



Central Valley Regional Water Quality Control Board

25 May 2023

Ron Sconza
President, CEO
1 Sconza Candy Lane
Oakdale, CA 95631

Via Email:
rsconza@sconzacandy.com

OFFER TO PARTICIPATE IN THE EXPEDITED PAYMENT LETTER PROGRAM RELATING TO ADMINISTRATIVE CIVIL LIABILITY R5-2023-0521 FOR ASSESSMENT OF MANDATORY MINIMUM PENALTIES, SCONZA CANDY COMPANY, OAKDALE FACILITY, STANISLAUS COUNTY

The Sconza Candy Company (Discharger) is currently regulated under Waste Discharge Requirements (WDRs) for Limited Threat Discharge to Surface Waters General Order R5-2022-0006 (NPDES Permit No. CAG995002). The Discharger purchased the former Hershey's facility and submitted a Report of Waste Discharge in March 2008. The Discharger is assigned General Order enrollee number R5-2016-0076-015. Discharge from the Facility was previously covered under WDRs Order R5-2002-0111 through 13 October 2011 when the Order was rescinded, and the Discharger was issued coverage under the Limited Threat General WDRs Order R5-2008-0082 until it was rescinded and replaced by Limited Threat General WDRs Order R5-2016-0076 on 1 February 2017. On 17 February 2022, the Central Valley Water Board rescinded and replaced WDRs R5-2016-0076-01 with WDRs R5-2022-0006, which became effective on 1 April 2022. The Discharger is automatically enrolled under WDRs R5-2022-0006. This Offer to Participate in the Central Valley Regional Water Quality Control Board's (Central Valley Water Board's) Expedited Payment Letter (EPL) Program (Conditional Offer) provides the Discharger with an opportunity to resolve mandatory minimum penalties for alleged NPDES permit violations without a formal administrative civil liability complaint. The alleged mandatory minimum penalty, in the amount of **three thousand dollars (\$3,000)**, represents the sum of accrued mandatory minimum penalties for the effluent limitation violation specifically identified in the Record of Violations (Attachment A), attached hereto and incorporated herein by reference, that occurred between 1 January 2010 through 30 September 2022.

NOTICE OF VIOLATION AND RECORD OF VIOLATIONS

Based on the Discharger's self-monitoring reports, the Central Valley Water Board Prosecution Team sent the Discharger a Notice of Violation and Record of Violations (ROV) on 24 April 2023 notifying the Discharger of effluent limit violations, reporting

MARK BRADFORD, CHAIR | PATRICK PULUPA, ESQ., EXECUTIVE OFFICER

violations, and corresponding violations of the California Water Code. The Central Valley Water Board Prosecution Team provided the Discharger with an opportunity to review and contest the violations listed in the attached ROV. Following the Discharger's review of the ROV, the Central Valley Water Board Prosecution Team confirmed that the violations listed in the ROV are subject to mandatory minimum penalties.

STATUTORY LIABILITY

Water Code section 13385(h) and (i) require the assessment of a mandatory minimum penalty of \$3,000 for each specified serious and chronic effluent limit violation. Pursuant to Water Code section 13385.1(a), the failure to file a discharge monitoring report required pursuant to section 13383 for each complete period of thirty (30) days following the deadline for submitting the report also constitutes a serious violation subject to a mandatory minimum penalty under Water Code section 13385(h). The Discharger may also be subject to discretionary administrative civil liabilities pursuant to Water Code section 13385(c) of up to \$10,000 for each day in which the violation occurs, and \$10 for each gallon discharged but not cleaned up in excess of 1,000 gallons. These mandatory minimum penalties and discretionary administrative civil liabilities may be assessed by the Central Valley Water Board beginning with the date that the violations first occurred. The formal enforcement action that the Central Valley Water Board uses to assess such liability is an administrative civil liability complaint, although the Central Valley Water Board may instead refer such matters to the Attorney General's Office for prosecution. If referred to the Attorney General for prosecution, the Superior Court may assess up to \$25,000 for each day in which the violation occurs, and \$25 for each gallon discharged but not cleaned up in excess of 1,000 gallons.

SETTLEMENT OFFER

The Discharger can avoid the issuance of a formal enforcement action and settle the alleged violations identified in Attachment A by participating in the EPL Program. To promote resolution of these violations, the Central Valley Water Board Prosecution Team makes this Conditional Offer. The Central Valley Water Board's Prosecution Team proposes to resolve the violation without the issuance of a formal enforcement action through this Conditional Offer assessing **three thousand dollars (\$3,000)** in mandatory minimum penalties. If the Discharger accepts this proposal, subject to the conditions below, the Central Valley Water Board Prosecution Team will accept that payment in settlement of any enforcement action that would otherwise arise out of the violations identified in Attachment A. Accordingly, the Central Valley Water Board Prosecution Team will forego issuance of a formal administrative civil liability complaint, will not refer the violations to the Attorney General, and will waive its right to seek additional discretionary civil liabilities for the violations identified in Attachment A. This Conditional Offer does not address or resolve liability for any violation that is not specifically identified in Attachment A, regardless of the date that the violation occurred. If the Discharger accepts this Conditional Offer, please complete and return the enclosed "Acceptance of Conditional Resolution and Waiver of Right to Hearing; (proposed) Order" (Acceptance and Waiver) on or before **26 June 2023**. The

Acceptance and Waiver constitutes a settlement of the violations specifically identified in Attachment A.

CONDITIONS FOR CENTRAL VALLEY WATER BOARD ACCEPTANCE OF RESOLUTION

Federal regulations require the Central Valley Water Board to publish and allow the public thirty (30) days to comment on any settlement of an enforcement action addressing NPDES permit violations (40 C.F.R. section 123.27(d)(2)(iii)). Notice of this settlement will be published on the Central Valley Water Board's website at:

[Central Valley Tentative Orders](https://www.waterboards.ca.gov/centralvalley/board_decisions/tentative_orders/)

(https://www.waterboards.ca.gov/centralvalley/board_decisions/tentative_orders/)

If no comments are received within the 30-day comment period, and unless there are new material facts that become available to the Central Valley Water Board, the Executive Officer or his designee will execute the Acceptance and Waiver as a stipulated order assessing the uncontested mandatory minimum penalty amount pursuant to Water Code sections 13385.

However, if significant comments are received in opposition to the settlement, this Conditional Offer may be withdrawn. In that case, the Discharger's waiver pursuant to the Acceptance and Waiver will be void and the violation(s) will be addressed in an administrative civil liability hearing. At the hearing, the Discharger will be free to make arguments to any of the alleged violations, and the Discharger's prior agreement to accept this Conditional Offer will be treated as a settlement communication and will not in any way be binding or used as evidence against the Discharger. The Discharger will be provided with further information on the administrative civil liability hearing process.

If the Discharger choose to sign the Acceptance and Waiver, full payment of the assessed amount may be submitted with the waiver. However, full payment of the assessed amount shall be due no later than thirty (30) calendar days after the date the Acceptance and Waiver is executed by the Executive Officer. In accordance with California Water Code section 13385(n)(1) and California Water Code section 13385.1(c)(1), funds collected for violations of effluent limitations and reporting requirements pursuant to section 13385 and 13385.1 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the **three thousand dollars (\$3,000)** liability shall be paid by cashiers or certified check made out to the "State Water Pollution Cleanup and Abatement Account". Failure to pay the full penalty within the required time period may subject the Discharger to further liability.

The Discharger shall indicate on the check the number of this EPL and send it to the State Water Resources Control Board, Accounting Office, Attn: R5-2023-0521 Payment, PO Box 1888, Sacramento, California, 95812-1888. The waiver and a copy of the check must also be mailed to the Central Valley Water Board at 11020 Sun Center Drive #200, Rancho Cordova, CA, 95670 attention to Xuan Luo.

If you have any questions or comments regarding this Settlement Offer, please contact Mohammad Farhad at (916) 464-1181 or Mohammad.Farhad@waterboards.ca.gov.

Original Digitally Signed by: John J. Baum
Date: 2023.05.25 21:44:11 -07'00'

JOHN J. BAUM
Assistant Executive Officer

Enclosures (2): Attachment A Record of Violations
Acceptance of Conditional Resolution and Waiver of Right to Hearing

cc: Eric Magnan, USEPA, Region 9, Via email (magnan.eric@epa.gov)
David Boyers, Office of Enforcement, Via email (David.Boyers@waterboards.ca.gov)
Jessica Jahr, Office of Chief Counsel, Via email, (Jessica.Jahr@waterboards.ca.gov)
Adam Laputz, Central Valley Water Board Advisory Team, Via email,
(Adam.Laputz@waterboards.ca.gov)

**ATTACHMENT A TO SETTLEMENT OFFER NO. R5-2023-0521
Record of Violations Subject to Mandatory Minimum Penalties**

**Sconza Candy Company
Sconza Candy Oakdale Facility**

RECORD OF VIOLATIONS (1January 2010 through 30 September 2022) MANDATORY PENALTIES

(Data reported under Monitoring and Reporting Programs R5-2002-0111, R5-2008-0082, R5-2016-0076 and R5-2022-0006)

The following table lists the alleged violations subject to mandatory minimum penalties (MMPs), pursuant to Water Code section 13385(h) and (i).

Table A. Violations subject to Mandatory Penalties

Item	Date	Parameter	Units	Limit	Measured	Period	Violation Type	MMP Type	CIWQS
1	7-Aug-12	pH	Standard Units	6.5	6.3	Instantaneous Minimum	OEV	NCHRON	960260
2	10-Aug-12	pH	Standard Units	6.5	6.4	Instantaneous Minimum	OEV	NCHRON	960262
3	17-Sep-12	pH	Standard Units	6.5	6.4	Instantaneous Minimum	OEV	NCHRON	960263
4	21-Jan-14	pH	Standard Units	8.5	8.6	Instantaneous Maximum	OEV	NCHRON	970713
5	27-Jun-17	pH	Standard Units	6.5	6.4	Instantaneous Minimum	OEV	NCHRON	1034822
6	10-Sep-21	pH	Standard Units	6.5	6.4	Instantaneous Minimum	OEV	NCHRON	1111821
7	22-Sep-21	pH	Standard Units	8.5	8.7	Instantaneous Maximum	OEV	NCHRON	1111822
8	10-Nov-21	pH	Standard Units	6.5	6.2	Instantaneous Minimum	OEV	NCHRON	1111823
9	22-Dec-21	pH	Standard Units	6.5	6.4	Instantaneous Minimum	OEV	CHRON	1111824
10	2-May-22	pH	Standard Units	8.5	8.6	Instantaneous Maximum	OEV	NCHRON	1111817
11	16-May-22	pH	Standard Units	8.5	8.8	Instantaneous Maximum	OEV	NCHRON	1111819

**Attachment A to Settlement Offer No. R5-2023-0521
Record of Violations Subject to Mandatory Minimum Penalties**

VIOLATIONS SUMMARY

<u>VIOLATIONS AS OF:</u>	<u>9/30/2022</u>
Group I Serious Violations:	0
Group II Serious Violations:	0
Non-Serious Violations Not Subject to MMPs:	10
<u>Non-serious Violations Subject to MMPs:</u>	<u>1</u>
Total Violations Subject to MMPs:	1

Mandatory Minimum Penalty Amount for Effluent Limit Violations

(1 Non-Serious Violation Subject to MMP) x \$3,000 Per Violation = \$3,000

Total Mandatory Minimum Penalty = \$3,000

Table B. Definition

Abbreviation	Description
CAT 1	Violation of effluent limitation for Group I pollutant.
CAT 2	Violation of effluent limitation for Group II pollutant
CHRON	Chronic violation as defined by Water Code section 13385 (i). Any non-serious violation that falls within a 180-day period with three preceding violations. Thus, the fourth non-serious violation that occurs within a 180-day period is subject to MMPs.
CIWQS	California Integrated Water Quality System database. https://www.waterboards.ca.gov/water_issues/programs/ciwqs/
CTOX	Violation of chronic toxicity effluent limitation.
DREP	Deficient reporting violation. This will only result in MMPs if the report is so deficient as to make determination of compliance impossible for the reporting period.
LREP	Late Reporting violation. Every 30-Days a report is late counts as one serious late reporting violation subject to MMPs.
Measured	Reported value for the monitoring period by the Discharger.
MMP Type	Classification of the type of MMP violation.
Occurrence Date	Date that a violation occurred. For averaging period limitation violations, such as weekly and monthly averages, the last day of the reporting period is used such as last day of the week (Saturday) and last day of the month, respectively.
OEV	Violation of any constituent-specific effluent limitation not included in Group I or Group II.
NCHRON	Non-serious violation falls within the first three violations in a 180-day period, thus, not subject to MMP.

Attachment A to Settlement Offer No. R5-2023-0521
Record of Violations Subject to Mandatory Minimum Penalties

Abbreviation	Description
SIG	Serious Violation: <ul style="list-style-type: none"><li data-bbox="407 282 1566 315">▪ For Group I pollutants that exceed the effluent limitation by 40 percent or more.<li data-bbox="407 318 1566 350">▪ For Group II pollutants that exceed the effluent limitation by 20 percent or more.

**Offer to Participate in Expedited Payment Letter Program
Sconza Candy Company
EPL R5-2023-0521**

**ACCEPTANCE OF CONDITIONAL RESOLUTION
AND WAIVER OF RIGHT TO HEARING; ORDER**

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the Central Valley Regional Water Quality Control Board (Central Valley Water Board), the Sconza Candy Company hereby accepts the "Offer to Participate in Expedited Payment Letter Program" (Conditional Offer), incorporated herein by reference, and waives the right to a hearing before the Central Valley Water Board to dispute the allegations of violations described in the Record of Violations (ROV), which is included as Attachment A to the Conditional Offer.

The Sconza Candy Company agrees that the Conditional Offer shall serve as a complaint pursuant to Article 2.5 of the California Water Code and that no separate complaint is required for the Central Valley Water Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Sconza Candy Company agrees to pay the penalties required by California Water Code section 13385(h) and/or (i), in the sum of **three thousand dollars (\$3,000)** (Expedited Payment Amount), which shall be deemed payment in full of any civil liability pursuant to Water Code section 13385 that otherwise might be assessed for the violations described in the ROV. The Sconza Candy Company understands that this Acceptance and Waiver waives its right to contest the allegations in the ROV and the amount of civil liability assessed for the violations.

The Sconza Candy Company understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the ROV.

Upon execution by the Sconza Candy Company the completed Acceptance and Waiver shall be returned via email and/or U.S. mail to:

Xuan Luo, Senior Water Resources Control Engineer
NPDES Compliance and Enforcement
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670
Phone: (916) 464-4606
xuan.luo@waterboards.ca.gov

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

Offer to Participate in Expedited Payment Letter Program
EPL R5-2023-0521

If no comments are received within the notice period that causes the Central Valley Water Board Executive Officer to question the Expedited Payment Amount, the Central Valley Water Board Executive Officer or his designee will execute this Acceptance and Waiver.

The Sconza Candy Company understands that if significant comments are received in opposition to the Expedited Payment Amount, the offer on behalf of the Central Valley Water Board to resolve the violations set forth in the ROV may be withdrawn. In that circumstance, the Sconza Candy Company will be advised of the withdrawal and an administrative civil liability complaint may be issued and the matter may be set for a hearing before the Central Valley Water Board. For such a liability hearing, the Sconza Candy Company understands that this Acceptance and Waiver executed by the Sconza Candy Company will be treated as a settlement communication and will not be used as evidence in that hearing.

The Sconza Candy Company further understands that once the Acceptance and Waiver is executed by the Central Valley Water Board Executive Officer or his designee, the full payment required by the deadline set forth below is a condition of this Acceptance and Waiver. In accordance with California Water Code section 13385(n)(1) and California Water Code section 13385.1(c)(1), funds collected for violations of effluent limitations and reporting requirements pursuant to sections 13385 and 13385.1 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the **three thousand dollars (\$3,000)** liability shall be paid by a cashiers or certified check made out to the "State Water Pollution Cleanup and Abatement Account". The Sconza Candy Company may choose to submit the full payment with the Waiver. However, the payment must be submitted to the State Water Resources Control Board no later than thirty (30) calendar days after the date the Acceptance and Waiver is executed by the Central Valley Water Board Executive Officer or his designee.

Payment to the State Water Pollution Cleanup and Abatement Account shall be mailed to:

State Water Resources Control Board, Accounting Office
Attn: EPL R5-2023-0521 Payment
PO Box 1888
Sacramento, California, 95812-1888

The Sconza Candy Company shall also provide a copy of the wavier form and check via email to the Central Valley Water Board (Xuan.Luo@waterboards.ca.gov).

Offer to Participate in Expedited Payment Letter Program
EPL R5-2023-0521

I hereby affirm that I am duly authorized to act on behalf of and to bind the Discharger in the making and giving of this Acceptance and Waiver.

Sconza Candy Company
By:

Original Signed by	6/8/2023
_____ Signed Name	_____ Date
W.Eric McDonald	Director of Facilities
_____ Print Name	_____ Title

IT IS SO ORDERED PURSUANT TO CALIFORNIA WATER CODE SECTION 13385
By:

Patrick Pulupa
Executive Officer