higher than the liability amount set forth in this Conditional Offer. Moreover, additional staff costs associated with formal enforcement may be considered in the recommended liability amount in an ACLC.

CONDITIONS FOR SANTA ANA WATER BOARD ACCEPTANCE OF RESOLUTION:

If you accept the Expedited Payment Program offer, the settlement will be published in the following manner: Federal regulations require the Santa Ana Water Board to publish notice of, and to provide at least thirty (30) days for public comment on, any settlement of an enforcement action addressing NPDES permit violations (40 C.F.R. section 123.27(d)(2)(iii)). Upon receipt of the Discharger's Acceptance and Waiver and other requested technical reports on or before **June 1, 2023**, Santa Ana Water Board staff will publish a notice of the proposed settlement of the alleged violations.

If no comments are received within the notice period, the Santa Ana Water Board Executive Officer will execute the Acceptance and Waiver as a stipulated order assessing the MMP amount pursuant to Water Code section 13323. You will then be notified that payment is due within 30 days. Failure to pay the administrative civil liability within that time frame may result in further enforcement including referral of the matter to the Attorney General, and/or may void the offer to participate in this Expedited Payment Program.

If, however, significant comments are received in opposition to the settlement, this offer may be withdrawn. In that case, the Discharger's waiver pursuant to the Acceptance and Waiver will also be treated as withdrawn, and the violations will be addressed through a formal enforcement action.

This Expedited Payment Program offer does not address or resolve liability for any violation that is not specifically identified. The Santa Ana Water Board reserves the right to pursue formal enforcement of any violations not specifically cited.

Should you have any questions about this Expedited Payment Program, please contact David Rosas via email at david.rosas@waterboards.ca.gov or via phone at (951) 394-9476.

Sincerely,

Ann E.  Digitally signed by Ann E.
Sturdivant
Date: 2023.05.03 07:28:07
-07'00'

Ann E. Sturdivant, PG, CEG, CHG
Assistant Executive Officer
Santa Ana Water Board Prosecution Team

enclosure: Appendix 1 (Tables 1-4)
Acceptance of Conditional Resolution and Waiver of Right to Hearing;
(proposed) Order

cc (w/encl): Chuck Griffin, Santa Ana Regional Water Quality Control Board

APPENDIX 1

DETERMINATION OF MANDATORY MINIMUM PENALTIES (MMPs) BASED ON DISCHARGER SPECIFIC TOTAL MAXIMUM DAILY LOAD (TMDL) NUMERIC EFFLUENT LIMIT (NEL) EXCEEDANCES AND REPORTING VIOLATIONS

Table 1: Applicable TMDL requirements for specified parameters that exceeded NELs, as referenced from Attachment E of the General Permit that includes all TMDL requirements.

TMDL	Impaired Waterbody / Watershed	Pollutants	Additional TMDL-related NELs	Pollutant Category	Required Actions
San Gabriel River Metals and Selenium TMDL	Coyote Creek or its tributary/ies	Copper (Cu)	Total Copper Instantaneous Maximum NEL of 0.027 mg/L	2	In addition to complying with this General Permit, Responsible Dischargers shall take QSE samples in accordance with Section XI.B of the General Permit and shall compare the results to the corresponding TMDL NEL. Sample, collection, and reporting shall be conducted in accordance with Section XI.B.
		Zinc (Zn)	Total Zinc Instantaneous Maximum NEL of 0.158 mg/L	2	

Table 2: TMDL applicable sampling data and MMP determination for the 2020-2021 Reporting Period based on NEL exceedances. It is stated in Water Code section 13385, subdivision (h)(2) that a serious violation occurs when a discharger violates effluent limitations contained in the applicable waste discharge requirements by 20 percent or more for a Group II pollutant and 40 percent or more for a Group I pollutant. Pursuant to Water Code section 13385, subdivision (i), a chronic violation is assessed when a discharger violates an effluent limitation four or more times in a six-month period. Water Code sections 13385 and 13385.1, further identify that the Discharger is subject to a MMP of three thousand dollars (\$3,000) for specified serious and chronic violation.

Discharge Location	Sample Collection Date	Parameter	Result (mg/L)	NEL (mg/L)	Serious MMP Applies?	Count Toward Chronic	Chronic MMP Applies?	Mandatory Minimum Penalty (MMP)
DP-1	12/14/2021	Copper, Total	0.211	0.027	No	N/A		-
DP-1	12/14/2021	Zinc, Total	0.845	0.158	No	N/A		-
DP-1	1/23/2021	Copper, Total	0.101	0.027	Yes	1	No	\$3,000
DP-1	1/23/2021	Zinc, Total	0.249	0.158	Yes	2	No	\$3,000
DP-1	3/10/2021	Copper, Total	0.082	0.027	Yes	3	No	\$3,000
DP-1	3/10/2021	Zinc, Total	0.401	0.158	Yes	4	No	\$3,000
Total MMP for NEL Exceedances:								\$12,000

Table 3: Review of reporting violations pursuant to Water Code section 13383 for failure to file a discharge monitoring report required for each complete period of 30 days and MMP determination for the 2020-2021 Reporting Period.

Lab Report Attachment ID	Applicable TMDL Pollutants	Lab Report Date	SMARTS Submitted Date	Number of Days	Number of Violations	MMP
Attachment ID No. 3293091	Copper and Zinc	12/30/2021	2/15/2023	412	5	\$15,000
Attachment ID No. 2931137	Copper and Zinc	2/24/2021	7/15/2021	141	3	\$9,000
Attachment ID No. 2931138	Copper and Zinc	4/21/2021	7/15/2021	85	1	\$3,000
Total MMP for Reporting Violations:						\$27,000

Table 4: Summary of the total MMP for NEL exceedances and the total MMP for reporting violations.

Total MMP for NEL Exceedances:	\$12,000
Total MMP for Reporting Violations:	\$27,000
Combined Total MMP:	\$39,000

7022 0410 0002 9753 6378

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PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

MRB



Santa Ana Regional Water Quality Control Board

ACCEPTANCE OF CONDITIONAL RESOLUTION AND WAIVER OF RIGHT TO HEARING: (Proposed) ORDER

SPX Cooling Tech LLC
Settlement Offer No. R8-2023-0032

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the Santa Ana Regional Water Quality Control Board (Santa Ana Water Board), SPX Cooling Tech LLC (Discharger) hereby accepts the Santa Ana Water Board's "Offer to Participate in Expedited Payment Program" and waives the right to a hearing before the Santa Ana Water Board to dispute the violations pursuant to California Water Code section 13385.

The Discharger agrees that the Expedited Payment Program Offer shall serve as a complaint pursuant to Article 2.5 of the California Water Code and that no separate complaint is required for the Santa Ana Water Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Discharger agrees to pay the administrative civil liability authorized by California Water Code section 13385, in the sum of \$39,000 (Expedited Payment Amount) which shall be deemed payment in full of any alleged civil liability pursuant to California Water Code section 13385 that otherwise might be assessed for the alleged violations described.

The Discharger understands that this Acceptance and Waiver constitutes a waiver of Discharger's right to contest the violations and the amount of civil liability for such violations; however, Discharger makes no acknowledgement or admission of liability for the violations alleged by the Santa Ana Water Board. Discharger expressly denies any liability, makes no admissions of facts or law, and expressly reserves any and all defenses regardless of execution of this Acceptance and Waiver. The Discharger understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified.

Upon Execution by the Discharger, submit the completed Acceptance and Waiver to:

David Rosas, General Stormwater Unit
Expedited Payment Letter
Santa Ana Regional Water Quality Control Board
3737 Main Street, Suite 500
Riverside, CA 92501

The Discharger understands that federal regulations set forth at title 40, Code of Federal Regulations, section 123.27(d)(2)(iii) require the Santa Ana Water Board to publish notice of and provide at least thirty (30) days for public comment on any proposed resolution of an enforcement action addressing NPDES permit violations. Accordingly, this Acceptance and Waiver, prior to execution by the Santa Ana Water Board Executive Officer, will be published as required by law for public comment.

If no comments are received within the notice period, the Prosecution Team will present this Acceptance and Waiver to the Santa Ana Water Board Executive Officer to execute the Acceptance and Waiver.

KRISTINE MURRAY, CHAIR | JAYNE JOY, EXECUTIVE OFFICER

The Discharger understands that if significant comments are received in opposition to the Conditional Offer, the offer on behalf of the Santa Ana Water Board to resolve the violations may be withdrawn. In that circumstance, the Discharger will be advised of that withdrawal, and an administrative civil liability complaint may be issued, and the matter may be set for a hearing before the Santa Ana Water Board. In the event that this matter proceeds to hearing, the Discharger understands that this Acceptance and Waiver executed by the Discharger will be treated as a confidential settlement communication and will not be used as evidence in that hearing.

The Discharger further understands that once this Acceptance and Waiver is executed by the Santa Ana Water Board Executive Officer, the full payment required by the deadline set forth below is a condition of this Acceptance and Waiver. In accordance with California Water Code section 13385, subdivision (n) funds collected for violations pursuant to section 13385 shall be deposited in the Cleanup and Abatement Account, the \$39,000 liability shall be paid by a cashiers or certified check made out to the "State Water Resources Control Board" referencing this Order number for deposit into the Cleanup and Abatement Account. The payment must be submitted to the State Water Resources Control Board no later than thirty (30) calendar days after the date the Acceptance and Waiver is executed by the Santa Ana Water Board Executive Officer.


Please mail check to:

State Water Resources Control Board
Re: Order No. R8-2023-0032
Division of Administrative Services, Accounting Branch
P.O. Box 1888
Sacramento, CA 95812-1888

I hereby affirm that I am duly authorized to act on behalf of and to bind the Discharger in the making and giving of this Acceptance and Waiver. SPX Cooling Tech LLC expressly denies any liability, makes no admissions of facts or law, and expressly reserves any and all defenses regardless of execution of this Acceptance and Waiver.

SPX Cooling Tech LLC

By:


(Signed Name)

5/30/2023

(Date)

MANO ABRAHAM
(Printed or Typed Name)

SITE MANAGER
(Title)

IT IS SO ORDERED PURSUANT TO CALIFORNIA WATER CODE SECTION 13323 AND GOVERNMENT CODE SECTION 11415.60.

By:

Jayne E. Joy, PE
Executive Officer