## PUBLIC MEETING

## BEFORE THE

## CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

CENTRAL COAST REGIONAL WATER QUALITY CONTROL BOARD

In	the	Matter of:	)
Puk	olic	Meeting	) )
			)

CENTRAL COAST WATER BOARD CONFERENCE ROOM, SUITE 101 895 AEROVISTA PLACE SAN LUIS OBISPO, CALIFORNIA 93401

PARTIAL TRANSCRIPT - 4:26 p.m. - 7:04 p.m.

FRIDAY, APRIL 28, 2006

# 10:05 A.M.

Reported by: Peter Petty

BOARD MEMBERS PRESENT

Jeffrey S. Young, Chairperson

Russell M. Jeffries, Vice Chairperson

Gary C. Shallcross

Daniel M. Press

John H. Hayashi

Leslie S. Bowker (Recused)

Monica S. Hunter (Absent)

#### BOARD ADVISORS and ASSISTANTS

Michael Thomas, Assistant Executive Director

Carol Hewitt, Executive Assistant

John Richards, Counsel State Water Resources Control Board

#### WATER BOARD PROSECUTION STAFF

Roger Briggs, Executive Officer

Lori Okun, Senior Staff Counsel

Matt Thompson, Project Manager

Sorrel Marks, Project Manager

Allison Millhollen

Harvey Packard

LOS OSOS COMMUNITY SERVICES DISTRICT

Stephen R. Onstot, Attorney Gregory M. Murphy, Attorney Burke, Williams and Sorensen, LLP

LOS OSOS COMMUNITY SERVICES DISTRICT

Daniel M. Bleskey, Interim General Manager Willdan

Lisa Schicker, President, Director

Steven Paige

Daniel Wickham

DESIGNATED PARTIES

William Moylan

Beverley DeWitt-Moylan

Alan Martyn

Robert Shipe

Dustan Mattingly

Lawrence Bishop

Christopher Alabe

Lawrence Kleiger

Bruce Payne

Katherine "Kitty" Thomas

Laurie McCombs

Tim Rochte

Antoinette Payne

Richard Sargent

Donna Kirtley

INTERESTED PARTIES

Joey Racano

INTERESTED PARTIES

Shirley Bianchi

Maria Kelly

Joyce Albright

Ann Calhoun

Keith Wimer

Jim Hensley

Lacey Cooper

Bo Cooper

Dianne Burke

David Duggan

Gewynn Taylor

Assemblyperson Sam Blakeslee

George Taylor

Alon Perlman

Pat Renshaw

Lawson Schaller

Julie Tacker

Anton Vesely

Joe Sparks

James Tkach

Chuck Cesena

Richard Margetson

Marla Jo Bruton

Tom Hollis

INTERESTED PARTIES

Gail McPherson

Elaine Watson

Al Barrow

Barbara Akle

Richard Sadowski

Geri Walsh

Linde Owen

Judy Vick

Carol Cribbs

ALSO PRESENT

Reginald Fagan

Sheila Cinderson

R. Wyatt Cash, Chief Deputy Counsel County of San Luis Obispo

Kathy Bouchard, Deputy Counsel County of San Luis Obispo

Steve Carnes County of San Luis Obispo

Larry Allen Air Pollution Control District

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LATE AFTERNOON SESSION 1 2 4:26 p.m. CHAIRPERSON YOUNG: And we have decided 3 4 to take a few of those out of order anyway, like 5 Mr. Shipe, and there's another name. 6 DerGarabedian. Okay, and then also the --Stoneman is gone. Moylan also. Did you have to 7 leave? 8 9 MR. MOYLAN: I have to go see my father in Illinois. 10 CHAIRPERSON YOUNG: Right, you're 11 leaving tonight? 12 MR. MOYLAN: No, Monday. 13 14 CHAIRPERSON YOUNG: Okay, okay. So, 15 you're --MR. MOYLAN: I just don't want to miss 16 17 out on --18 CHAIRPERSON YOUNG: Right. Okay. MR. ONSTOT: Mr. Chair, we also have a 19 Ms. Collins, who's 80 years old and needs to 20 21 present her -- and an expert. CHAIRPERSON YOUNG: Okay. Well, the 22 expert we can do -- when does the expert have to 23 24 leave? 25 MR. ONSTOT: Today.

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CHAIRPERSON YOUNG: I mean can the 1 2 expert be here till 10:00? Is the expert one of 3 your witnesses? 4 MR. ONSTOT: He's the expert for the 5 individual dischargers. 6 CHAIRPERSON YOUNG: Okay, and he's been 7 called by all of the individual dischargers, or --8 MR. ONSTOT: Yes. And also in the interest of time the CSD is willing to present its 9 case-in-chief to allow as many individual 10 11 homeowners to go, since they're already here. And we can go next time, as well. That's an option. 12 13 CHAIRPERSON YOUNG: Okay. 14 MS. OKUN: Well, if that's the case, if 15 the Board wants to make a decision after the individual homeowners present their evidence, then 16 17 the CSD's presentation won't be part of the record 18 for those homeowners. CHAIRPERSON YOUNG: Yeah, I mean that's 19 20 the --21 (Parties speaking simultaneously.) CHAIRPERSON YOUNG: My sense is that we 22 keep to what we have proposed. And I know that we 23 24 will get through the prosecution team's 25 presentation and yours. Then we can take that

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expert, and then get into this first group that 1 we've kind of mentioned. And then we'll see where 2 we're at at that point. Yeah, we're talking hours 3 4 at this point before we get to it. 5 Okay. Now, Judy Vick appeared, and she 6 did submit a card. I did tell her that I would 7 allow her, as the last interested person, to 8 speak. And you have two minutes, Ms. Vick. Come to the podium, please. 9 10 (Applause.) CHAIRPERSON YOUNG: Folks, please stop, 11 stop with the clapping, come on. 12 MS. VICK: Thank you for allowing me to 13 14 speak. I wasn't able to be here earlier. I live

speak. I wasn't able to be here earlier. I live in the prohibition zone and I share the concern that most of us here do, that we purchased homes with permitted septic tanks. We are motivated to have our wastewater project. But we're in limbo at the moment.

20 And we're very concerned that it's 21 unjust, these cease and desist orders, considering 22 there is not specific science regarding each site, 23 why these individuals were targeted. To my 24 knowledge you don't have specific information 25 regarding each site.

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And I would propose that there are some homes that are 50 feet to groundwater that are likely not polluting the waters of Morro Bay. And it would be ideal if we could get specific information and deal with the properties that are, indeed, causing the biggest problem.

7 But in the meantime it appears to me the 8 best solution, rather than penalize the people of Los Osos with these cease and desist orders, which 9 10 risk the value of their home, threaten the 11 businesses they have within their homes, it seems a far better idea to me to share the burden with 12 13 the entire community in a septic tank maintenance 14 program. And I would just ask that you would 15 consider that.

The other thing I would like to ask is 16 17 that because there were some last-minute changes 18 as to the evidence that could be submitted, that once the prosecution is clear on what the charges 19 20 are, that they community be allowed a week's 21 period of time to consider that, to prepare 22 adequately, and come back to you with their defense. 23

24 Thank you.

25 CHAIRPERSON YOUNG: Thank you. Okay.

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Ms. Okun and Mr. Thompson, you have an hour and a half, is that what we -- an hour? One hour. Okay. Run this clock up. Mr. Briggs, go ahead. MR. BRIGGS: Thank you, Mr. Chairman. Mr. Thomas introduced the folks in the front row here, but to kind of round out the introductions of the prosecution team, we have several staff who have worked part time helping out the team, and I want to make sure that you're aware that they're all here. Matt Thompson is going to make our initial presentation. And he will be followed by

12 initial presentation. And he will be followed by 13 Lori Okun, Counsel. As a second part of that 14 presentation, we have Sorrel Marks and we have in 15 the front row here Allison Millhollen and Harvey 16 Packard. And as I said, we've all worked part 17 time, varying degrees of time on this issue.

We also have all contributed to the 18 19 presentations that you're going to hear, even 20 though, of course, we haven't broken it up so that 21 we're all giving the presentation. But what that 22 means is that we request that as questions come up regarding our presentation, that we would use the 23 24 person who's best suited to answer the question to 25 actually provide those answers.

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1 CHAIRPERSON YOUNG: One small detail. 2 We haven't sworn anybody in. Where's my readable 3 sheet? Okay. Would everybody that is going to 4 offer testimony, we've already had interested 5 persons speak, but those are not related to the 6 specific facts of dischargers.

But, would everyone who's going to speak from this point on please rise. And that's all of the designated parties, also. Anyone who thinks they're going to speak as a witness, includes the experts.

12 Okay, do you affirm that the testimony 13 that you're going to give in this matter will be 14 the truth?

15 ALL: I do.

16 CHAIRPERSON YOUNG: Okay. Has anyone 17 said that they don't?

18 (No response.)

CHAIRPERSON YOUNG: All right, everyone
that comes to the podium I'm going to assume has
taken the oath and is going to tell the truth.

Yes, and of course, my attorney has to remind me that that oath is subject to penalty of perjury.

25 All right, Mr. Briggs.

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1	MR. BRIGGS: Thank you. The names that
2	I gave you were the truth, so I won't
3	(Laughter.)
4	MR. BRIGGS: I won't repeat them. As
5	I said, our presentation is in two parts, and Matt
6	Thompson will kick it off, and will be followed by
7	Lori Okun. I'm sequestering myself over here
8	because I don't feel so good, and don't want to
9	pass it around if I can avoid it.
10	MR. THOMPSON: Thank you, Roger. Good
11	afternoon; I'm Matt Thompson, Water Resource
12	Control Engineer, part of the Central Coast Water
13	Board Prosecution Team.
14	Most properties in Los Osos have been
15	violating our basin plan prohibition for nearly 20
16	years. Until last fall the community was making
17	meaningful progress towards compliance. It is now
18	apparent that compliance has been delayed several
19	more years.
20	Enforcement actions against individual
21	dischargers appears to be the only way to get the
22	community to comply in a timely manner.
23	Los Osos Community Services District
24	Council has, in fact, recently stated that action
25	against individual dischargers is more appropriate
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than action against them.

2 We are not pleased to do this. The community's inability to implement a wastewater 3 4 management system has really left us no choice. 5 Our reasoning of the proposed cease and desist 6 orders is spelled out in our written staff report 7 dated April 5th, and our April 29th technical and 8 legal responses to comments and evidence submitted by designated parties and interested persons. 9 10 Excuse me, Roger, could you turn down the podium mike; that's number 12, I think. 11 Thank 12 you. So I'm only going to take about -- I'm 13 14 not going to reiterate all of those reasons here. 15 I'm only going to take about ten minutes to provide a little background, and then briefly 16 describe the proposed cease and desist orders. 17 18 Lori Okun will then further explain our reasons 19 for recent changes to our recommendation. 20 In 1983 this Board adopted a prohibition 21 of waste discharges from septic system in the most 22 densely developed area of Los Osos in Baywood Park, which is now commonly known as the Los Osos 23 24 prohibition zone. The blue line on this slide 25 depicts the boundary of the prohibition zone.

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1 The prohibition took effect in 1988 and 2 remains in effect today. None of the designated 3 parties have denied that the discharge from their 4 septic systems violate this prohibition.

5 Although septic system discharges in the 6 prohibition zone are simply illegal, and therefore 7 subject to cease and desist orders, we must point 8 out that there is a wealth of evidence showing that these prohibited discharges have degraded 9 10 groundwater quality and threaten public health. 11 And that the prohibition zone boundaries are 12 appropriate.

Los Osos CSD regularly monitors shallow groundwater throughout town and interpolates the data to develop isocontour maps of nitrate concentrations. The maps consistently indicate the groundwater nitrate concentrations exceed the drinking water standard all over town.

19 This is Los Osos CSD's most recent 20 isocontour map of nitrate concentrations in 21 October 2005. Although this data changes slightly 22 every six months, this figure represents general 23 conditions in Los Osos. This is difficult to 24 read, so I've highlighted for you in red the area 25 where groundwater exceeds the drinking water

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standard of 10 mg/liter nitrate as nitrogen.

2 These darker highlighted areas show where nitrate concentrations are 50 percent or 3 4 more greater than the drinking water standard. 5 These areas of highest concentration correlate to 6 areas with greatest septic system density in the 7 prohibition zone. It is important to note that 8 these areas include elevated parts of town down here where there is significant separation to 9 10 groundwater.

11 Groundwater is impacted by nitrates 12 whether depth of groundwater is ten feet or 100 13 feet. Los Osos is a text book example of the fact 14 that there is very little nitrate removal in sandy 15 soil. Nitrate is highly soluble and moves down 16 easily with percolating septic tank effluent.

17 Several shallow-water supply wells have 18 been shut down due to nitrate exceeding drinking 19 water standards. These shallow wells have been 20 replaced with deeper supply wells which are now 21 causing seawater to intrude inland.

22 Water quality degradation by septic 23 systems is not limited to nitrate in groundwater. 24 Shallow groundwater seeps into Morro Bay Estuary 25 along the approximately two-and-a-half-mile

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1 shoreline of the prohibition zone.

2 Analyses of these seeps indicate fecal coliform bacteria greatly exceeds standards. And 3 4 DNA testing of E.coli in these seeps indicates the 5 greatest source of these bacteria is humans. 6 During wet weather cycles high groundwater causes 7 septic tank effluent to surface in some areas of 8 town and drain into the Morro Bay Estuary. 9 There is no question that septic systems 10 in the prohibition zone are degrading water quality, and that the prohibition zone boundaries 11 are appropriate. 12 First and foremost, the proposed cease 13 14 and desist orders require property owners and 15 tenants to cease discharging all waste by January 1, 2010, or 60 days after the availability of a 16 community sewer system, whichever is sooner. 17 18 If the community sewer system will be available by January 1, 2010, the owner or tenant 19 must submit a statement agreeing to connect to the 20 21 community sewer system within 60 days after the 22 sewage treatment plant becomes available, or

23 submit a technical report proposing an alternate 24 method of complying, and monitoring compliance 25 with the requirement to cease their discharge.

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1 If the community sewer system will not 2 be available by January 2010, the owner or tenant 3 must submit a technical report proposing alternate 4 method of complying with the requirement to cease 5 their discharge.

6 Until recently we were prepared to 7 recommend interim compliance requirements that 8 required each property owner or tenant to pump out 9 their septic tank every two months, or propose an 10 alternate method to reduce pollutant loading on 11 the Los Osos groundwater basin.

After consulting with the local Air Pollution Control District Officials, we learned they're concerned about pumping out up to 4300 septic tanks every two months, which is our stated objective.

We learned they're concerned it may cause -- we learned they're concerned that pumping out the tanks may cause significant adverse impacts of air quality and public health.

So we would like to study the impacts of the pumping requirements further before we recommend you adopt them. So, at this time we're recommending scale back interim compliance requirements to pump out the septic system and

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obtain an inspection report within three months. And, if necessary, complete recommended repairs to the septic system by February 1, 2007.

We randomly selected 45 properties from the prohibition zone to receive this first round of cease and desist orders. The blue dots on this slide depict the locations of the 45 selected properties in relation to nitrate concentrations in groundwater.

10 You can see the nitrate concentrations beneath 41 of the 45 properties that received 11 cease and desist orders exceeds the drinking water 12 13 standard. Those few properties that are outside 14 the area where nitrate exceeds the drinking water 15 standard still contribute to water quality degradation. Those properties are either up-16 gradient of and contributing pollutants to these 17 18 areas, or are located close to the Bay where shallow groundwater is flushed into the Bay by 19 20 tidal action.

As you know, many designated parties submitted comments and evidence in response to the proposed cease and desist orders. Our technical and legal responses to these submittals are detailed in our written rebuttal dated April 19th,

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so I'm not going to belabor our responses here.

2 The facts of this case are really guite simple. Septic system discharges are prohibited 3 4 in the Los Osos prohibition zone, and are subject to cease and desist orders. None of the 5 6 designated parties deny that they discharge from 7 their septic systems in the prohibition zone. If 8 necessary, I am prepared to point out later where each of the designated parties are located to 9 10 demonstrate that each is violating our basin plan 11 prohibition.

We recommend adoption of the proposed cease and desist orders for all designated parties. So, unless you have further questions for me at this time, here's Lori Okun. Thank you. CHAIRPERSON YOUNG: You have 49 minutes, Ms. Okun.

18 MS. OKUN: I'm going to talk about the change to the pumping recommendations, but before 19 20 I do that, I have a few questions for Sorrel 21 Marks, who's going to address a few of the 22 comments by interested parties, and also some of the evidence submitted by designated parties. 23 24 Ms. Marks, how many years were you the Project Manager for Los Osos? 25

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MS. MARKS: Sixteen years approximately. MS. OKUN: Some of the designated parties refer to a blue ribbon study that was done some years ago, and Mr. Tkach spoke earlier and indicated that that study concluded that complete denitrification occurred 30 feet below ground surface. Could you address that, please.

8 MS. MARKS: Yes. In 1994 San Luis 9 Obispo County had funded a study to evaluate the 10 reduction in nitrate below some leachfields. The 11 initial portion of the study was performed by an 12 engineering firm called (inaudible). And there 13 was a committee formed of citizens and other 14 interested parties to participate in the study.

And there was quite a bit of controversy over what the study really showed. Some felt that it showed that there was significant reduction below the leachfield, and some felt that it was inconclusive about how much that reduction might have been.

21 So your Board asked that we consult with 22 independent experts in this area. And we had 23 independent reviews of this study material from 24 two experts. And that was presented at a March 25 1995 hearing. The conclusion of which was that

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2 denitrification below the leachfields, but that it 3 would be exceptionally difficult to do so because 4 of the way the leaching septic systems moved below 5 the leachfields.

not only did the study not document full

6 MS. OKUN: What was it about the way 7 that the effluent moved below the leachfields that 8 made the study difficult?

9 MS. MARKS: The effluent would move 10 through the soil in not exactly a random pattern, 11 but it would migrate both laterally as well as 12 vertically. And so you couldn't locate the 13 lysimeters in specific locations that would 14 accurately monitor the reduction.

15 And in addition the study was originally designed to utilize some good systems, systems 16 that were relatively new, that were installed with 17 18 known design criteria. But when the lysimeters were actually installed in these systems, it 19 20 turned out that several of them were completely 21 saturated with groundwater. And keeping in mind 22 that these were supposed to be good systems that 23 were known to be operating properly.

24 But because they were saturated with 25 groundwater you couldn't put the lysimeters in to

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measure what needed to be measured for this particular test. So, the data was extremely limited and didn't demonstrate that there was complete denitrification. And that study is also in the record.

6 MS. MARKS: There was also some 7 testimony and some submissions regarding a 1997 8 study by Wade Brimm regarding the appropriateness 9 of the well monitoring network. Are you familiar 10 with that study?

11 MS. MARKS: Yes, I am. Mr. Brimm's 12 comment letter was primarily about the monitoring 13 wells. Mr. Brimm felt that the monitoring wells 14 that were used to collect the groundwater data 15 were not installed in an appropriate way.

And each of Mr. Brimm's submittals we 16 did respond to, but in addition to staff's 17 18 response, the CSD performed a comprehensive evaluation in 2001. And those wells that they 19 20 found were not up to current standards for 21 monitoring wells. They did perform some repairs. 22 They did abandon some and they did install some 23 new ones to develop the communitywide groundwater 24 monitoring program network wells that they have today. And they've been monitoring those since 25

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MS. OKUN: Thank you. Back to the 2 change in the pumping recommendations, staff 3 4 continues to believe that a bimonthly pumping 5 regime is an appropriate interim measure to 6 protect water quality until there's a treatment 7 plant available. The change in the recommendation 8 is only so that the Board has time to address the 9 concerns that the Air Pollution Control District 10 raised. We can skip the rest of this slide. 11 Т was going to briefly go over what the concerns 12 were, but Mr. Allen's already addressed that. 13 14 There's two reasons to wait and do additional study of these potential impacts before 15 imposing pumping requirements on any of the 16 homeowners. The first one is a policy reason. 17 18 The Air Pollution Control District, which is the agency charged with protecting air 19 20 quality, has raised these concerns; and this is 21 something that we take very seriously. Their 22 opinion is that further study is needed, and whether or not CEQA requires that. We think that 23 24 it's appropriate to do that study before taking 25 any further action.

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The second reason is that it's important 1 2 to the prosecution staff that all similarly situated dischargers be treated the same. And we 3 4 think that in order to insure that the Board does 5 that, it's necessary to do this air quality study 6 before imposing any pumping requirements, because 7 the study may show that mitigation measures are 8 appropriate to reduce any potential air quality impacts. And those mitigation measures should be 9 10 imposed across the board.

In addition, it could be the case that 11 the conclusion is that there's no air quality 12 13 impacts if we issue pumping requirements to 1000 14 people, but not 4300 people. And in that case, I 15 think some more thought should go into who those 1000 people should be, or 2000 or whatever it is, 16 rather than simply imposing pumping requirements 17 18 on this first group because they're first. We think that more information is needed in order to 19 20 be able to make a reasoned decision.

In addition, in the scheme of things, I think that the few months of study that would be necessary to get more information is really negligible in the 23-year process that has been going on so far in solving these water quality

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1 problems.

2 Also, to address one of the questions that came up earlier, whether we have cross-media 3 4 jurisdiction to impose mitigation measures 5 regarding air quality, there are a few things we 6 can do. For example, if the APCD is saying that 7 these filters would be appropriate, we could issue 8 orders that require the dischargers only to use pumping companies that have the filters. 9 10 As Mr. Allen said, they're very expensive. And at this time I don't believe that 11 the pumping companies have them. But at some 12 13 point, if this is the way the Board wants to 14 address the interim water quality impacts, it will 15 be economically viable for these companies to install the filters and there will be trucks 16 available to provide the service. 17 18 If the impacts are significant enough 19 that mitigation measures are necessary but there's no way for the Board to impose them, one 20 21 alternative is to do a focused EIR, and the Board 22 could made a decision that the water quality impacts are significant enough that they override 23 24 the air quality impacts. And to require as much mitigation as is feasible, and to move forward 25

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1 with the pumping scheme in any event.

2	Next slide. In terms of CEQA, just I
3	know the Board knows this, but just briefly, CEQA
4	requires study of government activities that could
5	adversely affect the environment. And these
6	activities, in CEQA parlance, are called projects.
7	If there's a categorical exemption then
8	no further CEQA analysis is required. Basically
9	the only burden on a governmental agency approving
10	the project is to show that it's within the
11	categorical exemption. And the prosecution staff
12	has done that. Basically there's no further
13	burden to prove that there aren't going to be
14	impacts.
15	There are four different categorical
16	exemptions that apply here. One is for repair and
17	maintenance activities for existing facilities.
18	And the other three have to do with enforcement
19	actions or regulatory activities to protect the
20	environment or to enforce existing laws.
21	Even though prosecution staff wasn't

required to do additional analysis, when we began receiving comments we did do the analysis that was in our written submission about the incremental increase in truck traffic. And concluded

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initially that there was no evidence that anyone 1 2 had presented that there would be significant impacts. But with the new information we did 3 4 decide that that was necessary to study. 5 In terms of what the project is, there's 6 a question on whether we have 45 projects before 7 you today, whether each order is a separate 8 project, whether there's going to be 4300 separate projects that the Board issues orders to all the 9 10 dischargers. Or whether there's one project which 11 is the enforcement program. And really under CEQA you can't chop a 12 13 program up into little pieces so that each little 14 piece doesn't have any significant impact. It's 15 referred to as piecemealing under CEQA. And there's legal arguments on whether that would 16 apply in this case because normally piecemealing 17 18 only applies if each little piece commits the

Board to do another project, which isn't the case 19 20 here.

But even if we treat these as 4300 21 22 separate projects instead of one project, the Board would have to consider the cumulative 23 24 impacts. So I think that you end up in the same 25 place either way.

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And in terms of proving the exception to the exemption, what the challenges are talking about is that these CEQA categorical exemptions don't apply if there will be significant adverse impacts because of unusual circumstances. And you have to show both prongs of that.

Because of what Mr. Allen testified to,
I think that the first prong is met. The second
prong, whether there are unusual circumstances,
means is this project of issuing these orders
different than the normal type of project under
these categorical exemptions.

13 Generally there's two types of cases 14 that find that there are unusual circumstances. 15 One is where the project in question is incompatible with surrounding uses. Clearly 16 that's not the case here. We have a community 17 18 that's on septic. We're talking about repairs to 19 septic systems and compliance with an order, the 20 basin plan, that applies to those septic systems. So you really couldn't get much more compatible 21 than that. 22

The other type of case basically has to do with projects where there are circumstances of those projects differ from the general

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circumstances of other projects covered by the 1 2 same exemption. And those circumstances creating the environmental risk that doesn't exist for the 3 4 general class of exempt projects. 5 And the cases dealing with this 6 definition tend to be cases where there are toxic 7 contaminants in the ground that aren't going to be 8 addressed by the project; or in some cases are going to be made worse by the project. 9 10 So, again, those cases are distinguishable. But because this is a somewhat 11 subjective standard, I think the courts focus more 12 13 on whether there are going to be adverse impacts 14 rather than the unusual circumstances prong of 15 that test. So, for that reason I think that it is necessary for the Board to consider these air 16 17 quality impacts that the APCD has raised before 18 moving forward with bimonthly pumping 19 requirements. 20 And it is our intention to proceed with

21 that study and develop a new recommendation, 22 whether that is to do additional CEQA analysis or 23 to -- the modeling may show that there won't be 24 significant impacts and we can come back with that 25 recommendation. But at this point we just don't

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1 know.

2	CHAIRPERSON YOUNG: Could I interrupt
3	you one second. What would be your anticipated
4	timeframe for doing a health effect study?
5	MS. OKUN: We need to contract that out;
6	obviously, we don't have experts inhouse that can
7	do that. We can talk to OEHHA, the Office of
8	Emergency Health Hazard Assessment. In some cases
9	they've done those types of studies for regional
10	boards.
11	But I think it's going to be at least a
12	couple months. And then APCD will need time to
13	review it.
14	CHAIRPERSON YOUNG: Okay.
15	MS. OKUN: Next slide. So then the
16	question arises why issue CDOs now at all. The
17	discharges are already illegal; they're already
18	prohibited by the basin plan. If we are not
19	imposing interim measures to protect the
20	environment, why do anything.
21	And there's a couple of reasons. The
22	first is that there is an inspection and repair
23	requirement. So that will provide some interim
24	protection in those cases where there are systems
25	that have problems in addition to the general

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problem that septic systems are inappropriate in
 this area.

The next is that it puts individual 3 dischargers on notice that they're responsible to 4 5 comply with this prohibition. Legally that's not 6 required. Everyone's responsible to know the law 7 and comply with it, but we have heard in this 8 process that there are dischargers who thought it was only up to the CSD to comply with the basin 9 10 plan prohibition. And they didn't know that they were individual dischargers. So, that's another 11 important benefit of having the cease and desist 12 13 orders.

14 It also provides a date certain. 15 Obviously, the best result is that there will be a community system for people to hook up to by the 16 deadline. But if there's not, we'll have a 17 program so that individual dischargers will have 18 to propose an alternative so that they can comply 19 20 with the basin plan by the January 2010 due date. 21 And finally it provides the Board with 22 an additional enforcement tool. Since these discharges are already illegal, the dischargers 23

24 are currently subject to penalties for violating 25 the prohibition. And that would be an alternative

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1 that the Board could take now.

2	But they're not subject to a court
3	injunction. If there are cease and desist orders
4	or cleanup and abatement orders in place, once
5	these deadlines arrive the Board could seek to
6	enforce them by having a court order the
7	dischargers to comply. And that's not something
8	that's available now. The Attorney General could
9	use its nuisance abatement authority to seek
10	injunctive relief, but it would be a much more
11	difficult case to prove.
12	I wanted to address two additional
13	things before making the final staff
14	recommendation. One is Assemblyman Blakeslee's
15	recommendation that the cease and desist orders
16	provide a sunset provision. And they basically
17	do, because what they say is when there's a
18	community system available the dischargers have to
19	hook up to it. Once they do that, they're done,
20	they're in compliance with the order and they
21	sunset. So I don't see that there are any
22	additional sunset provisions that are necessary.
23	The next after the CSD presents their
24	case, the next phase will be for the individual
25	dischargers to present their evidence and there's
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a space for the prosecution staff to present site-1 specific evidence. And to avoid having to 2 reiterate this every time, Mr. Thompson did 3 4 address it in his presentation. But the basin 5 plan prohibits all discharges from onsite systems. 6 The way septic systems are designed they 7 discharge when you use them. There's no sewer 8 system available in the community. All of these

9 properties are on septic systems and all the
10 discharges from the septic systems are violating
11 the basin plan.

So in terms of site-specific evidence we have the information that we receive from some of the dischargers about how many people reside in the properties, and we'll show you the locations. But, that's really all the site-specific evidence that we need. And I don't want to repeat it 45 times.

19And with that, the staff recommends that20you proceed to issue the orders as proposed with21the revisions.22CHAIRPERSON YOUNG: Dr. Press.23QUESTIONS BY BOARD24BOARD MEMBER PRESS: Yeah, Ms. Okun,

25

could you explain the date of January 1, 2010? I

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1 looked in the revised proposed order and I didn't
2 see a -- is that related to something else in the
3 context?

MS. OKUN: When we started working on the orders it was January, and at that point the CSD was indicating that they thought it would take two years to develop an alternative project and two years to construct it. And so we were relying on the CSD's estimate of when a system would be available.

BOARD MEMBER PRESS: So four years from this past January, okay. Have you ever heard of a sewage treatment plant that has been designed and built in that timeframe?

15 MS. OKUN: No.

BOARD MEMBER PRESS: Okay. I'm asking the staff, is there anyone in the region, any sewage treatment plant that has been designed, gone through EIR and built in four years? To your knowledge?

21 MS. MARKS: I really couldn't identify 22 specifically the timeframe of some, but, you know, 23 -- I can't think of one that's of this size that 24 has been completely to that timeframe.

25 But, --

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BOARD MEMBER PRESS: From A to zed? 1 2 MS. MARKS: Right, right. BOARD MEMBER PRESS: Thank you. 3 4 MS. MARKS: Only smaller ones. 5 MS. OKUN: One other thing to keep in 6 mind is that there is still the Tri-W project 7 which has gone through all the permitting and 8 approval process. And one possibility --9 (Audience speaking simultaneously.) 10 MS. OKUN: -- is that even the CSD or some successor entity would continue that project. 11 And that certainly would be feasible to complete 12 by January of 2010. 13 14 (Audience speaking simultaneously.) 15 MR. THOMPSON: I'd like to add to that, too, we are --16 17 BOARD MEMBER PRESS: Mr. Chair, I can't 18 hear the staff. MR. THOMPSON: Yeah, back to Matt 19 20 Thompson. We are aware of several wastewater 21 treatment plant upgrades where construction --22 upgrades, some of them amounting to basically a brand new treatment plant where construction took 23 24 less than two years. 25 BOARD MEMBER PRESS: Okay. Where you

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1 already have the lines in?

2

3 designed, yes. 4 BOARD MEMBER PRESS: Yeah, okay; thank 5 you. 6 CHAIRPERSON YOUNG: Okay, Mr. Richards 7 had, I think, some questions. 8 MR. RICHARDS: Ms. Okun, you indicated that Mr. Thompson had established the basis that 9 all these people are discharging their septic 10 tanks. 11 As you noticed from the issues that the 12 13 Board considers to be important, the critical, the 14 threshold determination for each of these people 15 is that they are discharging to a septic tank in the prohibition area. 16 17 Could you perhaps expand on the evidence that the Board should be relying upon in reaching 18 the conclusion that each of these people is, in 19 20 fact, discharging to a septic tank in the 21 prohibition area? MR. THOMPSON: A good point on 22 clarification. I believe some people don't 23 24 realize that septic systems are designed to -- or 25 excuse me, septic tanks are designed to overflow. PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

MR. THOMPSON: Where it's already

A typical household may generate 1 anywhere between 100 and 300 gallons per day, 2 depending on how many people live there. A septic 3 4 tank is, on the average, between 1000 and 1500 5 gallons. And basically every time you discharge 6 wastewater that septic tank is overflowing. And 7 for all intents and purposes it is constantly 8 overflowing. 9 So, if the house is occupied and 10 wastewater is generated the septic system is, you 11 are discharging from the septic system. CHAIRPERSON YOUNG: Mr. Shallcross, did 12 13 you have any questions? 14 BOARD MEMBER SHALLCROSS: Yeah, just a 15 little clarification. Lori, did you say that the 2010 date was based on statements by the Community 16 Services District? 17 18 MS. OKUN: Yes. BOARD MEMBER SHALLCROSS: On how long it 19 would take them to get a plant going? 20 MS. OKUN: Yes. 21 22 BOARD MEMBER SHALLCROSS: Thanks. CHAIRPERSON YOUNG: And when were those 23 24 statements made? 25 MR. BRIGGS: Roger Briggs. I think they

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1 were made -- can you hear me all right?

CHAIRPERSON YOUNG: Yes. 2 MR. BRIGGS: Can't hear myself. I think 3 4 they were --5 (Audience speaking simultaneously.) 6 MR. BRIGGS: Okay. Is that better? 7 AUDIENCE SPEAKERS: Yes. 8 MR. BRIGGS: I believe they were made initially, you've heard reference to the Blakeslee 9 negotiations. And I know when we first met with 10 the folks who were here from the CSD, they were 11 indicating that it would take them six months to 12 get into construction. And actually there would 13 14 be no lag time whatsoever compared to the Tri-W 15 project that would have the same completion date. When they went into the Blakeslee 16

17 negotiations I think they realized that that was 18 not realistic, and they changed that to two years 19 to get to construction and two years in 20 construction. And also, if I remember correctly, 21 yes.

22 CHAIRPERSON YOUNG: Are these comments 23 or statements that you heard, yourself? 24 MR. BRIGGS: The first one was from the 25 meeting that we had and I participated in.

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CHAIRPERSON YOUNG: Okay. 1 MR. BRIGGS: So, I participated in --2 CHAIRPERSON YOUNG: I just want to 3 4 make -- I want to differentiate between what 5 you've heard as opposed to maybe what you read 6 somewhere or heard from someone else. 7 MR. BRIGGS: Right. The first meeting was with me and others on our staff. And then 8 subsequently, --9 10 CHAIRPERSON YOUNG: Well, was there anyone from the CSD involved in that? 11 MR. BRIGGS: Yes, with the CSD folks. 12 There were two Directors and Attorney McClendon 13 14 and Mr. Bleskey. 15 CHAIRPERSON YOUNG: Bleskey, okay. Go 16 on. MR. BRIGGS: And then I believe in 17 18 transcript number two from the ACL hearings Mr. Fouche from the District Board reiterated that it 19 20 would take them four years to complete the 21 project. CHAIRPERSON YOUNG: Okay. Any other 22 Board questions? Mr. Hayashi? 23 24 BOARD MEMBER HAYASHI: How were they figuring to expedite permitting on new sites? 25 PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

MR. BRIGGS: How was the CSD expecting 1 2 to expedite permitting? BOARD MEMBER HAYASHI: Yeah, was there 3 4 any discussion about that? 5 MR. BRIGGS: There was. One of the key 6 stumbling blocks in terms of moving quickly is 7 CEQA. And I believe they intended to piggyback on 8 existing CEQA process, to have, I think it's a supplemental EIR, so that would be a shorter 9 10 process. And then also, as far as I know it's 11 still up in the air as far as the CSD's plans, but 12 in terms of the question earlier about the 13 14 possibility of proceeding with a project that 15 quickly, keep in mind that there is a collection system already designed, you know, was started in 16 construction. And certainly still possible that 17 18 that existing design and all its environmental work could still be used even if the District is 19 20 set on going to another site. 21 I say that's kind of up in the air 22 because they've talked about changing the collection system, as well. 23 24 CHAIRPERSON YOUNG: All right, thank 25 you. Okay.

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BOARD MEMBER SHALLCROSS: I have one 1 2 more quick question. CHAIRPERSON YOUNG: All right, go ahead, 3 4 Mr. Shallcross, and then --5 BOARD MEMBER SHALLCROSS: Yeah, this is 6 for Matt. From what I understand what you're 7 saying is even a well maintained septic system 8 violates the basin plan, is that correct? 9 MR. THOMPSON: Yes. BOARD MEMBER SHALLCROSS: And does a 10 well maintained septic tank discharge nitrates? 11 MR. THOMPSON: Definitely, yes. 12 13 BOARD MEMBER SHALLCROSS: Okay, thanks. 14 MS. OKUN: Mr. Thompson has a slide that 15 demonstrates how a septic system works that he can 16 show. MR. THOMPSON: Yeah, just to expand a 17 little bit on earlier questions, I just want to 18 illustrate what a septic system does. It's not a 19 20 holding tank. 21 The wastewater generated is discharged 22 to the septic tank where the heavy solids and floating solids are removed before the clarified 23 24 water overflows into a disposal field which is 25 typically a leachfield or in cases where you don't

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have a lot of space, a seepage pit or leach-bed.

And, of course, that septic tank 2 effluent percolates downward in the soil column 3 4 towards groundwater. That's all. 5 CHAIRPERSON YOUNG: Okay, Michael, I 6 think you had asked me --7 BOARD MEMBER SHALLCROSS: Can I ask one 8 more question on that? 9 CHAIRPERSON YOUNG: Sure. BOARD MEMBER SHALLCROSS: And how far 10 11 down does the water seep? A lot of folks just said that they're 50 feet above groundwater or 12 13 something. Is there some point that water stops 14 seeping, or what, or that effluent? 15 MR. THOMPSON: It is apparent that based on the nitrate contamination of underlying 16 17 groundwater in areas where it would have depth to 18 groundwater of about 150 feet, that the septic tank effluent will go down that far and further. 19 20 As long as there is no clay layer impeding the 21 downward percolation it will just keep going. 22 And in sandy soil there's no matrix for the -- micro-organisms that cause denitrification 23 24 to -- there's nothing there for them. And so it just moves down through the soil column. 25

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CHAIRPERSON YOUNG: Is there sandy soil 1 2 throughout and above the clay aquatard? MR. THOMPSON: I'm sorry, could you 3 4 repeat --5 CHAIRPERSON YOUNG: Is there sandy soil 6 above the clay aquatard? 7 MR. THOMPSON: Definitely. In Los Osos 8 they refer to that as the upper zone. And that is what is most -- has the highest contamination. 9 10 CHAIRPERSON YOUNG: Okay. All right, Mr. Thomas. 11 MR. THOMAS: Ms. Okun, you stated 12 earlier that the discharges going from the septic 13 14 systems inside the prohibition zone are illegal? 15 MS. OKUN: Yes. MR. THOMAS: Is that a fact, or is that 16 your legal argument as part of the prosecution 17 18 team? MS. OKUN: Well, saying that something's 19 20 illegal is always a legal opinion. But the basin 21 plan states that any discharges from septic 22 systems, it says onsite sewage systems, within the prohibition zone, are prohibited. So any 23 24 discharges within the prohibition zone from an onsite system is illegal, in my opinion. 25

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MR. THOMAS: In order for that to become 1 a fact, instead of a legal opinion, wouldn't that 2 require an action by the Board, a determination by 3 4 the Board to that effect? 5 MS. OKUN: No. The Board's already 6 taken an action by adopting the prohibition, and 7 these discharges are violating that prohibition, 8 and so they're already illegal. 9 CHAIRPERSON YOUNG: Okay. Any other 10 questions at this point? Okay, so that's concluded. You have 32 minutes left. 11 MR. THOMPSON: Excuse me, I just want to 12 13 add one more thing. 14 CHAIRPERSON YOUNG: Sure. 15 MR. THOMPSON: I showed you a proper septic system function in Los Osos. We have high 16 groundwater in Los Osos and high density. And so 17 18 the majority of folks use seepage pits or leachbeds for their disposal field, which discharge 19 20 deeper into the soil column. And this is more 21 representative of the typical situation in Los 22 Osos. Also, I want to clarify that in septic 23 24 tanks that nitrogen is a highly soluble -- there are not significant amounts of nitrogen removed 25

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with the solid waste in the wastewater. And so 1 2 the nitrogen essentially passes right through the septic tank into the disposal field. 3 4 CHAIRPERSON YOUNG: Well, of these 45 5 proposed CDOs, do you know how many are using 6 seepage pits? 7 MR. THOMPSON: I spoke to one septic 8 system installer in Los Osos and asked him how many use leachfields, which are preferable because 9 10 they are shallower and they disperse the 11 wastewater better. And he suggested that 99 out of 100 systems are either seepage pits or leach-12 13 beds. 14 (Audience speaking simultaneously.) CHAIRPERSON YOUNG: Okay. Do you have 15 any information that you've obtained, yourself, or 16 staff has obtained? 17 18 MR. THOMPSON: Yes, we have received some site-specific information from some cease and 19 20 desist order recipients, and nearly all of them 21 have seepage pits. 22 CHAIRPERSON YOUNG: Are you going to present that when these individual CDOs come 23 before us later? 24 MR. THOMPSON: We are prepared to, 25

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1 although we don't believe it's necessary.

CHAIRPERSON YOUNG: Okay. Mr. Jeffries. 2 BOARD MEMBER JEFFRIES: Yes, Mr. 3 4 Chairman, --5 CHAIRPERSON YOUNG: Go ahead. 6 BOARD MEMBER JEFFRIES: Mr. Thompson, --7 mike is on -- can you hear me? Barely. 8 Can you tell me what the average lot size is in the prohibition zone? 9 10 MR. THOMPSON: Order 8313 had a finding that said the average lot size was 6600 square 11 feet. 12 BOARD MEMBER JEFFRIES: What is the 13 14 normal required size for a leachfield be placed? 15 MR. THOMPSON: The basin plan specifies that a septic system, you have to have at least an 16 acre unless you have favorable conditions. An 17 18 acres is what, 43,000 square feet. So that density that's in Los Osos is approximately six 19 20 times greater than the basin plan requirements. 21 BOARD MEMBER JEFFRIES: What is the 22 normal depth of a seepage pit? MR. THOMPSON: In Los Osos they have 23 24 fast percolating soil, sandy soil. And so they can get away with a seepage pit that's as shallow 25 PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

as 15 feet. But it can vary anywhere from 15 to, 1 2 you know, 50 feet, depending on what kind of equipment they used to install it. 3 4 BOARD MEMBER JEFFRIES: Okay, thank you. 5 CHAIRPERSON YOUNG: Okay. Ms. Okun, you 6 have 32 minutes left. Michael, would you keep 7 track of that? 8 All right. And, Mr. Onstot, you have two hours. Let's see what we're going to do. 9 Well, we certainly can get through an hour right 10 11 now. MR. ONSTOT: I'm sorry, Mr. Chair, I 12 13 thought there was going to be an opportunity for 14 cross-examination. Is that not on your agenda 15 now? CHAIRPERSON YOUNG: Let's see, I didn't 16 think about how we would handle that at this 17 18 point. I thought about how we would handle that 19 as we got to the individuals. Yeah, might as well 20 do it now, I think that makes sense. So, go 21 ahead. This doesn't count to your time. MR. ONSTOT: Thank you. 22 CHAIRPERSON YOUNG: And then the 23 24 individual cease and desist order recipients, 25 you're going to have time, also, to come up and to

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ask questions of the prosecution staff team. 1 So, let the CSD go first. 2 MR. ONSTOT: Thank you. 3 4 CROSS-EXAMINATION 5 MR. ONSTOT: Mr. Thompson, what is your 6 position at the Water Board? MR. THOMPSON: Water Resource Control 7 8 Engineer. 9 MR. ONSTOT: And where did you go to 10 school? MR. THOMPSON: CalPoly, San Luis Obispo. 11 MR. ONSTOT: And what formal training do 12 you have on septic tank design and management? 13 MR. THOMPSON: I have a bachelors degree 14 15 in environmental engineering. MR. ONSTOT: Anything else? 16 MR. THOMPSON: Yes. I work at the 17 18 Regional Water Quality Control Board where we retain several wastewater and onsite wastewater 19 20 system experts, and I rely on their expertise. 21 MR. ONSTOT: And when did you first join 22 the Regional Board? MR. THOMPSON: April 1997 as a 23 24 volunteer. 25 MR. ONSTOT: At what point in time did

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the prosecution staff decide to pursue enforcement action against the septic tank owners and operators?

4 MR. THOMPSON: Again, I think we were 5 planning it for years. And the first time I saw 6 it in writing, that I saw it in writing was the 7 transmittal letter for the Administrative Civil 8 Liability complaint.

9 MR. ONSTOT: Do you recall ever seeing 10 an email from Mr. Roger Briggs two days after the 11 election saying we will now take enforcement 12 action against individual septic tank owners and 13 operators?

14MR. THOMPSON: No, I do not recall15seeing that email.

16 (Audience speaking simultaneously.)
17 MR. ONSTOT: Do you recall seeing
18 anything in writing that triggered the enforcement
19 action that we're here discussing today?

20 MR. THOMPSON: I don't recall whether it 21 was in a meeting with management or whether it was 22 through an email. Because I don't remember 23 anything in writing, I think it might have been 24 through verbal communication, internal verbal 25 communications.

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MR. ONSTOT: And when was that? 1 2 MS. OKUN: I object to the extent that this is calling for internal discussions of the 3 4 prosecution team that are enforcement confidential 5 or attorney/client privilege. 6 So, if you're -- what you're talking 7 about is our internal discussions or 8 communications from me, then don't answer. 9 CHAIRPERSON YOUNG: Okay, well, I'll sustain the objection on those grounds. 10 MR. ONSTOT: What triggered these 11 enforcement proceedings, Mr. Thompson? 12 MR. THOMPSON: I don't believe I'm the 13 14 best person to answer that question. 15 MR. ONSTOT: Fair enough. Who is? MR. THOMPSON: That would be Roger 16 17 Briggs. 18 MR. ONSTOT: Okay. CHAIRPERSON YOUNG: Okay, hold on, are 19 you done with this witness? 20 21 MR. ONSTOT: No. Either Mr. Briggs can 22 answer it now or we have lots for him later, so. 23 I'll ask that question of Mr. Briggs later. 24 CHAIRPERSON YOUNG: Let's do witness by 25 witness, just to --

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MR. ONSTOT: Okay. 1 2 CHAIRPERSON YOUNG: -- make it clean. And then you'll have your time with Mr. Briggs. 3 4 MR. ONSTOT: That's fine. Mr. Thompson, 5 you mentioned that there were 4300 septic systems 6 in the prohibition zone, do you recall that? 7 MR. THOMPSON: Yes. 8 MR. ONSTOT: And how did you obtain that information? 9 10 MR. THOMPSON: We did an inhouse analysis of the -- let's see, this, again, is a 11 better question for Roger Briggs. But I can 12 answer it. According to our information there are 13 14 4993 residences in the prohibition zone. There 15 are 466 in the Bayridge Estates, which has a community system, which is already subject to a 16 cease and desist order. So you would subtract 17 that from 4993. And there are 74 residences in 18 Vista del Oro, which also has a community system. 19 20 So you would subtract that. 21 There are 122 residences in the Bayview 22 Heights, which are excluded. And there are another 47 in the Martin tract, which is also 23 24 excluded. Which amounts to 4284 septic systems. 25 Again, that is our best estimate.

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1	MR. ONSTOT: And of those 4284 septic
2	systems how many owners and operators have been
3	targeted for enforcement?
4	MS. OKUN: Do you mean now, or in all?
5	MR. ONSTOT: All.
6	MR. THOMPSON: All.
7	MR. ONSTOT: So it's the prosecution
8	team's intent to bring 4284 enforcement actions
9	against the septic tank owners and operators in
10	the prohibition zone, is that correct?
11	MR. THOMPSON: That is our stated
12	intent, yes.
13	MR. ONSTOT: Okay. You also mentioned
14	that the initial strike that.
15	How many were on your initial list that
16	you testified were chosen at random?
17	MR. THOMPSON: Fifty, 50 properties.
18	MR. ONSTOT: Fifty properties, and there
19	are 45 CDO enforcement actions pending today,
20	correct?
21	MR. THOMPSON: Correct.
22	MR. ONSTOT: What happened to the other
23	five?
24	MR. THOMPSON: The five we learned,
25	after issuing the initial round of cease and

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1 desist orders, either -- there was one of them
2 that lived in Monarch Grove, which has a sewer
3 system, and so they are not subject to the basin
4 plan prohibition.

5 There were four of them in the Bayridge 6 Estates neighborhood, which has a community septic 7 system again, and is already subject to a cease 8 and desist orders through the Community Services 9 District. So we retracted the draft cease and 10 desist orders for those five properties, which is 11 why we're now at 45.

MR. ONSTOT: And is there a reason that you didn't do your homework as to all 50 before you issued those 50 draft cleanup and -- or, excuse me, cease and desist orders?

16 MR. THOMPSON: Could you restate your 17 question?

18 CHAIRPERSON YOUNG: Okay, hold on. Mr. 19 Onstot, what is the relevancy of this testimony 20 towards the issues that I laid out for this 21 hearing? How does this tend to prove or disprove 22 that any of these individual properties are 23 discharging waste?

24 MR. ONSTOT: Well, because I just now 25 established that the prosecution staff did not do

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their homework in selecting the people for 1 2 prosecuting cease and desist orders, and as we go further we'll find out a lot with regards to the 3 actual selection process. Which ultimately leads 4 5 to a conclusion that there's a lack of evidence 6 with regards to the basis upon which the 7 prosecution team is pursuing these 45 cease and 8 desist orders. CHAIRPERSON YOUNG: Okay, Mr. Onstot, 9 what I have heard so far is testimony that staff 10

11 intends to prosecute everybody in the prohibition zone; that they randomly picked 50 properties; 12 13 they made a correction to that choice.

14 Everything else around whether there's 15 50 or 300 or over what timeframe, in my view, is not relevant to whether these 45 are discharging 16 17 in violation of the basin plan prohibition. So --18 MR. ONSTOT: That's what I'm trying to 19 get at. 20 CHAIRPERSON YOUNG: No, I didn't hear --

21 you're trying to jump through and make connections 22 that I don't see.

MR. ONSTOT: Okay, I will --23 24 CHAIRPERSON YOUNG: And the testimony, sir, that I heard so far, and it's this testimony 25

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you can challenge. The staff's testimony is as
 long as the septic tanks are in use that that, in
 and of itself, is a violation. That's their
 position.

5 So, if you have evidence to compete with 6 that, that's what we're most interested in. But 7 this line of questioning could take a long time. 8 And I think its relevancy is quite tenuous at 9 best.

10

MR. ONSTOT: Okay.

11 CHAIRPERSON YOUNG: So, I know cross-12 examination can be quite broad, and you can go 13 into areas that have not been brought up by their 14 own direct examination. But I do want you to give 15 me a better offer of proof as to what is necessary 16 here. And I'm not -- so far I'm not satisfied.

MR. ONSTOT: We have alleged, and a 17 18 large part of the defense is that the Water Board did not do its homework with regards to preparing 19 20 the prosecution cases; that people were targeted 21 on an other-than-random process; that there's not 22 the evidence to support it; and that basically the 23 facts upon which they rely upon are, indeed, 24 unreliable.

25 And we should be allowed to cross -- I'm PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

not asking Mr. Thompson anything outside the scope 1 of what he testified to on direct. 2 CHAIRPERSON YOUNG: Well, he said that 3 4 they randomly picked 50 people. 5 MR. ONSTOT: Right, that --6 CHAIRPERSON YOUNG: And you don't 7 believe it was random? 8 MR. ONSTOT: Then I will -- may I pursue that line? 9 10 CHAIRPERSON YOUNG: Yes. MR. ONSTOT: Mr. Thompson, you said that 11 50 people were selected at random. Could you 12 13 describe the process in as much detail as you are 14 able, as to how these 50 people before the Board 15 today, or 45, excuse me, were selected? MR. THOMPSON: Sure, I'd be glad to. We 16 started with a list of all properties in Los Osos 17 18 provided by the County Tax Assessor. At the time 19 we were relying on help from California 20 Environmental Protection Agency. And they culled 21 out a subset of the County Assessor's list for 22 those in the prohibition zone. They basically compared Assessor's parcel numbers to the 23 24 prohibition zone boundaries. 25 And then we took that list of that

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subset of properties in the prohibition zone and 1 2 we applied -- and that was in a Microsoft Access Database format. And there were a certain number. 3 4 At the time the California Environmental 5 Protection Agency was still culling out properties 6 along the boundaries, and so I think it was in the 7 neighborhood of 35 to 4000 properties, -- 3500 to 8 4000 properties, excuse me.

9 And then whatever that number was, 3500-10 what-have-you, I went into Microsoft Excel and 11 Microsoft Excel has what's called a data analysis 12 tool pack, which is an add-in to Microsoft Excel.

And the data analysis tool pack allows you to set to generate a certain number of random numbers, okay. And so I used Excel to generate those random numbers. And it was carried out to like the tenth decimal place. Purely random numbers, about 3500 of them.

19 I then inserted a row into the Microsoft
20 Access database and then inserted those random
21 numbers into that row. However they came, you
22 know, just as they were generated by Microsoft
23 Excel.

24I then sorted that Microsoft Access25database based on the numerical order of those

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random numbers and we picked the first 50. That's 1 2 how we did it. MR. ONSTOT: And do you have a list now 3 4 of the other 4234? 5 MR. THOMPSON: No, because once we 6 developed the first -- we selected the first 50, 7 we eliminated that list because our intent is to 8 recreate that process for the next round. So we don't have the list. 9 10 (Audience speaking simultaneously.) 11 MR. ONSTOT: Thank you. If you can put up your slide again with regards to the nitrate 12 13 levels in the prohibition zone. 14 What process did you use to correlate 15 these numbers here with the septic systems? CHAIRPERSON YOUNG: Which septic system? 16 17 Can you --18 MR. ONSTOT: You have a prohibition zone with levels of nitrates that are in the 19 groundwater in the prohibition zone, is that 20 21 correct? MR. THOMPSON: Yeah, I understand your 22 23 question. You can see there on the map, this is a 24 map provided by the Los Osos CSD, and it's very hard to see because it's very small, but you can 25

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see there that there, you know, squares indicating
 improved properties, okay. And this is, you know,
 the grid street pattern.

And it -- let's put it another way. You have, I think nobody disputes that there's a high density of homes in this area. There's a high density of homes here, and there's a high density of homes in this neighborhood, as well.

9 The process is by visual observation. 10 This area is open space, or whatever -- I believe 11 it's open space. I think that's the Tri-W site, 12 around here. And this area is not developed. And 13 so you can notice that the nitrate concentrations 14 are less there. To me it's very plain to see.

15 MR. ONSTOT: And what other sources of 16 nitrates have you identified that contributed to 17 that, other than the septic systems?

18 MR. THOMPSON: Well, we know of other sources coming out of Morro Bay; Los Osos Creek is 19 20 loaded with nitrogen from agriculture, land use, 21 et cetera. And that's here. And so if nitrogen 22 was coming down here and recharging the 23 groundwater, one would expect to see high nitrogen 24 levels in this area. 25 There is a very clear correlation

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between the area of greatest septic system density
 and highest nitrate concentrations.

3 I don't consider nitrogen fixing plants
4 to be a source of nitrogen, if that's what you're
5 asking.

6 MR. ONSTOT: Did you or anybody on the 7 Board Staff that you know of personally go to any 8 of the 45 property owners or operators that are 9 here today and look at their septic systems if 10 they had any?

11 MR. THOMPSON: We know that all of the 12 45 properties are located within the prohibition 13 zone; they violate the basin plan prohibition. 14 Therefore, subject to cease and desist orders. We 15 did not visit the properties.

MR. ONSTOT: In your presentation you used the term discharge. Can you tell me what you meant by the term discharge?

MR. THOMPSON: Discharge is a common term. It means the release of waste, the release of waste.

22BOARD MEMBER PRESS:Mr. Chairman.23CHAIRPERSON YOUNG:Yes, Dr. Press.24BOARD MEMBER PRESS:I don't think that25Mr. Onstot has established the relevance of this

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cross-examination along the lines that you 1 2 suggested, so I don't know where this is going. And do you intend to allow this type of cross-3 4 examining all night? Just wondering. 5 MR. ONSTOT: That's fine, I'm done. 6 CHAIRPERSON YOUNG: Okay. Well, he was 7 back on track, Dr. Press, at least to what Mr. 8 Thompson had been testifying about. So I was 9 comfortable that he was in the ballpark, okay. It 10 was the other examination on how they chose the 45 that was, I didn't think, relevant. 11 But, go ahead. Are you done with this 12 13 witness? 14 MR. ONSTOT: Correct. 15 CHAIRPERSON YOUNG: Okay, did you want to ask Mr. Briggs questions? 16 MR. ONSTOT: Not at this time. 17 18 CHAIRPERSON YOUNG: Okay. Anyone else, Mr. Onstot, from the prosecution team's --19 20 MR. ONSTOT: Cross on the case-in-chief? 21 No. CHAIRPERSON YOUNG: Okay. All right. 22 23 Any of the designated individual property owners? 24 Mr. Shipe. 25 MR. SHIPE: Yes.

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CHAIRPERSON YOUNG: Come first.

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MR. SHIPE: Bob Shipe. First I'd like 2 to ask Matt a few questions. Regarding the random 3 4 numbers generated, under that process I think I'm 5 familiar with what you're talking about, and I 6 thought the numbers started with 01. 7 And I'm trying to understand how you 8 ended up with a 00 number as a beginning number 9 using that random number generating process. 10 MR. THOMPSON: I think some clarification is in order, Rob. The order 11 numbers? 12 MR. SHIPE: Yes, the order --13 14 MR. THOMPSON: The order numbers are different than the random numbers. 15 MR. SHIPE: Oh. 16 MR. THOMPSON: The random numbers were 17 18 numbers like carried out to the tenth decimal place. And the order numbers were just assigned 19 20 to the first 50. 21 MR. SHIPE: Okay, thank you very much. 22 Okay, that explains that. And I wanted to address that slide that 23 24 you guys showed that said Why CDOs now. And said 25 because they would allow the prosecution and this PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

Board to inspect and repair, to notify dischargers 1 and what was that other one, provide a date 2 certain to provide alternative if community sewer 3 4 is not available, and you can enforce by 5 injunction. 6 Besides the last one, can you do those 7 in other measures? 8 MS. OKUN: I object, that calls for a legal conclusion. 9 10 (Audience speaking simultaneously.) MR. SHIPE: In my conversations with 11 Matt Thompson I was --12 CHAIRPERSON YOUNG: Excuse me, let me 13 14 just speak to the Board's attorney. 15 (Pause.) CHAIRPERSON YOUNG: Go ahead, I'm going 16 17 to allow the question. MR. RICHARDS: Well, let me clarify the 18 context within which we're allowing this question. 19 I think you're entitled to ask Mr. Thompson if 20 21 there are other mechanisms that would approach, 22 that could be used. 23 MR. SHIPE: Absolutely. 24 MR. RICHARDS: Whether or not those 25 mechanisms would be chosen --

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MR. SHIPE: I understand that, but the 1 2 first line at the top says: Why issue CDOs now. And so they are using those examples as specific 3 4 reasons why to issue CDOs. 5 MR. RICHARDS: You may ask your 6 question, but understand that it's not appropriate 7 for Mr. Thompson to be providing legal conclusions 8 about various things. MR. SHIPE: Okay. You want me to re-ask 9 the question? 10 MR. THOMPSON: Yes, please. 11 MR. SHIPE: Okay. What I was wondering 12 13 is are there other measures through your water 14 quality enforcement procedures that would allow 15 you to have inspection and repair, to notify dischargers and to date-certain to provide 16 alternative if community sewer is not available. 17 18 MR. THOMPSON: I believe there are, but 19 I am not certain. 20 MR. SHIPE: Okay, thank you. And then 21 now under that last line, under can enforce 22 injunctions, you described yourself as a water 23 quality enforcement procedures expert to me, 24 correct? This was what you were really good in, 25 and so you understand the skill. I just want to

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make sure before I start asking questions on it. 1 CHAIRPERSON YOUNG: Are you saying that 2 he testified to that? 3 4 MR. SHIPE: No, this was something he 5 told me in a conversation. 6 CHAIRPERSON YOUNG: When? 7 MR. SHIPE: A month ago because I was 8 asking him specific questions about this, trying to mitigate the situation before we got in front 9 of you. 10 CHAIRPERSON YOUNG: Okay. 11 MR. THOMPSON: I recall talking to Rob 12 13 on repeated occasions. I talked to a lot of the 14 designated parties on repeated occasions. I don't 15 recall saying I'm a water quality enforcement procedures expert. 16 17 I'm familiar with water quality 18 enforcement procedures. MR. SHIPE: Okay. Well, are you 19 20 familiar with the terms in the water quality 21 enforcement procedures of cooperative dischargers and recalcitrant violators? 22 MR. THOMPSON: I can tell the difference 23 24 between cooperative dischargers and recalcitrant dischargers if that's what you're asking. 25

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MR. SHIPE: Okay, well, but I'm just --1 2 because I've been studying the water quality enforcement procedures and it's a term that I 3 4 found in there several times. And so I just 5 wanted to, before I started asking you questions 6 on it, I wanted to make sure you understood what 7 those were. Now, under that third line -- I'm sorry, 8 under that fourth line, if you were to use one of 9 those other measures, that would allow dischargers 10 that would want to move forward to become 11 cooperative dischargers, so that way this Board 12 would have a much smaller number of the 13 14 recalcitrant violators to deal with? 15 MR. THOMPSON: Is that a question? MR. SHIPE: Yes, that was a yes or no 16 17 question. 18 MR. THOMPSON: I need you to restate the 19 question. 20 MR. SHIPE: Okay. By using some of 21 those other measures that may be available, would 22 that allow the prosecution staff to determine cooperative dischargers and recalcitrant violators 23 24 so that the Board that we're in front of today can deal only with the recalcitrant violators and 25

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allow cooperative dischargers to have inspection 1 2 and repair, to put us on notice and to give us a date to provide an alternative if a community 3 4 sewer is not available? 5 CHAIRPERSON YOUNG: Okay, Mr. Shipe, 6 your questions are off on a different tangent. 7 MR. SHIPE: Okay. 8 CHAIRPERSON YOUNG: Okay, their testimony is everyone is in violation just by 9 discharging. And you're --10 MR. SHIPE: Okay, I --11 CHAIRPERSON YOUNG: -- trying to create 12 13 a distinction that maybe some are recalcitrant and 14 some are not recalcitrant or cooperative. It's 15 not relevant today. MR. SHIPE: That wasn't my point. If I 16 could just address what my point was, and maybe I 17 18 can help get back onto it. 19 My point was --20 MR. RICHARDS: Mr. Shipe. 21 MR. SHIPE: Yes. MR. RICHARDS: You will have an 22 23 opportunity during your presentation to rebut any 24 testimony and assertions and argument and positions that the prosecution team has made. 25

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The purpose of cross-examination is to 1 test the credibility and knowledge of the 2 witnesses who have testified. And that's the 3 4 purpose of the cross-examination. It is not to 5 give you an opportunity to --6 CHAIRPERSON YOUNG: Testify. 7 MR. RICHARDS: -- to testify and rebut 8 the testimony that they've made. 9 MR. SHIPE: Okay. Thank you for that distinction. In that case, basically, like I 10 said, the main thing I wanted to hit was the why 11 CDOs are now. 12 CHAIRPERSON YOUNG: So, you're --13 14 MR. SHIPE: Yes. 15 CHAIRPERSON YOUNG: -- testifying. MR. SHIPE: No. I've asked my -- that 16 was the question I wanted and it's been addressed. 17 18 Thank you. CHAIRPERSON YOUNG: Okay, thank you. 19 All right, Mr. Martyn. 20 21 MR. MARTYN: That is correct, Mr. 22 Chairman, I would like to have -- I have prepared a list of questions and I would like to have Gail 23 24 McPherson present them for me, if you would be so 25 kind as to allow it.

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CHAIRPERSON YOUNG: That's fine. 1 2 MR. MARTYN: Thank you very much. CHAIRPERSON YOUNG: That's fine. 3 4 MS. McPHERSON: A couple of --5 BOARD MEMBER SHALLCROSS: It's important 6 that we know who she's speaking -- is she speaking 7 on behalf of --8 MS. McPHERSON: I'm speaking -- Allen 9 Martyn. 10 CHAIRPERSON YOUNG: On Mr. Martyn. BOARD MEMBER SHALLCROSS: Just Mr. 11 Martyn? 12 CHAIRPERSON YOUNG: Yeah. 13 14 BOARD MEMBER SHALLCROSS: Because I know 15 she's representing a bunch of people. Just wanted to make that clear. 16 17 CHAIRPERSON YOUNG: Yeah, and I --18 MR. RICHARDS: Is that correct, Ms. McPherson, that you are at this point representing 19 20 -- you're presenting the questions that Mr. Martyn 21 has prepared for you? 22 MS. McPHERSON: Yes, yes. MS. OKUN: I have a procedural question. 23 24 Since the individual dischargers will have an 25 opportunity for cross-examination during the

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individual presentations, if they're just asking 1 questions on behalf of themselves is this the 2 appropriate point to be doing that? 3 4 CHAIRPERSON YOUNG: You know, I think 5 it's appropriate because this testimony has come 6 in at this point. It's fresh. I don't know 7 what's going to happen as things get chopped up. 8 And I will exercise my discretion later to curtail questions that have already been asked and 9 answered by previous witnesses. 10 11 MS. OKUN: Thank you. MS. McPHERSON: I wanted to ask if in 12 13 the process of the development of the cease and 14 desist orders that you looked at whether or not 15 enforcement actions based on ability to pay, when you put together your criteria for the septic tank 16 pumping program. If that was a consideration? 17 18 MR. THOMPSON: My understanding of the ability to pay requirement submitted applies to 19 20 administrative civil liability orders and not 21 cease and desist orders. 22 MS. McPHERSON: Did you consider health effects outside of the diesel fumes, bacterial 23 24 contamination in neighborhoods where pumping is going to be 100 pumps a day? Or I think you said 25

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1 82 pumps a day.

2	MR. THOMPSON: I believe that pumping
3	out septic tanks does not contribute significant
4	bacterial pollutant loading to air.
5	MS. McPHERSON: And what is your
6	qualifications for that statement? Are you
7	what are your qualifications?
8	MR. THOMPSON: Again, I have a bachelors
9	degree in environmental engineering. I'm a
10	registered civil engineer.
11	MS. McPHERSON: Are you aware of the
12	Lane County incident of airborne bacteria
13	contamination and the illnesses that ensued?
14	MR. THOMPSON: Did you say L.A. County?
15	MS. McPHERSON: No, it's Lane
16	MR. THOMPSON: Lane County?
17	MS. McPHERSON: Lane County, and it's
18	Lane County, specifically a fairgrounds. It's a
19	lawsuit that
20	MR. THOMPSON: No, I'm not aware of
21	that.
22	MS. McPHERSON: Okay. I was wondering
23	on the issue about the DNA studies that were
24	brought up in the presentation. Are you aware
25	that Dr. Kitts, Christopher Kitts, is on our
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witness list?

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2 MR. THOMPSON: Yeah, I saw his name on 3 the list. 4 MS. McPHERSON: Okay. He did make a 5 statement several times, and I'd like to read from 6 a very short statement in an email that's been 7 submitted. 8 CHAIRPERSON YOUNG: Not at this time. MS. McPHERSON: Okay. Are you aware 9 that he refutes your statement that this is --10 E.coli is proof of failing septic tanks? 11 CHAIRPERSON YOUNG: Ms. McPherson, it's 12 13 best if you have the witness -- just let the 14 witness go ahead and state that --15 MS. McPHERSON: Okay. CHAIRPERSON YOUNG: -- and I think 16 that's the most powerful way to challenge the 17 18 statement of someone else. 19 MS. McPHERSON: Okay. 20 CHAIRPERSON YOUNG: Next question. MS. McPHERSON: The Black and Veatch 21 22 study, the conclusions in the Black and Veatch study. They concluded that it was just hard to 23 monitor. Is that --24 25 CHAIRPERSON YOUNG: Okay, you're not

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1 going to testify, Ms. McPherson. You can ask
2 guestions.

MS. McPHERSON: Okay. Did you model in any way whether or not it was an appropriate measure to improve groundwater with the pumping of the septic tanks? Or is this just a guess?

7 MR. THOMPSON: Did we model it? Is that 8 what you asked? I'm --

9 MS. McPHERSON: Do, yeah, some sort of 10 analysis or model, other than the --

11 MR. THOMPSON: Pumping would -- it's 12 plain to see that pumping out the septic tanks 13 would reduce wastewater loading to the Los Osos 14 groundwater basin. We did not do any 15 sophisticated modeling, no.

MS. McPHERSON: The 2010 date, how can 16 individuals -- what do individuals do at 2010 if 17 they've been pumping all that time? What do they 18 do at 2010 if there isn't a plant to hook up to? 19 20 MR. THOMPSON: They would essentially 21 have to pump and haul, or vacate the property. 22 (Audience speaking simultaneously.) MR. THOMPSON: The cease and desist 23 24 orders provide that you can propose an alternate method -- excuse me, submit a technical report 25

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1 proposing a method of complying.

2	But, again, septic system discharges are
3	prohibited. So the only way of really complying
4	is to eliminate the discharge.
5	MS. McPHERSON: This violation of the
6	basin plan, is this a public health emergency?
7	MR. THOMPSON: Well, when you consider
8	that your drinking water supply exceeds drinking
9	water standards, yes, I believe so.
10	MS. McPHERSON: The supply, can you
11	clarify that as the supply that is served to the
12	District in violation of the drinking water
13	standards?
14	MR. THOMPSON: I believe that you guys
15	pull your water now from deeper wells and treat
16	it. So,
17	(Audience speaking simultaneously.)
18	CHAIRPERSON YOUNG: Folks, please, no
19	commenting from the back.
20	MR. THOMPSON: Okay, let me back up. I
21	believe that you pump from deeper cleaner
22	supplies, or where the particular well exceeds
23	drinking water standards, you treat it. That's my
24	best understanding of your water supply quality.
25	MS. McPHERSON: Are we in violation of

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the Safe Drinking Water Act?

2 MR. THOMPSON: I don't know. I think the Community Services District would be better to 3 4 ask that. 5 (Audience speaking simultaneously.) 6 MS. McPHERSON: I just have one more, I 7 think. When you did the random selection, you 8 used a statistical package within Excel, is that what you testified to? Can I know what version? 9 10 MR. THOMPSON: Yeah, we used Microsoft Office Professional SR 2000. I don't know what SR 11 means, but SR -- we used the Microsoft Office 2000 12 13 package. And part of that package is Microsoft 14 Excel. And as part, you know, my understanding as 15 the way it works is you have a couple CDs for the program, and they have add-ins to the program. 16 17 And the data analysis tool pack is an add-in, which I believe anybody that has Microsoft 18 Office can obtain. 19 MS. McPHERSON: Okay. Are you aware 20 21 that the tool pack allows you to analyze various 22 statistical probabilities? MR. THOMPSON: Yeah, yeah, that's what 23 Excel is, a statistical --24 25 MS. McPHERSON: Yeah. We were curious

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because Mr. Payne and Mr. Alabe are next-door neighbors, and the statistical probability, are you aware of that coincidence? MR. THOMPSON: I understand that they live next door to each other. MS. McPHERSON: Okay, and the very last thing I have is do you know the difference between the leach-bed and the leachfield?

9 MR. THOMPSON: Yeah. A leach-bed is 10 rather than having, you know, a three-foot-wide 11 leach lines that are ten feet apart, like a 12 leachfield, a leach-bed might be, you know, a 13 three-foot deep by, you know, ten foot wide by 20 14 foot long gravel-lined bed. It's essentially a 15 flat seepage bed.

MS. MCPHERSON: Is that the information you received from the septic tank expert? When you received that were you both speaking about the same thing? Or was this -- I guess my question is are you certain that when he said leach-pit and the rest were leach-beds, that he wasn't referring to leachfields?

23 MR. THOMPSON: Oh, you're referring to 24 the septic system installer. He said that -- I 25 said how many of the leachfields that you've

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installed or repaired in Los Osos are leachfields, 1 clearly meaning dispersal fields. And he said, 2 well, -- I said is it like, what, eight or nine 3 4 out of ten. And he said, well, no, you'd have to 5 count it out of 100. And he said because of the 6 density of septic systems in Los Osos, that 99 out 7 of 100 are either leach-beds or seepage pits. 8 MS. McPHERSON: Thank you. CHAIRPERSON YOUNG: Okay. Next property 9 owner that wishes to examine the prosecution team? 10 Ma'am, could you state your name? 11 MS. THOMAS: My name is Kitty Thomas. 12 CHAIRPERSON YOUNG: Okay. 13 14 MS. THOMAS: And I am a CDO, too. 15 CHAIRPERSON YOUNG: Okay. MS. THOMAS: I have two questions, and I 16 apologize if it's not appropriate. This is not a 17 normal forum for me to --18 CHAIRPERSON YOUNG: You don't do this 19 every day? 20 21 MS. THOMAS: Pardon? CHAIRPERSON YOUNG: You don't do this 22 23 every day? MS. THOMAS: No, not every day, no. 24 25 One, when the original prohibition was

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done in 1988 how were all the property owners 1 notified, and from that date forward, as property 2 was sold, how were they notified? That's one 3 question I have. And I don't know if --4 5 CHAIRPERSON YOUNG: Well, let's take one 6 at a time. MS. THOMAS: Oh, actually -- all right, 7 8 then I have three. 9 CHAIRPERSON YOUNG: That's fine. MS. THOMAS: Do you know? 10 MR. THOMPSON: I don't know. 11 MS. THOMAS: Okay, is that for both? 12 CHAIRPERSON YOUNG: Well, does someone 13 14 else have the answer to that? 15 MS. MARKS: Actually the notification was in 1983 when the resolution was adopted. And 16 17 as far as subsequent property owners being 18 notified, as far as I know, the Regional Board has not provided that notification. I would expect 19 20 that the realtors would provide that sort of 21 disclosure. 22 (Audience speaking simultaneously.) MS. THOMAS: I am a California licensed 23 24 realtor. And that is not any information that is 25 given to us --

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MR. RICHARDS: Excuse me, this is not 1 your opportunity to testify here. 2 MS. THOMAS: Okay, oh, I'm sorry --3 4 MR. RICHARDS: You may ask them 5 questions --6 MS. THOMAS: Okay, I'll tell that later. 7 Forget that. 8 CHAIRPERSON YOUNG: All right. MS. THOMAS: The next question I have 9 then is for Mr. Thompson. Mr. Michael Thomas gave 10 me Mr. Thompson's name for prospective buyers for 11 Los Osos. Can I continue with that? And just 12 13 want to know if Mr. Thompson recalls a 14 conversation with a gentleman who was interested 15 in buying in Los Osos, and he had said, and I don't have the person -- this is definitely 16 hearsay -- that you said you would never buy in 17 18 Los Osos because the water quality is so bad. And that was your personal opinion, though you were 19 20 speaking as a professional giving them your 21 information for the Regional Water Quality Board. 22 MS. OKUN: What was the question? MS. THOMAS: Well, as the CSD and the 23 24 Regional Quality Board are the two forces that are conducting this, and is affecting Los Osos. 25 So

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these are the two sources that prospective 1 2 homeowners in Los Osos go to for information. And I'm asking if Mr. Thompson recalls 3 4 telling a prospective buyer that he wouldn't buy 5 in Los Osos because the water quality was so poor. 6 MR. THOMPSON: Yes. I don't remember 7 the gentleman's name, but when asked if I would 8 buy in Los Osos I replied no. 9 MS. OKUN: I don't know if this 10 witness -- or this person has any other questions along these lines, but if she does, I object based 11 on relevance. 12 CHAIRPERSON YOUNG: Okay. 13 14 MS. THOMAS: I'm done, thank you. CHAIRPERSON YOUNG: All right, thank 15 you. All right. Sir, state your name. 16 UNIDENTIFIED SPEAKER (Name Redacted): 17 Our CDO is 1029. 18 CHAIRPERSON YOUNG: Okay. All right. 19 20 UNIDENTIFIED SPEAKER: And I had a few 21 questions for Mr. Thompson. 22 CHAIRPERSON YOUNG: Anyone on the prosecution team staff that you want to ask 23 24 questions of, go ahead. 25 UNIDENTIFIED SPEAKER: Thank you. Not

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to belabor the point, Mr. Thompson, and I appreciate the several hard years you put in at CalPoly.

4 (Laughter.) 5 UNIDENTIFIED SPEAKER: No, no joke 6 intended. But specific training within your 7 profession specific to septic or septic tanks or 8 onsite disposal systems, could you expound on that just a little bit as to what your training would 9 10 be on that? I understand in the profession it's a bit of a lost topic. And I was just wondering if 11 you could expand on that a little bit, please. 12 MR. THOMPSON: Yeah, my concentration in 13 14 environmental engineering was wastewater 15 treatment. And much of that training was focused on centralized wastewater systems. I, as I said 16

17 previously, most of my hands-on knowledge of 18 onsite wastewater systems came through my 19 experience here at the Water Quality Control 20 Board.

21 UNIDENTIFIED SPEAKER: Could you try and 22 quantify it? In other words did you have 50 units 23 of sewer-type treatment classes and 5 units of 24 septic system? Or can you give me some type of, 25 just to help me understand, just some type of

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quantification? Your best estimate. I 1 2 understand. MR. THOMPSON: Can I go get my 3 4 transcripts, please? 5 (Laughter.) 6 UNIDENTIFIED SPEAKER: I'll accept your 7 best guess and consider that --MR. THOMPSON: I don't know. 8 CHAIRPERSON YOUNG: Well, I don't want 9 quessing; there's no quessing. His best estimate 10 is what we would look for. 11 UNIDENTIFIED SPEAKER: Best estimate. 12 MR. THOMPSON: Out of 210 units focused 13 14 on wastewater -- you mean focused on onsite --15 focused on wastewater, maybe 30. UNIDENTIFIED SPEAKER: Specifically 16 onsite, our issue at hand, our septic tanks. 17 18 MR. THOMPSON: None. UNIDENTIFIED SPEAKER: Okay. So no 19 formal training on septic, but you've been on the 20 21 Board here since '97, was that correct? Almost 22 ten years? And your training has been through your work here, is that correct? 23 24 MR. THOMPSON: Correct. 25 UNIDENTIFIED SPEAKER: Okay, thank you.

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During your presentation, and if I may ask, also, you had a slide that said the CDOs were 2 appropriate, and it listed some items. And I 3 4 wonder if we might be able to see that slide 5 again?

6 And while you're bringing that up, 7 during the presentation the statement was made, 8 the boundaries to the prohibition zone are appropriate. I believe you made that statement, 9 10 and if not, direct it to the panel here. I would ask why you feel that boundary is an appropriate 11 boundary. 12

CHAIRPERSON YOUNG: I'm going to object 13 14 to the question because, -- yeah, I can't object. 15 We're not here to test the validity or the legality of the prohibition zone. So, --16

UNIDENTIFIED SPEAKER: I was trying to 17 18 follow the statement. If that's out of line, then 19 I'll move on. But they raised the issue.

20 CHAIRPERSON YOUNG: Go ahead, you made 21 the statement, Mr. Thompson. Go ahead and give an 22 explanation.

MR. THOMPSON: I believe the prohibition 23 24 zone boundary is appropriate because of the very strong correlation between nitrate concentrations 25

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in groundwater and the prohibition zone boundary.

UNIDENTIFIED SPEAKER: Thank you. 2 MR. RICHARDS: Mr. Chairman. 3 4 CHAIRPERSON YOUNG: Yes. 5 MR. RICHARDS: I would point out that 6 while you have allowed the witness to answer the 7 question, the fact is that the validity --8 AUDIENCE SPEAKER: Speak into the mike. MR. RICHARDS: -- the validity of the 9 10 prohibition zone boundaries are not an issue before the Board at this time. The prohibition 11 zone boundaries were established in 1983 by 12 13 resolution of the Board that was approved by the 14 State Water Resources Control Board, and is now 15 ensconced in the basin plan. And those are the boundaries that the Regional Board has to work 16 17 with, implement and respect and enforce in all its 18 subsequent proceedings, such as this one. 19 CHAIRPERSON YOUNG: Okay. 20 UNIDENTIFIED SPEAKER: And if I -- that 21 was my last question on that issue anyway. Thank 22 you, Mr. Richards. 23 CHAIRPERSON YOUNG: Okay. 24 UNIDENTIFIED SPEAKER: If I may still get that one other slide, Mr. Thompson, I would 25 PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 appreciate it.

2	The different nitrate studies, the Kitts
3	study, Black and Veatch, and I believe there were
4	one or two other studies done at that time, and
5	you cited some issues of nitrates in your
6	presentation. Did you differentiate between any
7	of the studies? Did you give any one more
8	relevance than the other? Or did they kind of all
9	flow together?
10	MR. THOMPSON: I believe that actual
11	monitoring data, which I have presented here, is
12	much more relevant than those studies. I did
13	not I'm not sure I understand your question.
14	If you could restate it?
15	UNIDENTIFIED SPEAKER: Some of those
16	studies gave us different conclusions. So I guess
17	perhaps I'm wondering if you weighed heavily on
18	one of those studies for your conclusions.
19	MS. MARKS: Maybe I could answer this
20	because Mr. Thompson didn't mention the Black and
21	Veatch study. There's a huge number of studies on
22	Los Osos in general, but the information we've
23	presented here in this groundwater data is from
24	the recent groundwater monitoring from the CSD.
25	So that's what this data is.

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UNIDENTIFIED SPEAKER: Okay, thank you. 1 I'm going to skip a couple questions. I would 2 like to ask of this slide there, and it's simply, 3 4 the caption, Why issue the CDOs now. And I would 5 ask the panel here if they had given thought to 6 issuing orders other than cease and desist orders 7 before we came to this point in time today. 8 MS. OKUN: I object based on relevance, so object to the extent that the answer would 9 10 disclose confidential enforcement investigation or 11 attorney/client privilege information. CHAIRPERSON YOUNG: Well, I think that's 12 13 an important point, that the answer to that 14 question involves conversations they had with 15 their lawyer. And so that's protected. I mean the fact is this is what they 16 chose to do. They chose CDOs. Sounds like they 17 could have done other things, but this is what 18 they chose to do. That's what we're looking at 19 20 today. 21 MR. RICHARDS: Mr. Chairman, --CHAIRPERSON YOUNG: Yes. 22 MR. RICHARDS: -- let me perhaps guide 23 24 the designated parties in their cross-examination. 25 This slide presents recommendations and rationale

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that the prosecution staff is urging the Board to
 take a particular action for these reasons, among
 others.

4 It is not factual evidence. The purpose
5 of cross-examination is to give parties an
6 opportunity to test the credibility of witnesses
7 who've testified to factual evidence.

8 Therefore, when you ask the prosecution 9 team or any other witnesses questions, you need to 10 focus on the factual testimony that they have 11 given. And the scientific, technical basis for 12 that.

13 If you're dealing with an expert witness 14 who has given an opinion as to a certain thing, 15 then you can also examine that witness about the 16 basis for the opinion.

17But you cannot go into an inquiry as to,18you know, the internal deliberations of the19prosecution team as to why they chose one20particular approach over another.21UNIDENTIFIED SPEAKER: Thank you, Mr.

22 Richards.

23 CHAIRPERSON YOUNG: Okay.

24 UNIDENTIFIED SPEAKER: One last

25 question?

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CHAIRPERSON YOUNG: Sure. 1 2 UNIDENTIFIED SPEAKER: If you will indulge. The Excel random chart, is that 3 4 available as evidence for us to review? MS. OKUN: Asked and answered. 5 6 CHAIRPERSON YOUNG: Well, I think he --7 UNIDENTIFIED SPEAKER: I mean a hard 8 copy. I understand the process that was used --9 CHAIRPERSON YOUNG: But let me ask this, you know, what's the relevancy of how they came up 10 with their randomized list? I mean is --11 UNIDENTIFIED SPEAKER: There is --12 CHAIRPERSON YOUNG: -- does everybody 13 14 here want us to accept the inference that these 45 15 were targeted in an un-randomized fashion? AUDIENCE SPEAKERS: Yes. 16 CHAIRPERSON YOUNG: Okay, all right. 17 18 Then we don't have to ask any more questions, because I understand that that's the inference 19 20 that you want us to take from this. But I don't know what else he can do or 21 22 any witness can do with this testimony. He's 23 described a randomized way that they came up with 24 these 50, and then 45 properties. You guys can make the point that you think there was intent 25

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here; that the 45 or the 50 were targeted; and 1 2 we'll listen to that. 3 But we can spend a lot of time on 4 tangents. It's not going to be fruitful to us. 5 So, he told you what program he actually had. 6 Now, do you want his computer? 7 UNIDENTIFIED SPEAKER: No. 8 CHAIRPERSON YOUNG: Do you want -- I mean, how far do we --9 10 UNIDENTIFIED SPEAKER: Actually I wanted to review it to look for the randomization. 11 That's the area I'm fairly well at. But that's 12 13 fine, sir. 14 CHAIRPERSON YOUNG: I'm not going --15 yeah, I'm not going to allow it, because I really don't think it's close to where we should be with 16 our questions, that's all. 17 18 UNIDENTIFIED SPEAKER: Okay. 19 MR. RICHARDS: Mr. Chairman, in fact, 20 I'm not sure that it would be relevant if they 21 could, in fact, establish that these people had 22 been chosen for some particular reason. CHAIRPERSON YOUNG: Right. Okay. Any 23 24 other questions, sir? 25 UNIDENTIFIED SPEAKER: Thank you for

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1 your time.

CHAIRPERSON YOUNG: Sure. Okay. Mr. 2 3 Moylan. 4 MR. MOYLAN: Yes, my name is Mr. Moylan. 5 CHAIRPERSON YOUNG: Yeah. 6 MR. MOYLAN: And I'm -- speaking to your 7 counsel, Mr. Richards, there, I think there would 8 be a lot of relevance, especially if there was a 9 certain selection process going on, because it 10 would be discriminatory. But let me get to my questions. And I'm 11 going to be brief. I've only got like two or 12 13 three questions. And so a simple yes or no will 14 suffice. First my question is to Lori Okun. In 15 your testimony, Lori, you were talking with --16 CHAIRPERSON YOUNG: Well, she didn't 17 18 testify, you know. She presents a case. She's a lawyer. 19 20 MR. MOYLAN: She went --CHAIRPERSON YOUNG: Just like Mr. Onstot 21 22 really doesn't testify. He asks questions -- he will be asking questions --23 MR. MOYLAN: Okay, well, she made a 24 25 statement --

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CHAIRPERSON YOUNG: -- of his witnesses. 1 2 MR. MOYLAN: This is in regards to a statement she made. 3 4 MS. OKUN: I don't mind letting him ask 5 the question before I object. 6 CHAIRPERSON YOUNG: Okay. Okay. 7 (Laughter.) 8 MR. MOYLAN: Okay, Lori. You were talking about the APCD and balancing out whether 9 10 it was better to pump the aquifer -- or pump the 11 septic tanks, to clean up the aquifer, or would the actual air pollution, you know, -- would the 12 13 balancing act be better to pump the aquifer. And 14 I think you said something to this effect, and you 15 can correct me if I'm wrong. You said, well, we'd have to study and weigh the impacts of air 16 17 pollution versus water quality. And if it merits 18 it, then pumping the septics out would out-weigh 19 the negative effects of air pollution. Now, that is an opinion, isn't it? And 20 it's not based on science? 21 22 MS. OKUN: Objection. I was making a 23 legal argument and it's not appropriate for cross-24 examination. 25 MR. MOYLAN: When will it be appropriate PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

for me to cross-examine you, Lori? 1 CHAIRPERSON YOUNG: Well, it's not 2 3 appropriate to examine lawyers. 4 MR. MOYLAN: Well, I just wanted to ask 5 her --6 CHAIRPERSON YOUNG: No, it's not 7 appropriate to examine lawyers, okay. They're not witnesses. That's the point. 8 9 MR. MOYLAN: Well, I just wanted to know, I mean --10 CHAIRPERSON YOUNG: Well, I'm telling 11 you. I'm telling you. 12 MR. MOYLAN: Okay, okay, okay, okay. 13 14 All right. We got one shot down. Let me ask the 15 next question. This has to go to Matt Thompson, whom 16 I've had the pleasure of meeting and speaking to a 17 18 couple of times. And I think the first time we met, Matt, we were talking about -- I'm going to 19 20 get to my question. I have to freshen his memory about this. 21 22 When we first met, when we sat down in the lobby, and I poured out my heart to you; and I 23 24 said, the issuance of these CDOs is going to hurt many many people. There are people that are just 25 PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 living on a shoestring.

And I said, didn't you know that that 2 would hurt many many people. And you said to me 3 4 something to the effect of, what can we do, the 5 project was stopped. So my question, Matt, is did issuing 6 7 these CDOs have anything to do with changing the 8 political will of the people? A simple yes or no. You're under oath. 9 10 (Audience speaking simultaneously.) CHAIRPERSON YOUNG: Please. 11 MR. THOMPSON: Issuance of the cease and 12 13 desist orders is intended to compel compliance. 14 MR. MOYLAN: Did it have anything to do 15 with changing, even a little bit, even partially, the political will of the people of Los Osos to 16 get them to put in the sewer plant in the middle 17 of town? Was that a consideration? Simple yes or 18 no will do. 19 20 MR. THOMPSON: I wouldn't call it the 21 political will, but something has to change in Los 22 Osos, yes. 23 MR. MOYLAN: Thank you. 24 CHAIRPERSON YOUNG: Okay, thank you. 25 Ma'am, can you tell us who you are?

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MS. McCOMBS: Laurie McCombs. 1 2 CHAIRPERSON YOUNG: Okay. Go ahead. MS. McCOMBS: Are you aware of the 3 4 septic tank pumping cost increases? 5 CHAIRPERSON YOUNG: And to --6 MS. McCOMBS: To Matt. 7 CHAIRPERSON YOUNG: Okay. 8 MR. THOMPSON: Since when? MS. McCOMBS: Have you recalculated 9 costs for fueling and dumping fees? When was your 10 11 last study? MR. THOMPSON: No, I understand that the 12 13 septic tank pumping is on the average between \$275 and \$400. 14 MS. McCOMBS: Well, that's -- no, it's 15 not. Are you aware of increases in July of last 16 year, of course? 17 18 MR. THOMPSON: No, ma'am. 19 MS. McCOMBS: Have you considered any revision to the cost estimates or impacts? 20 21 CHAIRPERSON YOUNG: Of what, ma'am? 22 MS. McCOMBS: The cost estimates of 23 pumping and having it dumped. 24 MR. THOMPSON: No, I just --CHAIRPERSON YOUNG: I need to make sure 25

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I understand the question. Do you mean other than 1 the \$275 to \$400 per trip? 2 MS. McCOMBS: Correct, because that is 3 4 not --5 CHAIRPERSON YOUNG: Okay. 6 MS. McCOMBS: -- a correct figure at 7 all. 8 CHAIRPERSON YOUNG: Okay, well, when you have your opportunity you can tell us all about 9 10 what the costs are. MS. McCOMBS: Okay. What is the dumping 11 capacity at Santa Maria? Do we know that? 12 13 Because that's where it's going to go. 14 MR. THOMPSON: Yes. Yes. We, prior to 15 issuance of the draft cease and desist orders, consulted the City of Santa Maria wastewater 16 treatment plant staff. They did their own 17 18 independent calculations and determined that they 19 had an adequate capacity to accept the septage 20 resulting from our proposed cease and desist 21 orders. 22 MS. McCOMBS: When was this 23 conversation? 24 MR. THOMPSON: This was in late January 2006. I'd have to check my notes to get the exact 25

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1 date.

2 MS. McCOMBS: And what did they say the 3 capacity was? 4 MR. THOMPSON: The capacity of the -facility, I think it's six million gallons per 5 6 day. And their current flow is like a fraction of 7 that, maybe half or 60 percent of that. 8 MS. MARKS: I think the question is what is the capacity for additional septage? Is that 9 10 what the question is? MS. McCOMBS: Um-hum. 11 MS. MARKS: We didn't specifically ask 12 13 for the gallon capacity. 14 MS. McCOMBS: So we don't know if all 15 that gets pumped can go there? CHAIRPERSON YOUNG: Well, his testimony, 16 ma'am, was that they asked the plant whether they 17 18 could receive what was being proposed. The answer from the Santa Maria was we can accept what you're 19 20 proposing to generate. So, that's kind of a way 21 to get that question answered. 22 MS. McCOMBS: Thank you. CHAIRPERSON YOUNG: Okay, thank you. 23 MR. ALABE: Chris Alabe, CDO number 19. 24 25 CHAIRPERSON YOUNG: Okay.

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MR. ALABE: All right. I've just been 1 waiting for a chance to get this random selection 2 figured out. Now, you're dealing with me, you're 3 4 dealing with the biggest idiot in California when 5 it comes to computers. I know nothing about them 6 at all. 7 It's my understanding, Mr. Thompson here 8 said that they picked 3500 numbers out of a strip? 9 CHAIRPERSON YOUNG: I'm not going to allow any questions into this, how they chose the 10 50 that they did. It's not relevant to what 11 issues are before the Board. We've heard they 12 13 used a computer program to do it. 14 MR. ALABE: Which is, I'm wondering why. CHAIRPERSON YOUNG: Well, --15 MR. ALABE: Why not put a bunch of beans 16 in a barrel and spin it around and --17 CHAIRPERSON YOUNG: I don't --18 MR. ALABE: -- pull 50 beans out of 19 20 there? CHAIRPERSON YOUNG: Well, I don't see an 21 22 importance into the answer to that. MR. ALABE: And were there any 23 24 witnesses? 25 CHAIRPERSON YOUNG: Well, --

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MS. OKUN: He can answer that question. 1 2 MR. THOMPSON: Yes, there was a witness. I had a staff member, Allison Millhollen, look 3 4 over my back as I did it. 5 MR. ALABE: Okay, that makes me feel a 6 lot better. 7 (Laughter.) 8 (Audience speaking simultaneously.) CHAIRPERSON YOUNG: Okay. And your 9 name, sir? 10 MR. MATTINGLY: Mr. Mattingly once 11 12 again. CHAIRPERSON YOUNG: Okay. 13 14 MR. MATTINGLY: I was just wondering, 15 Mr. Thompson, could you put the prohibition zone back up onto the screen, please? 16 One thing, first question is, was there 17 a restudy of the 1983 selection of the prohibition 18 19 zone? 20 MR. THOMPSON: No. 21 MR. MATTINGLY: Okay. Also, you 22 expressed that you had spoken with a pumping expertise, or a septic pump guy. What 23 24 certification or expertise by certifications did you get from him before receiving this 25

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information? Did you check his credentials?

MR. THOMPSON: I spoke to -- the one 2 conversation I remember most was with Roger Greene 3 4 of Ingram and Greene, who has been doing it for 5 like 30 years. And he's widely regarded as one of 6 the best, or the most honest pumping service 7 providers. 8 MR. MATTINGLY: By who? 9 MR. THOMPSON: By the wastewater 10 community which I am in constant communication with. 11 MR. MATTINGLY: Okay. How many septic 12 13 pumpers are currently pumping in Los Osos? MR. THOMPSON: I don't know. 14 15 MR. MATTINGLY: And did you not feel it necessary to maybe ask all of the septic pumpers, 16 expertise septic pumpers, to get their expertise 17 18 and their certifications and maybe actually check credentials and what kind of schooling they had on 19 20 septic systems and pumping and discharge of fumes 21 and grease and oil underneath the vehicles that 22 they will be using on the streets on a random occasion? 23 24 MR. THOMPSON: Did I --25 MR. MATTINGLY: Did you --

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(Parties speaking simultaneously.) 1 MR. THOMPSON: -- no, no --2 CHAIRPERSON YOUNG: Hang on, hang on. 3 I 4 don't know that I heard any testimony that there 5 is more than one pumper. Did you testify, Mr. 6 Thompson, that there's more than one pumper 7 operating? 8 MR. MATTINGLY: What I'm asking is he said he had checked --9 10 CHAIRPERSON YOUNG: Okay, Mr. --11 MR. MATTINGLY: -- one person. CHAIRPERSON YOUNG: Okay, --12 13 MR. MATTINGLY: Saying he had checked 14 one of the pumpers, is saying that there is more 15 than one pumper --CHAIRPERSON YOUNG: Okay, do --16 MR. MATTINGLY: -- in Los Osos, sir. 17 18 CHAIRPERSON YOUNG: Okay, excuse me. Do you know if there is more than one pumper 19 20 operating? MR. THOMPSON: Yeah, I mean I know 21 22 there's Al's, which is located in Los Osos and does a lot of work there. But I presume that most 23 24 of the other major companies also do work in Los 25 Osos.

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CHAIRPERSON YOUNG: Okay, well, --1 MR. MATTINGLY: Who -- could you find 2 out who does the most pumping? I'd like to 3 4 dispute that. I think Al's probably does the 5 most. If you didn't question him --MR. THOMPSON: I didn't say that. I 6 7 believe that Al's does the most. 8 MR. MATTINGLY: You do believe that. But you did not question the person who does the 9 10 most? MS. OKUN: Objection, relevance. 11 MR. MATTINGLY: Relevance is --12 CHAIRPERSON YOUNG: He can answer --13 14 MR. MATTINGLY: -- he took one person's 15 say, instead of getting everybody's when he had an ample chance, unlike the people of Los Osos, who 16 17 haven't had an ample chance to prepare themselves. 18 He has had the ample chance. He's the one that 19 decided to put this on us. 20 MS. OKUN: I also object to this 21 question as vague, because I'm not sure what Mr. 22 Thompson consulted the septic pumper about. The question was --23 24 MR. MATTINGLY: It was the 99 percent of leachfields and the pit. I'm sure you could look 25 PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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into the transcripts of what was said earlier. Unless you want me to do it for you.

MR. THOMPSON: Yeah, there's a 3 4 distinction that needs to be made, sir. I was 5 referring to a septic system installer and 6 repairer, a backhoe operator named Frank Merril, 7 when I was referring to the number of seepage pits 8 and leach-beds versus leachfields. 9 MR. MATTINGLY: So you take the person that does it the least in Los Osos? 10 CHAIRPERSON YOUNG: No. He said he 11 spoke --12 MR. MATTINGLY: You took his word? 13 14 CHAIRPERSON YOUNG: -- to an installer/ 15 repairer, not a pumper. MR. MATTINGLY: No reason to get upset, 16 17 sir. MR. THOMPSON: I think there's a 18 distinction between a septic system installer and 19 somebody who pumps it out. 20 21 MR. MATTINGLY: Actually, Al does install --22 CHAIRPERSON YOUNG: Okay, sir, you'll 23 24 have an --25 MR. MATTINGLY: -- septic systems --

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CHAIRPERSON YOUNG: -- opportunity when 1 2 it's your time to put on all --MR. MATTINGLY: Okay, next question. 3 4 CHAIRPERSON YOUNG: -- this testimony. 5 Excuse me, Board Member Shallcross. 6 BOARD MEMBER SHALLCROSS: Yeah, I'd like to ask a quick question of Matt. Whether a person 7 8 in the prohibition zone has a leachfield, a leachpit or what's the other one, the third one? 9 10 CHAIRPERSON YOUNG: Leach-bed. Leachbed. 11 MR. THOMPSON: Leach-bed. 12 13 BOARD MEMBER SHALLCROSS: Leach-bed, 14 yeah. Does that matter for purposes of violation 15 or not a violation of the prohibition, of the order? 16 MR. THOMPSON: No, sir. 17 18 MR. MATTINGLY: Was there 19 (Parties speaking simultaneously.) 20 UNIDENTIFIED SPEAKER: Can you just wait 21 your turn? MR. MATTINGLY: Okay, excuse me. Sure. 22 BOARD MEMBER SHALLCROSS: So, what's the 23 24 distinction? I mean why were you bringing that up? What does it matter whether 99 percent are 25

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leachfields or 99 percent are -- I mean, why is 1 2 this an issue? MR. THOMPSON: I was asked a question 3 4 and I answered it. 5 BOARD MEMBER SHALLCROSS: No, no, no, 6 no, I mean your original description, why did you 7 bring that up? 8 CHAIRPERSON YOUNG: You put a slide up there that shows --9 10 (Audience speaking simultaneously.) BOARD MEMBER SHALLCROSS: You put a 11 slide up that showed the difference between --12 CHAIRPERSON YOUNG: A seepage pit --13 14 BOARD MEMBER SHALLCROSS: -- you know, 15 seepage pits. And so when you did that apparently it seemed to some people here that there's some 16 distinction of import there. And all I'm trying 17 18 to get to, is there, for purposes of the cease and desist order in this case? Whatever -- a 19 20 leachfield, should a person who has a leachfield 21 be treated any differently than a person with a 22 seepage pit or a leach-bed within the prohibition 23 zone? 24 MR. THOMPSON: No, sir. 25 BOARD MEMBER SHALLCROSS: Okay, thank

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you. So I'm really wondering what the relevancy 1 2 of all this is. CHAIRPERSON YOUNG: Well, --3 MR. MATTINGLY: He just made a 4 5 statement; I wanted to find out where he was going 6 with the statement. 7 CHAIRPERSON YOUNG: All right, next question. 8 MR. MATTINGLY: And he had the chart; it 9 must have some relevance, I --10 CHAIRPERSON YOUNG: Next question. 11 MR. MATTINGLY: Yes, another one to --12 let's see, I would say -- oh, could you tell me 13 14 what a vadose zone is, please? And if you can 15 tell me what a vadose zone is, could you point out where the highest vadose zone is in Los Osos, 16 please? And what residents are in that vadose 17 18 zone that have been selected in this 45 supposed lucky lottery winners? 19 20 MR. THOMPSON: A vadose zone is also 21 sometimes called the unsaturated zone; that is the 22 part of the soil column where water, basin water, whatever you have there, is moving down through 23 24 the soil column. 25 And as far as your second question,

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you're asking where there's the most vadose zone. 1 2 And to my knowledge the groundwater flow roughly mimics topography. And I can get you more 3 4 detailed information, but this area is the more 5 elevated part of town. And I presume that it has 6 the --7 MR. MATTINGLY: The highest vadose zone. 8 MR. THOMPSON: -- the most separation to groundwater, yes. 9 10 MR. MATTINGLY: Okay. And is it true 11 that in a vadose zone, that is the highest likelihood place for a septic system to work? 12 13 MR. THOMPSON: If the septic system was 14 properly sited, yes. 15 MR. MATTINGLY: Okay. Have you done any tests on proper siting of the septic systems? 16 MR. THOMPSON: There are numerous 17 18 technical references referring to proper septic system density. 19 20 MR. MATTINGLY: Have you came to my 21 house to look at my illegal discharging septic to 22 see if it was placed, since I do live in the highest vadose zone, which I've been notified is 23 24 the most likely place in all of Los Osos for a 25 septic system to work.

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BOARD MEMBER PRESS: Mr. Chair, didn't 1 2 you rule on the relevancy of the discharge to the -- being in the prohibition zone? I mean, --3 4 CHAIRPERSON YOUNG: I did. I am --5 BOARD MEMBER PRESS: Do you want to 6 enforce that ruling? 7 CHAIRPERSON YOUNG: -- trying to allow a 8 little bit of leeway for these people to ask questions that are somewhat related to this --9 10 MR. MATTINGLY: This is also --CHAIRPERSON YOUNG: It's important to 11 It may not have that much relevancy to the 12 them. 13 issues that I have continued to spell out are 14 before us. But, I understand your point. 15 MR. MATTINGLY: Your worries. CHAIRPERSON YOUNG: You know, sir, 16 17 obviously there's high levels even in your area. 18 MR. MATTINGLY: Yes, I do -- I do understand that, but I'm wondering --19 20 CHAIRPERSON YOUNG: And so whatever 21 point you'd like to derive from this, I'm --22 MR. MATTINGLY: -- when this --CHAIRPERSON YOUNG: -- a little 23 24 concerned that --25 MR. MATTINGLY: Okay, what I wanted --

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CHAIRPERSON YOUNG: -- it's missing
 something critical.

MR. MATTINGLY: Well, where I'm going 3 4 with this is if this prohibition zone was adapted 5 in 1983, I think was what I heard, and the studies 6 haven't really been relooked at about when they 7 did this, and technology being the way it is a lot 8 better, like we do have Microsoft. I don't remember that system of the random numbers being 9 10 back in 1983 when I was at Morro Bay High School. It could have been, I don't know. I might not 11 have been there. 12 13 CHAIRPERSON YOUNG: Okay, please make 14 your point. 15 (Laughter.) MR. MATTINGLY: But what I'm going at is 16 maybe that we should revisit the whole thought of 17 18 this prohibition zone or --CHAIRPERSON YOUNG: All right, sir, --19 20 MR. MATTINGLY: -- look into that --21 CHAIRPERSON YOUNG: -- that is not before us and --22 23 (Applause.) MR. MATTINGLY: Oh, you're out of here. 24 Officer. 25

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(Laughter.) 1 2 CHAIRPERSON YOUNG: So, no more 3 questions about that. 4 MR. MATTINGLY: About the -- well, if 5 the vadose zone is there and they didn't look at 6 this vadose zone in 1983 --CHAIRPERSON YOUNG: You'll be able to 7 8 testify and make that point when it's your turn. 9 MR. MATTINGLY: Thank you, sir. 10 CHAIRPERSON YOUNG: Thank you. 11 (Applause.) MS. OKUN: I'd just also like to object 12 that --13 14 MR. MATTINGLY: One more --MS. OKUN: -- that misstates the 15 16 testimony. MR. MATTINGLY: One more thing. I'm 17 18 going to have Mr. Duggan ask a couple questions for me. Thank you. 19 20 CHAIRPERSON YOUNG: Wait, are you an 21 interested person or a --MR. MATTINGLY: He's a witness. 22 MR. DUGGAN: He doesn't -- as you can 23 24 tell, he can't articulate. 25 CHAIRPERSON YOUNG: No, he does quite

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well, actually. You're an interested person, not 1 2 a designated party --MR. DUGGAN: These are some of the 3 4 questions that he's asked me --5 CHAIRPERSON YOUNG: -- no questions --6 excuse me. No. No. He's capable of doing it, 7 himself. 8 MR. DUGGAN: Such as Gail McPherson had a chance to ask for somebody else? 9 10 CHAIRPERSON YOUNG: I'm sorry, you're going to speak for this gentleman who just spoke? 11 MR. DUGGAN: Yes. 12 CHAIRPERSON YOUNG: No. Next, please. 13 14 MR. ROCHTE: Mr. Chairman, --15 CHAIRPERSON YOUNG: Yes. MR. ROCHTE: -- my name is Tim Rochte. 16 I'm CDO 1015. And I have a couple of questions. 17 I have been a resident of Los Osos for over 25 18 years, and I've been doing a fair amount of 19 20 research on the water quality issue out there. 21 I have a question about the governmental 22 accountability. And I understand from the 23 testimony given this morning that the prohibition 24 zone was established in 1983, and went into effect in 1988. My understanding further is if the 25

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County permitted an additional 1000-plus septic 1 tanks out there -- is that correct? I believe 2 that's correct -- why was it that the Water Board 3 4 did not issue CDOs at that time? 5 (Applause.) 6 CHAIRPERSON YOUNG: All right. Do we 7 have any staff back there, because the next person 8 that claps I do want them to leave. And I'd like 9 someone to help me with this. I know that people

10 are doing that in the back of the room. I've
11 asked numerous times, and I guess you don't take
12 me seriously.

Do we have any staff back here? Mr.
Briggs?

MR. BRIGGS: I'll -CHAIRPERSON YOUNG: The officer.
Officer, thank you. Please. You've got my
permission. The next time this happens, just ask
them to leave for me. Thank you.
MR. ROCHTE: I'll try to ask questions

that don't elicit applause.
CHAIRPERSON YOUNG: Okay.
MR. ROCHTE: So my question again was

24 just why weren't CDOs --

25 CHAIRPERSON YOUNG: And how is that

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1 relevant to what's before us?

MR. ROCHTE: Well, because it was what 2 they testified -- they stated, that there --3 4 CHAIRPERSON YOUNG: Right. 5 MR. ROCHTE: -- were --CHAIRPERSON YOUNG: A thousand more 6 7 properties that were allowed --8 MR. ROCHTE: Yes, and that there was a -- veah --9 10 CHAIRPERSON YOUNG: -- to be developed. MR. ROCHTE: And I'm just wondering why 11 CDOs -- I'll certainly bring his up in my 12 testimony, but --13 14 CHAIRPERSON YOUNG: Okay. MR. ROCHTE: -- I just wondered if, to 15 save time later, they can answer that question 16 now. Maybe Sorrel knows because she was --17 18 MS. OKUN: We actually didn't state 19 that, but if you do want someone to answer that 20 question, Ms. Marks would be the appropriate 21 person to answer it. 22 MR. ROCHTE: Thank you. CHAIRPERSON YOUNG: Go ahead. 23 24 MS. MARKS: Was the question why didn't we issue cease and desist -- or why didn't the 25

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Board issue cease and desist orders? 1 2 MR. ROCHTE: Correct. MS. MARKS: They did. 3 4 MR. ROCHTE: They did in '88? 5 MS. MARKS: Actually through -- some 6 were issued in '87, '88 and '89. 7 MR. ROCHTE: Thank you for clarifying 8 that. Why didn't it get to this point back then, 9 then? Why are we only getting to this now, some 20 years later? 10 MS. MARKS: I'm not clear on what the 11 question is. 12 MR. ROCHTE: I'm just wondering, it 13 14 was --15 CHAIRPERSON YOUNG: Do you mean why are cease and desist orders being proposed at this 16 point in time? 17 18 MR. ROCHTE: Exactly, right. CHAIRPERSON YOUNG: Well, I thought that 19 Ms. Marks just --20 21 MR. ROCHTE: When there was an 22 established --CHAIRPERSON YOUNG: -- testified that 23 some were ordered in '87 and '88. 24 25 MR. ROCHTE: Okay. All right, well,, --

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CHAIRPERSON YOUNG: That's the 1 2 testimony. MR. ROCHTE: Yeah, and I'm just 3 4 wondering why they didn't pursue it further at 5 that time, as is the case now. 6 CHAIRPERSON YOUNG: And how is the 7 answer to that relevant to what we are determining 8 today? 9 MR. ROCHTE: It has to do with, I believe, the weak level of staff work that has 10 been done and continues to be done. 11 CHAIRPERSON YOUNG: In terms of what? 12 MR. ROCHTE: In terms of the level of 13 14 technical expertise that is possessed by the part of the staff. 15 CHAIRPERSON YOUNG: In terms of what? 16 With respect to what issues, --17 18 MR. ROCHTE: In terms of --CHAIRPERSON YOUNG: -- whether people 19 are discharging --20 21 MR. ROCHTE: -- why are --CHAIRPERSON YOUNG: -- in violation of 22 23 the basin plan? 24 MR. ROCHTE: Why are they now only 25 getting around to this level of CDOs?

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CHAIRPERSON YOUNG: Well, --1 MR. ROCHTE: Okay, I'll continue. I 2 have just a couple more questions. 3 4 CHAIRPERSON YOUNG: Go ahead. 5 MR. ROCHTE: Thank you. Matt, did you 6 research the number of septic installers in Los 7 Osos, how many there are? 8 MR. THOMPSON: No, sir. MR. ROCHTE: Did you research the number 9 of septic tank pumpers? 10 MR. THOMPSON: Yeah, a little bit. 11 There are about a dozen that are in the phone book 12 13 that service this area. 14 MR. ROCHTE: Okay. And in order to find 15 out the number of installers you could have gone to the phone book. You went to one, is that my 16 understanding? Is that what you said? 17 18 MS. OKUN: Objection, that misstates his 19 testimony. 20 MR. ROCHTE: Okay, I believe that's what 21 he said, he only talked to one. 22 Mr. Chair, my point is, and I'll bring 23 it back in my later testimony, is that there is a 24 very weak level of research being done by the staff. And there's too much at stake in the 25

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community for this to be allowed. Thank you. CHAIRPERSON YOUNG: Okay, you can testify to that when it's your turn. Thank you. MS. PAYNE: My name is Antoinette Payne, and I have received a CDO. I am a real estate broker in Los Osos. I have a question for Mr. Thompson. Because I, too, have spoken to septic specialists in Los Osos. And, I had asked Mr. Thompson I think the first night when we all gathered when we first

11 received the CDOs, if pumping my septic tank every 12 two months was going to be detrimental to my tank 13 and to my property. And he replied that that 14 wasn't so.

15 And when I spoke with Al's Septic, he 16 stated specifically that septics were not made to 17 be that way.

18 CHAIRPERSON YOUNG: Ma'am, do you have a question for any of the witnesses of the Water 19 20 Board Staff? Is there a question that you're 21 proposing? MS. PAYNE: Well, I'll just repeat the 22 question, I guess, because --23 CHAIRPERSON YOUNG: Well, I'm --24 25 MS. PAYNE: The question is, does

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frequent pumping of septic tanks destroy the 1 septic tank? 2 CHAIRPERSON YOUNG: Okay, that's a good 3 4 question. Mr. Thompson, can you answer that 5 question? 6 MR. THOMPSON: To my knowledge, no. 7 CHAIRPERSON YOUNG: Okay. 8 MS. PAYNE: Now, can I disagree? Because of what I know --9 10 CHAIRPERSON YOUNG: No. You -- no, when 11 it's your turn to put on your case then you can disagree all you want. And you can call witnesses 12 to impeach that testimony. That's how it's done. 13 14 Okay, --15 MR. MOYLAN: I have two other questions. CHAIRPERSON YOUNG: -- have you already 16 17 asked questions? 18 MR. MOYLAN: Yeah, but I --CHAIRPERSON YOUNG: Okay, --19 20 MR. MOYLAN: -- got so excited --CHAIRPERSON YOUNG: Well, I know, and 21 I'm --22 23 (Laughter.) CHAIRPERSON YOUNG: Sir, are you waiting 24 to ask questions, also? Please come forward. I 25

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want to take everyone first who has not had an 1 2 opportunity. MR. BISHOP: I'm Larry Bishop and I have 3 4 a CDO. 5 CHAIRPERSON YOUNG: Yes. 6 MR. BISHOP: And I'll even stay on topic 7 for you. So I hope everybody gets to listen to 8 this. Matt Thompson --9 CHAIRPERSON YOUNG: It's a question, 10 right? MR. BISHOP: It's a question. Everybody 11 wake up. Matt, if you remember back in the 12 beginning of February when my wife and I came in 13 14 and read all the documents. We had a conversation and I asked you what would the level of nitrates 15 leaving my septic tank be acceptable limits. Do 16 17 you remember your answer? 18 MR. THOMPSON: Yes, I do. Again, all discharges are prohibited, Larry. But when we 19 20 were discussing alternative methods of compliance, 21 something that we were -- alternatives to the 22 septic tank pumping requirement, something that we were considering internally was a performance 23 24 standard equivalent to the waste discharge 25 requirements issued to the Community Services

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1 District in 2003.

2	That was a the effluent from the
3	septic tank would have to achieve total nitrogen -
4	- excuse me, a long-term average total nitrogen,
5	probably a monthly average of 7 mg/liter, and a
6	short-term requirement of a daily maximum of 10
7	mg/liter.
8	MR. BISHOP: So you're saying that it is
9	acceptable to have a discharge of 7 mg/liter?
10	MR. THOMPSON: Absolutely not. All
11	septic system discharges are prohibited. That is
12	something we were considering as an alternative to
13	septic tank pumping requirements to reduce
14	pollutant loading in the interim. It was to
15	satisfy the interim compliance requirement of the
16	cease and desist order.
17	MR. BISHOP: Well, at the time you told
18	us that if we could get it down to 7 we could
19	probably avoid pumping.
20	My next question is the groundwater to
21	the septic tank distance to the ground, what is
22	acceptable?
23	CHAIRPERSON YOUNG: Okay, I'm he's
24	not going to answer that because
25	MR. BISHOP: No, it's one of the

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CHAIRPERSON YOUNG: -- we've all --1 2 MR. BISHOP: -- one of the questions, 3 and I have a specific point. 4 CHAIRPERSON YOUNG: No, the point is for 5 this proceeding if there's a discharge that's the 6 issue staff is making, that that's what's 7 actionable. Not the distance to groundwater. 8 MR. BISHOP: Okay. 9 CHAIRPERSON YOUNG: So, --10 MR. BISHOP: They said that the groundwater, that it made no difference. 11 According to the prosecution documents, under the 12 13 basin plan they said that 35 feet was an 14 acceptable distance for groundwater separation. This is --15 CHAIRPERSON YOUNG: In Los Osos? 16 MR. BISHOP: In Los Osos Valley. This 17 18 is why they --CHAIRPERSON YOUNG: Wait, wait. In the 19 prohibition zone or elsewhere in Los Osos? 20 21 MR. BISHOP: This is why they said --CHAIRPERSON YOUNG: No, --22 MR. BISHOP: -- that outside the 23 24 prohibition zone was acceptable. We have the same 25 ground level, ground inside and out.

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CHAIRPERSON YOUNG: Yeah, but that's a 1 2 different standard, okay. And we don't have -- I don't see any evidence being presented that there 3 4 are high nitrate levels in groundwater elsewhere. 5 (Audience speaking simultaneously.) 6 CHAIRPERSON YOUNG: Okay. 7 MR. BISHOP: Okay. My next question. 8 You have this displayed up here, but you do not have the actual measurements from the testing 9 10 wells? MR. THOMPSON: Yeah, I have the actual 11 measurements. They're on there. Which well do 12 13 you want? I can show you the data. I mean we 14 have all of the data, Larry. MR. BISHOP: Well, I'm saying that this 15 is a snapshot in time, and if you look at the 16 total time period from 1982 to 2005, you'll see 17 18 that out of nine months out of the year you have a 19 very low, during the wetter seasons you have a 20 high tolerance. And I think what you're --21 CHAIRPERSON YOUNG: Okay, Mr Bishop, if 22 you're going to testify --MR. BISHOP: -- you're showing here --23 24 CHAIRPERSON YOUNG: -- if you're going 25 to testify you can do that later --

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MR. BISHOP: I think he's misleading the 1 2 Board --CHAIRPERSON YOUNG: Okay, --3 4 MR. BISHOP: -- of what the nitrate 5 levels are actually reading. 6 CHAIRPERSON YOUNG: Okay, and when it's 7 your opportunity then you can give us the 8 information that you think we should be considering, or that discredits their testimony. 9 10 So, you can ask him questions about it, but don't get into the testimony, your own 11 12 testimony. MR. BISHOP: Well, I'm asking why he 13 14 decided not to --15 CHAIRPERSON YOUNG: Well, he said he had --16 MR. BISHOP: -- not to provide you with 17 18 the actual measurements --CHAIRPERSON YOUNG: The actual data, 19 20 okay. MR. BISHOP: -- the data that he colored 21 in and said this is what it is. 22 MR. THOMPSON: This is the most recent 23 24 data we have. And as I testified it represents general conditions in Los Osos. I have, again, 25

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all septic system dischargers in the prohibition 1 zone are prohibited. And I simply intended to 2 summarize that, the water quality impacts. And 3 4 the most recent data is the most appropriate way 5 to do that. 6 MR. BISHOP: Okay, thank you. 7 CHAIRPERSON YOUNG: Matt, over what 8 period of time was this data taken? Why don't you tell us more about it. 9 10 MR. THOMPSON: I think the --CHAIRPERSON YOUNG: I saw the date 2005 11 12 somewhere. MR. THOMPSON: It was taken in October 13 14 2005; there's something like 26 wells. And I 15 think the monitoring event takes a few days. CHAIRPERSON YOUNG: And how many data 16 17 points are there? 18 MR. THOMPSON: I believe there are 26 well data points represented by this figure. 19 20 CHAIRPERSON YOUNG: And those are the blue dots? Are those the wells? 21 22 MR. THOMPSON: Actually, they're --CHAIRPERSON YOUNG: Those are the 45 CDO 23 24 recipients. Okay. 25 MR. THOMPSON: See this box right here?

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That represents the result from the well that is 1 2 right next to it. CHAIRPERSON YOUNG: Okay. 3 4 MR. THOMPSON: So that's the actual 5 data. 6 CHAIRPERSON YOUNG: That box says 17. 7 Yeah, the one that --MR. THOMPSON: Yeah, it says 17; that 8 one says 20, --9 10 CHAIRPERSON YOUNG: Okay. MR. THOMPSON: -- 14. 11 CHAIRPERSON YOUNG: So that is the data? 12 13 MR. THOMPSON: That's the actual data, 14 yeah. 15 CHAIRPERSON YOUNG: Mr. Bishop, there's the data. 16 MR. BISHOP: Okay. That indicates that 17 the nitrate level increased from 2.4 to 12 in five 18 months. Now, it's either saying that --19 20 CHAIRPERSON YOUNG: Well, --21 MR. BISHOP: -- the data's wrong or --CHAIRPERSON YOUNG: Okay, you'll have 22 23 your --24 MR. BISHOP: -- there's some major thing 25 happening there.

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CHAIRPERSON YOUNG: -- opportunity to 1 2 address this, thank you. Okay. Go ahead, sir. UNIDENTIFIED SPEAKER (Redacted): CDO 3 4 1043. 5 CHAIRPERSON YOUNG: And your name, sir? 6 UNIDENTIFIED SPEAKER: I'd like to just 7 go by my CDO number, please, thank you. 8 CHAIRPERSON YOUNG: Okay. UNIDENTIFIED SPEAKER: Can I ask a 9 clarifying question to Ms. Okun on something that 10 11 she presented? CHAIRPERSON YOUNG: You can ask her 12 13 anything you want. 14 UNIDENTIFIED SPEAKER: I just -- Ms. 15 Okun, when you said that -- prosecution said that, you said everything should be consistently applied 16 17 was one of the reasonings for waiting to do the 18 pumping to the study, could you explain that a little further? Do you remember that slide you 19 20 showed up there, you said that was one of the 21 reasons -- I just didn't understand what you meant 22 by that. MS. OKUN: I don't mind answering. 23 24 CHAIRPERSON YOUNG: Go ahead. 25 MS. OKUN: We think it's important that

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all dischargers who are similarly situated to be 1 treated the same. If it's necessary to impose 2 conditions or mitigations to minimize any 3 4 potential air quality impacts, we think that it's 5 important to know what those conditions might be 6 before any pumping requirements are imposed so 7 that the Board will know whether they should be 8 imposed on certain people due to their location 9 based on data, water quality data, separation to 10 groundwater or whatever factors the Board wants to consider. 11

I'm not suggesting that one thing is more important than another. I just was suggesting that if there are going to be differences between the various orders, the Board needs to know what those differences are before they decide who to impose those requirements on.

18 UNIDENTIFIED SPEAKER: Thank you. Would 19 that also apply then to if there was pumping to be 20 done, that the pumping would wait until all cease 21 and desist orders are issued, so there is not a 22 disparity in pumping among recipients of cease and 23 desist orders?

24 MS. OKUN: I object to the question. 25 That was not anything I testified to, and it's --

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1 I'm not a witness.

2	UNIDENTIFIED SPEAKER: I just was
3	seeking clarification if that's what she was
4	implying. But she answered my question.
5	CHAIRPERSON YOUNG: Okay.
6	UNIDENTIFIED SPEAKER: The other
7	question I had was if, with your recommendation
8	right now you are not recommending pumping until
9	environmental reports, some kind of study is done
10	on it.
11	At a later date if pumping is part of
12	the cease and desist orders, would that require
13	another hearing before the Board?
14	MS. OKUN: Yes.
15	UNIDENTIFIED SPEAKER: Thank you.
16	That's all
17	MS. OKUN: If it's in the form of a
18	cease and desist order, as opposed to some other
19	forms of orders that can be issued by the
20	Executive Officer.
21	UNIDENTIFIED SPEAKER: Okay. Did that
22	answer my question, I'm not sure.
23	CHAIRPERSON YOUNG: I think she said in
24	her opinion,
25	UNIDENTIFIED SPEAKER: Yes.

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CHAIRPERSON YOUNG: -- her legal opinion 1 2 it would require a subsequent hearing. UNIDENTIFIED SPEAKER: Thank you. 3 4 CHAIRPERSON YOUNG: Okay. All right, 5 Mr. Moylan, you have --6 MR. MOYLAN: Two questions. 7 CHAIRPERSON YOUNG: -- two questions. 8 MR. MOYLAN: My name is Bill Moylan and this guestion is for Sorrel Marks. First time I 9 10 came down here, after we were ordered to come down to provide information about who lived in our 11 home, all the people 18 years older, with the 12 threat of \$1000 fines, so I came down right away. 13 14 I talk to Sorrel. And I asked Sorrel --15 lost my train --CHAIRPERSON YOUNG: Mr. Moylan, what is 16 17 your question for this witness? 18 MR. MOYLAN: I'm trying to get through it. I said, what can I do, Sorrel, what can I do. 19 20 I said, I'm just one person. I can't make the CSD 21 just suddenly build a sewer. What can I do. 22 And she said, well, you need to get the community together. And the question that I had 23 after that was, well, they've already canceled --24 I said, what are our options. And you said well, 25

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you do have that Tri-W site. You guys voted. 1 And I said, yeah. And what was I 2 supposed to draw from that statement of yours? 3 4 MS. MARKS: If I recall our conversation 5 correctly, you asked me if anything could be done. 6 MR. MOYLAN: I said what could I do, I'm 7 just one person. 8 MS. MARKS: And I pointed out some of the alternatives that could be done. 9 10 MR. MOYLAN: You said, well, you did have that Tri-W site there. And you kind of left 11 it hanging in the air. What was I supposed to 12 draw from that statement of yours? 13 14 CHAIRPERSON YOUNG: And what is the 15 importance of that answer? What is it relevant to? 16 MR. MOYLAN: It's relevant to --17 18 CHAIRPERSON YOUNG: I mean, let's say the Tri-W site is an alternative. 19 20 AUDIENCE SPEAKER: It's not. CHAIRPERSON YOUNG: Okay. Let's assume 21 that it is --22 MR. MOYLAN: Okay, -- I guess that 23 24 answers my question. I do have one for Matt. You just recently said in testimony that it's plain to 25

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see that pumping the tanks will clean up the groundwater. And yet the biology teacher that 2 spoke here earlier this evening said that it takes 3 4 decades to clean up an aquifer the size that we 5 have, decades. 6 So your statement about it's plain to 7 see it will clean up the aquifer is not based on 8 science, is it, Matt? 9 MR. THOMPSON: That's not what I said. 10 MR. MOYLAN: What did you say? MR. THOMPSON: I said frequent septic 11 tank pumping would reduce pollutant loading to Los 12 13 Osos' groundwater basin. 14 MR. MOYLAN: And you're certain about 15 that? It's based on science, now. Are you certain that it will clean up the groundwater? 16 MR. THOMPSON: If you reduce --17 18 MS. OKUN: Objection, that misstates what he just testified to. 19 20 MR. MOYLAN: I just asked him if he was 21 certain that it would clean up the groundwater. CHAIRPERSON YOUNG: I think it's his 22 opinion that it will reduce pollutant loading. 23 24 That's his testimony. 25 MR. MOYLAN: Okay, it's an opinion,

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1 thank you.

2 CHAIRPERSON YOUNG: Okay. MR. RICHARDS: But I think it's 3 4 appropriate to recognize Ms. Okun's objection that 5 he repeatedly misstated what the testimony of Mr. 6 Thompson was. Mr. Thompson testified that it was 7 his opinion that frequent pumping would reduce 8 pollutant loading. 9 CHAIRPERSON YOUNG: Pollutant loading. 10 MR. RICHARDS: And Mr. Moylan kept asking him if it was his testimony that this would 11 clean up the groundwater. And those are entirely 12 different issues. 13 14 CHAIRPERSON YOUNG: Okay. And is this 15 Mr. Sargent? MR. SARGENT: Yes. 16 17 CHAIRPERSON YOUNG: Okay. MR. SARGENT: Dick Sargent, a supporter. 18 19 This is looking a little ahead and I'm thinking 20 about alternatives, and I'm thinking about how you 21 might, or if you have investigated the nitrate 22 content of some of the discharges. And I'm thinking along the line of the federal marine 23 24 requirements. 25 CHAIRPERSON YOUNG: Well, Mr. Sargent,

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the point we are at now in this proceeding is that 1 2 these witnesses are asking questions of staff. So, you're free to ask questions. 3 4 MR. SARGENT: Okay. 5 CHAIRPERSON YOUNG: You want to pose 6 that to --7 MR. SARGENT: Sure. I think maybe Matt, 8 any one of you --9 CHAIRPERSON YOUNG: If he's a --10 MR. SARGENT: -- are welcome --CHAIRPERSON YOUNG: If --11 MR. SARGENT: -- to answer --12 13 CHAIRPERSON YOUNG: Mr. Sargent, as long 14 as these are relevant questions. MR. SARGENT: I think so. Because I'm 15 thinking that you wholesale reject hybrid 16 17 approaches and alternatives. I mean you, the 18 state. And so I'm thinking, because we're faced 19 with some pretty bad situations, there might be a 20 possibility of distinguishing between black water, 21 grey water, as the federals do. 22 CHAIRPERSON YOUNG: Okay. 23 MR. SARGENT: And I'm asking Matt, have 24 you done any investigation of that? MR. THOMPSON: Yeah, I mean we know that 25

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most of the nitrogen loading comes from the urea, 1 2 you know. And you can't really reduce nitrogen loading without reducing black water discharge. 3 4 Grey water has some nitrogen in it. 5 Yeah, I mean we considered it, yeah, not 6 like documented detail, but, yeah, we considered 7 it. 8 MR. SARGENT: Would you consider it in the future if we say, started to go along those 9 10 lines? I'm really interested in exactly why the feds will allow grey water in certain discharges 11 in certain areas, and then, of course, no black 12 13 water. 14 So I think maybe we have a possible answer in that regard there. So I don't want to 15 take any more time, that's good enough. 16 CHAIRPERSON YOUNG: Okay, thank you. 17 Mr. Martyn, you've already asked questions, 18 correct? 19 20 MR. MARTYN: Mr. Chairman, I was 21 wondering if you could schedule me for next week. 22 My wife is feeling poorly and we would prefer to be scheduled that week if that's --23 CHAIRPERSON YOUNG: Well, I think that 24 25 we can probably accommodate that, given the time PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

it is, and given that your last name begins with 1 2 М. MR. MARTYN: Right. 3 4 CHAIRPERSON YOUNG: Okay? 5 MR. MARTYN: Thank you very much. 6 CHAIRPERSON YOUNG: All right. 7 MR. MARTYN: Thank you for the 8 consideration. 9 CHAIRPERSON YOUNG: Well, I don't know that it's next week. The Board hasn't discussed 10 what to do in terms of continuing the hearing. We 11 will continue it; I don't know when it's going to 12 13 take place. MR. MARTYN: Well, whenever it does --14 15 CHAIRPERSON YOUNG: Whenever it does. MR. MARTYN: -- that'll be fine. I'll 16 be here. 17 18 CHAIRPERSON YOUNG: Okay. All right. MR. MARTYN: Thank you, thank you very 19 20 much. 21 CHAIRPERSON YOUNG: You've already asked 22 questions. MR. SHIPE: Yes. 23 24 CHAIRPERSON YOUNG: Only one question, 25 one more; that's it.

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MR. SHIPE: Okay. Then I'll ask this 1 Mr. Thompson, you testified that it will 2 one. reduce the nitrate loading. So, will it or won't 3 4 it clean up the groundwater? Will the pumping 5 program clean up the groundwater, since that was 6 what was misstated before? 7 MR. THOMPSON: I believe that a 8 centralized wastewater treatment plant with a robust nitrogen --9 10 MR. SHIPE: That was not the question. 11 MR. THOMPSON: -- the groundwater. MR. SHIPE: That was not the question. 12 13 The question was regarding the pumping program, 14 will the pumping program clean up the groundwater? 15 MR. THOMPSON: The pumping requirement is an interim compliance requirement until a 16 centralized treatment plant --17 18 MR. SHIPE: That does not answer my question, sir. It's a yes or no question. Will 19 20 the pumping requirement clean up the groundwater? 21 MR. THOMPSON: The groundwater is so 22 heavily contaminated it will likely take decades before drinking water is restored to standards. 23 24 MR. SHIPE: So, the answer is no? 25 CHAIRPERSON YOUNG: That's not what he

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just testified to. He gave you an explanation. I 1 know you'd like a yes or a no, --2 MR. SHIPE: Okay. 3 4 CHAIRPERSON YOUNG: -- he can't give it 5 to you. He also testified, in his opinion that 6 pumping would reduce pollutant loading to the 7 groundwater table. 8 MR. SHIPE: Yes, and that's the reason why I was asking specifically to the other 9 10 question, because there was some confusion with Mr. Moylan's. Because Mr. Moylan kept misstating 11 his comments. And so because of that I just 12 13 wanted to get it on the record whether or not this 14 will clean up the groundwater, since --CHAIRPERSON YOUNG: Mr. Richards. 15 MR. SHIPE: -- yes, Mr. Richards stated 16 that it was a misstatement. 17 18 CHAIRPERSON YOUNG: Well, apparently --MR. SHIPE: Okay, thank you. 19 20 CHAIRPERSON YOUNG: -- if this was the 21 only system that was employed, apparently what his 22 testimony is is that it could take decades --MR. SHIPE: Yes. 23 CHAIRPERSON YOUNG: -- at this rate of 24 Is that what you intended, Mr. Thompson, 25 pumping.

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1 by that comment?

2 MR. THOMPSON: Yes. CHAIRPERSON YOUNG: Okay. 3 4 MR. SHIPE: I believe he also said no. CHAIRPERSON YOUNG: Okay, well, you --5 6 MR. SHIPE: Okay, okay. 7 CHAIRPERSON YOUNG: -- can point that 8 out when it's --9 MR. SHIPE: Okav. 10 CHAIRPERSON YOUNG: -- your time. And I hope we get to your time, Mr. Shipe, because we're 11 running out of time all together. 12 13 Mr. Payne. 14 MR. PAYNE: Good evening, again. Bruce Payne. Resident of Los Osos. I'm against 15 everything. 16 17 (Laughter.) 18 MR. PAYNE: On your education you were pretty honest about not knowing how many hours you 19 20 had on septic tank, and that most of your 21 experience was -- knowledge of septic tanks was 22 learned here on the job. I thought that was very nice of you to let us in on that. 23 24 The thing I'd like to know, could you 25 put up that picture of the septic tank and the

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1 leachfields that you have, please?

2 MR. THOMPSON: I have two of them, --MR. PAYNE: That's very good. Now, did 3 4 somebody give you that picture out of a book, or 5 where did that come from? 6 MR. THOMPSON: No, no, no, sir, this is 7 a representation of what we believe is going on in 8 the subsurface. You have a lot of seepage pits and you have relatively high groundwater. I 9 developed this slide. 10 MR. PAYNE: Okay. When you were being 11 told about septic tanks on the job here, did 12 13 anybody tell you that they had two compartments in 14 a septic tank? The picture there is not of a 15 septic tank. MR. THOMPSON: Yeah, I understand that 16 17 there are two compartments in a septic tank. This 18 is a very simplified representation of a septic 19 tank. 20 MR. PAYNE: Okay, we're a lot more 21 exotic in our knowledge, just as laymen in Los 22 Osos. The question I guess I would like to know is basically who taught you your information about 23 24 septic tanks and leachfields on the job. 25 MR. THOMPSON: Well, first of all, the

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siting and design criteria for septic systems is 1 established in our basin plan. It's pretty 2 3 cookbook. 4 And secondly, we have somebody who's 5 renown on site wastewater system expert in Howard 6 Kolb. 7 MR. PAYNE: Howard Kolb? 8 MR. THOMPSON: Yes, sir. MR. PAYNE: Thank you. And basically 9 what you said, we're pretty much all the same in 10 Los Osos groundwater-wise. I didn't quite 11 understand that, just the last statement. 12 Textbook what? 13 14 MS. OKUN: That misstates his testimony. I think he used the term cookbook to refer to the 15 general siting criteria for septic tanks in the 16 basin plan that applies regionwide to areas where 17 18 septic tanks are allowed and where they're 19 appropriate. 20 MR. RICHARDS: Mr. Payne, could you clarify your question, please. 21 22 MR. PAYNE: Yes. Basically this cookbook situation defining all septic tanks in 23 24 Los Osos when they have not had any site-specific scientific knowledge about how to clean up the 25

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1 groundwater by using pumping.

MR. RICHARDS: I'm sorry, but I still 2 don't understand your question. 3 4 MR. PAYNE: Oh, that's --5 MR. RICHARDS: I don't understand the 6 specific question that you're asking Mr. Thompson. 7 MR. PAYNE: Yeah, I'm probably a little 8 beyond your septic tank knowledge, too. 9 (Laughter.) 10 MR. PAYNE: Basically, but --MR. RICHARDS: No, I hate to dispute 11 your level of septic tank knowledge, but that 12 13 isn't the issue. The issue is the clarity with 14 which you have articulated the question that you 15 are attempting to get Mr. Thompson to answer. It's not a matter of septic tank 16 knowledge. It's a matter of articulating your 17 18 question clearly so that the Board can understand what information you're trying to get Mr. Thompson 19 20 to give them. 21 MR. PAYNE: Okay. Basically they gave us pictures of a vadose zone and the fact that 22 with enough vadose zone it denitrified before it 23 24 got to groundwater. And we can't really use a cookbook thing to cover all of Los Osos. 25

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We're built on sand dunes, there, sir. 1 MR. THOMPSON: And that's --2 CHAIRPERSON YOUNG: Okay, but what is 3 4 the question, Mr. Payne? 5 MR. PAYNE: The question is what 6 scientific knowledge did you use to do site-7 specific studies, if any. 8 CHAIRPERSON YOUNG: Well, the first question you should ask him is did he do site-9 10 specific studies. MR. PAYNE: Did you do site-specific 11 studies? 12 MR. THOMPSON: No, sir. 13 CHAIRPERSON YOUNG: Okay, and that's the 14 15 answer to your question. MR. PAYNE: Right, that's the answer to 16 my question. Do you have any more questions I 17 could ask him? 18 19 (Laughter.) 20 MR. PAYNE: I think I'll let him off the 21 hotseat for now. Thank you. CHAIRPERSON YOUNG: Okay. I like ending 22 on a happy note. For now, we're going to take a 23 24 break. And when we return we are going to begin. 25 UNIDENTIFIED SPEAKER: We're going to do

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to dinner. 1 CHAIRPERSON YOUNG: Well, do you have an 2 3 appetite? 4 UNIDENTIFIED SPEAKER: Yeah, it's 7:00. 5 CHAIRPERSON YOUNG: You do? Okay. UNIDENTIFIED SPEAKER: I'm surely not 6 7 going to eat at 10:00, 11:00 tonight. 8 CHAIRPERSON YOUNG: Okay. All right. Mr. Jeffries is giving his stern look, so I'm not 9 10 about to --MR. MATTINGLY: Excuse me, sir. 11 CHAIRPERSON YOUNG: Yes. 12 MR. MATTINGLY: I'd like to do you a 13 14 favor and I have an 11-year-old that's dying to go 15 to the movies. 16 CHAIRPERSON YOUNG: Go right now. 17 MR. MATTINGLY: I'm an M, so am I going to be able to have my 15 minutes sometime at a 18 later date? 19 20 CHAIRPERSON YOUNG: Of course. 21 MR. MATTINGLY: How long are we going to 22 go to today? CHAIRPERSON YOUNG: We don't have time 23 24 to get to very many tonight. 25 MR. MATTINGLY: Okay.

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CHAIRPERSON YOUNG: Okay, and I think 1 2 the few that --MR. MATTINGLY: And another thing is for 3 4 the chart he put up there, I haven't seen very 5 many three-story houses --6 CHAIRPERSON YOUNG: Okay, --7 MR. MATTINGLY: -- or three-door garages 8 in Los Osos. 9 CHAIRPERSON YOUNG: -- the few that we pulled out to reprioritize look like we will be 10 lucky to get to at this rate. But eventually 11 we're going to get to everybody. You can be sure 12 13 of that. 14 MR. MATTINGLY: Thank you, sir. 15 CHAIRPERSON YOUNG: Okay? MR. MATTINGLY: Thank you. 16 CHAIRPERSON YOUNG: All right. Board, 17 what would you like to do in terms of dinner and 18 reconvening? Forty-five minutes? What do you 19 20 want? 21 UNIDENTIFIED SPEAKER: I don't know, how 22 long is it going to take? I don't know where this place, is, I don't know how fast they serve. 23 24 CHAIRPERSON YOUNG: Carol, what are we doing? 25

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(Parties speaking simultaneously.) CHAIRPERSON YOUNG: Okay. Folks, what we are going to do is reconvene in 45 minutes, 45 minutes. We're just going to get a sandwich and we're going to come back here, so we can be done in 45 minutes. The goal really is to give the CSD their two hours so we can at least complete that this evening. And if we have to go over a little bit, then we will do that from the 10:00 time. Okay, so, 7:45. (Whereupon, at 7:04 p.m., the meeting was adjourned, to reconvene at 7:45 p.m., this same evening.) --000--

## CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing Central Coast Regional Water Quality Control Board Meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of May, 2006.

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