

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STAFF REPORT FOR REGULAR MEETING OF JUNE 19-20, 2025

Prepared on June 5, 2025

ITEM NUMBER: 9

SUBJECT: ENFORCEMENT REPORT, ENFORCEMENT PROGRAM UPDATE, AND SETTLEMENT PROJECT PRIORITIES AND CONSIDERATIONS

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ACTION: Informational/Discussion

SUMMARY

This staff report summarizes recent Central Coast Water Board enforcement actions and provides an annual Enforcement Program update, including enforcement program priorities, priorities and considerations for settlement projects funded by suspended administrative civil liabilities, a status update on completed and in progress settlement projects funded by suspended administrative civil liabilities, and a summary of complaints submitted to the California Environmental Protection Agency (CalEPA) complaint system.

ENFORCEMENT REPORT

Attachment 1 of this staff report includes the Enforcement Report consisting of Tables 1 through 5. Tables 1 through 4 summarize Central Coast Water Board enforcement actions issued from December 1, 2024, to March 31, 2025, and include final administrative civil liability orders (Table 1), expedited payment program letters (Table 2), notices of non-compliance for the Stormwater Program (Table 3), and notices of violation covering various Central Coast Water Board programs (Table 4). Table 5 in Attachment 1 summarizes alleged violations reported in the California Integrated Water Quality System (CIWQS) and the Storm Water Multiple Application and Report Tracking System (SMARTS) from October 1, 2024, to January 31, 2025. Central Coast Water Board staff are currently reviewing the alleged violations that have not been addressed to assess priorities for potential future enforcement.

A general description of the different types of enforcement actions Central Coast Water Board staff may take or recommend are provided in Attachment 2. Abbreviations and definitions used throughout the Enforcement Report are defined in Attachment 3. More

detailed descriptions of each type of enforcement action are provided in the State Water Resources Control Board's 2024 Water Quality Enforcement Policy (2024 Enforcement Policy).¹

BACKGROUND FOR ENFORCEMENT PROGRAM UPDATE

The Central Coast Water Board enforcement team currently consists of Angela Schroeter, Assistant Executive Officer; Tamara Anderson, Supervising Water Resource Control Engineer; and Todd Stanley, Water Resource Control Engineer. Central Coast Water Board enforcement staff assist program staff with informal and formal enforcement; evaluate and prioritize violations to ensure compliance with state and federal laws, regulations, policies, plans, and permits; address mandatory enforcement obligations imposed by law; coordinate with State Water Resources Control Board (State Water Board) and external agencies on enforcement actions and to improve enforcement consistency and effectiveness; and manage environmental complaints received through the CalEPA compliant system.

Enforcement is an important component of the State Water Board's and Regional Water Quality Control Boards' (Regional Water Boards') authority to encourage the regulated community to anticipate, identify, and correct violations and the Water Boards have a variety of enforcement tools to use in response to non-compliance by dischargers. The Central Coast Water Board follows a progressive enforcement approach and contemplates an escalating series of actions beginning with notification of violations and compliance assistance, followed by enforcement orders compelling compliance, and potentially a complaint for civil liabilities as appropriate and necessary. Central Coast Water Board enforcement staff follow the State Water Board's 2024 Enforcement Policy in making enforcement-related decisions and calculating penalty amounts as the Policy establishes an administrative civil liability assessment methodology to create a transparent, fair, and consistent statewide approach to assess liabilities.

At the April 17, 2025, Central Coast Water Board Meeting, attorneys from the State Water Board's Office of Enforcement (OE) provided a detailed presentation on topics including the 2024 Enforcement Policy, the State Water Board's Policy on Supplemental Environmental Projects (SEP Policy),² progressive enforcement, settlement considerations, and other general enforcement topics.³

For transparency and to keep the public and Central Coast Water Board members informed on Enforcement Program actions, Central Coast Water Board enforcement staff present multiple (approximately quarterly) enforcement reports to the Central Coast

¹ State Water Board, 2024 Water Quality Enforcement Policy, effective November 7, 2024, https://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/2024/2024-enforcement-policy.pdf.

² State Water Board, 2017 Policy on Supplemental Environmental Projects, Effective May 3, 2018, https://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/seps/20180503_sep_policy_a.md.pdf

³ April 17-18, 2025 Central Coast Water Board meeting agenda (see agenda item 8): https://www.waterboards.ca.gov/centralcoast/board_info/agendas/2025/apr/agenda-apr-eng_rev.pdf

Water Board per year and provide annual updates on Enforcement Program priorities and completed and in progress projects funded by suspended administrative civil liabilities.

ENFORCEMENT PRIORITIES

The State Water Board's 2024 Enforcement Policy includes a request for Regional Water Board enforcement staff to seek input on general region-specific enforcement priorities from members of the public and the Regional Water Board members at a regularly noticed public meeting on an annual basis. At the October 14, 2021 Central Coast Water Board Meeting, the Enforcement Program identified the following general enforcement priorities:⁴

- Address violations that pose an immediate and significant threat to water quality or result in significant detrimental impacts to human health and/or the environment.
- Prioritize violations associated with discharges that impact water quality in Underrepresented Communities.⁵
- Prioritize violations associated with discharges that result in drinking water supplies exceeding drinking water standards for individuals and/or small communities.
- Address violations involving falsification of information and non-compliant dischargers that realize a significant competitive economic advantage over compliant members of the regulated public.

At this time, Central Coast Water Board enforcement staff recommend maintaining the same enforcement priorities because they have been effective in informing which enforcement actions are actively pursued to ensure alignment with the Central Coast Water Board's current overall priorities and the enforcement priorities for discretionary enforcement actions outlined in the State Water Board's 2024 Enforcement Policy.

In general, Central Coast Water Board enforcement staff cannot predict what type, how many, or how complex the violations will be at any given time and there are typically many more violations and non-compliance issues that need to be addressed than there are enforcement resources available to address them. Therefore, Central Coast Water Board enforcement staff will use the general enforcement priorities described above to guide which discretionary enforcement actions⁶ to pursue and how best to assist program staff. The enforcement priorities are not in a particular order; however, Central Coast Water Board enforcement staff will typically prioritize violations associated with

⁴ State Water Board's and Regional Water Boards' enforcement priorities are available at: https://www.waterboards.ca.gov/water_issues/programs/enforcement/priorities.html

⁵ Underrepresented Communities include, but are not limited to, Disadvantaged Communities (DACs), Severely Disadvantaged Communities (SDACs), Economically Distressed Areas (EDAs), Tribes, Environmentally Disadvantaged Communities (EnvDACs), and members of Fringe Communities.

⁶ Central Coast Water Board will continue to address mandatory enforcement obligations imposed by law (e.g., mandatory minimum penalties under California Water Code sections 13385 (h) and (i), minimum administrative civil liability under Water Code section 13399.33).

more than one enforcement priority. In addition to focusing the Central Coast Water Board's enforcement resources on violations that negatively impact Underrepresented Communities and drinking water supplies for individuals and/or small communities, enforcement staff are also evaluating how water quality impacts associated with climate change inform which enforcement actions to prioritize if corrective actions or mitigation plans are not reasonably implemented by dischargers.

It is Central Coast Water Board enforcement staff's overall goal to use the enforcement priorities to enhance the Central Coast Water Boards' ability to focus and leverage its enforcement resources and to achieve the general deterrence needed to encourage the regulated community to anticipate, identify, and correct potential non-compliance issues before they occur.

SETTLEMENT PROJECT PRIORITIES AND CONSIDERATIONS

Central Coast Water Board enforcement staff often reach resolution of an administrative civil liability (ACL) through settlement. As part of settlement, the discharger can request a permanent suspension of a portion of the liability in lieu of submitting the full payment to the State Water Board's Cleanup and Abatement Account (CAA) or the Waste Discharge Permit Fund (WDPF) to satisfy the entire administrative liability amount by agreeing to fund and implement a supplemental environmental project (SEP), enhanced compliance action (ECA), or compliance project (CP) (collectively, settlement projects) as described in a settlement agreement.⁷

The State Water Board and Central Coast Water Board support the inclusion of settlement projects in the settlement of enforcement actions, so long as the projects meet the criteria specified in the State Water Board's 2024 Enforcement Policy and SEP Policy to ensure that selected settlement projects have environmental value, further the enforcement goals and other important policies of the Water Boards, and are subject to appropriate input and oversight by the Water Boards. The SEP Policy establishes a framework for the Water Boards to use in exercising their enforcement discretion to determine appropriate SEPs and ECAs during settlements and provides guidance for implementing SEPs and ECAs.

At the April 17, 2025 Central Coast Water Board Meeting, Board Members discussed the settlement process and requested the opportunity to provide input on settlement project priorities to help inform dischargers and Enforcement Program staff on settlement project selection when engaged in settlement discussions. In response to the Board's request, Enforcement Program staff prepared draft Settlement Project Priorities and Considerations (Attachment 4) for the Board's consideration.

⁷ A SEP is an environmentally beneficial project that a person subject to an enforcement action voluntarily agrees to undertake or fund through an appropriate third party. An ECA is a project that enables a discharger to make capital or operational improvements beyond those required by law and are separate from projects designed to merely bring a discharger into compliance. A CP is a project designed to address problems related to the violation and bring the discharger back into compliance in a timely manner and can only be considered where they are expressly authorized by statute.

Additionally, the Enforcement Program also recently established the option for dischargers settling certain administrative civil liabilities to select to use SEP funds to support the Bay Foundation of Morro Bay's Central Coast Drinking Water Well Testing Program (Drinking Water Well Testing Program).⁸

STATUS UPDATE ON PROJECTS FUNDED BY SUSPENDED ADMINISTRATIVE CIVIL LIABILITIES

This section of the staff report summarizes the projects funded by suspended ACLs that have been completed and are in progress between June 7, 2024, and May 30, 2025. During this timeframe, one SEP was completed, and one CP is in-progress. For information on SEPs, ECAs, and CPs completed or in progress prior to June 2024, please refer to the June 20-21, 2024 Enforcement Report.⁹

Additionally, between June 7, 2024, and May 30, 2025, through settlement, one discharger directed \$188,000 in SEP funds to the Bay Foundation's Drinking Water Well Testing Program.¹⁰

COMPLETED INDIVIDUAL SEP

Monterey One Water ACL Order R3-2021-0051: Private Lateral Rehabilitation Project for the Castroville Community Services District SEP

On August 13, 2021, the Central Coast Water Board issued ACL Order R3-2021-0051 to Monterey One Water for three alleged violations for unauthorized discharges of untreated wastewater from Monterey One Water's wastewater treatment plant and sanitary sewer system to the Pacific Ocean, for a total administrative civil liability amount of \$800,000. Monterey One Water applied \$790,000 of the penalty to the Private Lateral Rehabilitation Project for the Castroville Community Services District SEP. This SEP consists of assessment and repair or replacement of privately-owned residential sewer laterals in poor condition within disadvantaged community (DAC) areas in the Castroville Community Services District's service area. The SEP is intended to improve the sanitary sewer system integrity to reduce the potential for rainwater entering and sewage exiting the system, thereby preventing sanitary sewer

⁸ See the Bay Foundation's Central Coast Drinking Water Well Testing Program – Use of Supplemental Environmental Project Funds summary document for more details about the program: [https://www.waterboards.ca.gov/centralcoast/water_issues/programs/enforcement/docs/2024/summary-drinking-water-well-testing-sep.pdf].

⁹ June 20-21, 2024 Central Coast Water Board meeting agenda:

https://www.waterboards.ca.gov/centralcoast/board_info/agendas/2024/jun/agenda_jun_v3.pdf

¹⁰ The Central Coast Water Board enforcement team followed the SEP Policy and State Water Board Resolution 2024-0022

[https://www.waterboards.ca.gov/centralcoast/water_issues/programs/enforcement/docs/2024/rs2024-0022.pdf] for the application of conditions in settlement agreements for the suspended liabilities sent as SEP funds to the Bay Foundation's Drinking Water Well Testing Program.

overflows and protecting local surface water and groundwater quality and public health. This SEP was completed on December 13, 2024.

For this SEP, Monterey One Water completed the following: 1) conducted outreach and education to property owners and residents served by the project, 2) conducted video investigations of 23 of Castroville Community Services District's manholes and 101 residential sewer laterals to evaluate condition and possible defects, 3) analyzed results of investigations and all manholes were in good condition and did not need repair and 44 properties (26 owner-occupied and 18 renter-occupied) were in need of lateral repairs or replacements, and 4) rehabilitated 25 laterals (21 owner-occupied and 4 renter-occupied).

IN-PROGRESS CP

San Juan Bautista ACL Order R3-2022-0031: San Juan Bautista to Hollister Sanitary Sewer Force Main CP

On October 18, 2022, the Central Coast Water Board Executive Officer issued ACL Order R3-2022-0031 to the City of San Juan Bautista to resolve 327 alleged violations associated with effluent limitation exceedances from the City's Wastewater Treatment and Reclamation Plant from March 31, 2007, through March 31, 2022, imposing \$870,000 in administrative civil liabilities. San Juan Bautista chose to suspend \$696,000 of the penalty to implement the San Juan Bautista to Hollister Sanitary Sewer Force Main CP. This CP is to construct a sanitary sewer force main to convey all the City's wastewater to the City of Hollister's Domestic Water Reclamation Facility. Upon completion of the CP, San Juan Bautista will no longer operate a wastewater treatment plant and will no longer require a permit to authorize the discharge of its treated wastewater. United States Environmental Protection Agency (USEPA) issued an Administrative Order on Consent, and San Juan Bautista determined it will complete the CP, along with other projects, to comply with the Administrative Order on Consent.

San Juan Bautista has had delays for various interim CP milestones due to the following: 1) delays in obtaining environmental and encroachment permits to initiate the CP, 2) significant delays in obtaining electrical equipment (switch gear and control panel for the pump station) due to supply chain issues during the pandemic, and 3) construction bids exceeded the available funding by \$2.4 million and additional funds needed to be secured prior to construction contracts being awarded. Due to these delays, San Juan Bautista requested an extension to interim project milestones and to modify the final CP completion date from June 26, 2024 to October 21, 2026. On May 28, 2024, the Central Coast Water Board Executive Officer approved the requested CP interim project milestone and project completion dates.

To date, San Juan Bautista has completed the following CP components: obtained all environmental and encroachment permits, awarded the construction contract, issued the notice to proceed construction, completed the seven-mile force main pipeline, constructed the pump station, and completed approximately 82 percent of the project as

of April 30, 2025. San Juan Bautista submits quarterly progress reports and Central Coast Water Board enforcement staff will continue to coordinate with San Juan Bautista staff and USEPA staff on CP progress.

ENVIRONMENTAL COMPLAINT SYSTEM

Central Coast Water Board enforcement staff manages complaints received through the CalEPA (California Environmental Protection Agency) Environmental Complaint System.¹¹ Central Coast Water Board enforcement staff work with program staff and external agencies to address and/or refer complaints to other agencies. From May 22, 2024, to May 20, 2025, the Central Coast Water Board received 70 complaints and Central Coast Water Board enforcement staff closed 68 of those complaints and referred the other 2 of those complaints to other agencies. Complaints range from a variety of environmental issues. Over the past year, the most common issues raised in complaints related to alleged illicit construction and grading activities, unpermitted vegetation removal and fill in waters of the state, non-point source impacts to waters of the state, illicit irrigated agriculture and cannabis activities, illicit discharges of raw sewage, and illicit discharges to municipal separate storm sewer systems.

ALIGNMENT WITH CENTRAL COAST WATER BOARD PRIORITIES

Human Right to Water, Environmental Justice, and Racial Equity

The Central Coast Water Board's enforcement and settlement project priorities are consistent with Central Coast Water Board's Human Right to Water Resolution R3-2017-0004, Racial Equity Resolution R3-2023-0002, and Environmental Justice, Racial Equity, and Tribal Engagement Action Plan.

Central Coast Water Board enforcement staff prioritized pursuing enforcement of violations associated with discharges impacting communities with economic, racial, social, and/or environmental inequities that may be more vulnerable to the resulting public health impacts. Enforcement staff prioritized violations associated with drinking water impacts in communities that do not have the economic means to provide adequate treatment for contaminated groundwater. For example, enforcement staff dedicated resources to address violations associated with nitrate loading from irrigated agriculture that impact domestic drinking water wells. Central Coast Water Board enforcement staff plan to continue to prioritize violations impacting Underrepresented Communities.

Central Coast Water Board enforcement staff expended resources to facilitate projects to advance environmental justice, racial equity, and water equity in Underrepresented Communities. The Private Lateral Rehabilitation Project for the Castroville Community Services District SEP is an example of how enforcement resources have been dedicated to assist Underrepresented Communities and individuals in addressing

¹¹ Californians can file complaints in the CalEPA Environmental Complaint System at the following website: <https://calepa.my.salesforce-sites.com/complaints/>

drinking water and wastewater needs. Additionally, Central Coast Water Board enforcement staff established an option to offer to dischargers settling certain administrative civil liabilities to select to use SEP funds for the Bay Foundation's Drinking Water Well Testing Program. The Bay Foundation's Drinking Water Well Testing Program conducts focused outreach efforts for Underrepresented Communities and offers free testing of private domestic and small water system wells to inform well users of the quality of their drinking water.

Climate Change

Central Coast Water Board enforcement staff are in the process of evaluating how violations associated with impacts from non-compliance with climate change related adaptation, mitigation, and resiliency requirements, or violations that exacerbate climate change impacts, can inform enforcement priorities. As Central Coast Water Board programs continue to refine permit requirements and priorities related to climate change mitigation and adaptation, this will further refine enforcement priorities focused on climate change.

The Central Coast Water Board's settlement project priorities support implementation of climate change adaptation and mitigation projects. Central Coast Water Board enforcement staff expended resources to facilitate projects in alignment with climate change priorities. The Private Lateral Rehabilitation Project for the Castroville Community Services District SEP is intended to build climate change resiliency by reducing potential for inflow and infiltration into the district's sanitary sewer system and helping prevent sanitary sewer system overflows at the Castroville and Moss Landing pump stations that are near surface waterbodies. Because climate change has resulted in more intense storm events resulting in more localized flooding, there may be increased potential for inflow and infiltration into the district's sanitary sewer system. The San Juan Bautista to Hollister Sanitary Sewer Force Main CP will improve water supply resiliency in response to climate change by sending San Juan Bautista's wastewater to a facility that provides advanced treatment and recycles treated wastewater for beneficial reuse.

CONCLUSION

Central Coast Water Board enforcement staff continue to prioritize enforcement actions aligning with the Central Coast Water Board's general region-specific enforcement priorities. The enforcement team has focused enforcement actions to address violations that impact water quality in Underrepresented Communities and violations that pose a significant threat to human health, including impacts to drinking water supplies, and to the environment. It is the enforcement team's goal to enhance the Central Coast Water Boards' ability to leverage its enforcement resources to achieve the general deterrence needed to encourage the regulated community to anticipate, identify, and correct potential non-compliance issues before they occur and to assist in finding opportunities for communities to build climate change resiliency. The enforcement team is also focused on making sure that the regulated community corrects violations and prevents

them from occurring in the future and ensuring that non-compliant members of the public don't realize significant competitive economic advantage over compliant members of the regulated public.

Central Coast Water Board enforcement staff will continue to reevaluate enforcement and settlement project priorities and provide an opportunity for the Central Coast Water Board and the public to provide feedback on the general enforcement priorities on an annual basis. The public and Central Coast Water Board members can continue to provide input on enforcement actions taken by the enforcement team as part of the quarterly enforcement report updates.

ATTACHMENTS

1. Enforcement Report
2. Enforcement Action Descriptions
3. Enforcement Report Abbreviations and Definitions
4. Draft Settlement Project Priorities and Considerations

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