TENTATIVE TIME SCHEDULE ORDER FOR E. & J. GALLO WINERY, FRESNO WINERY

This letter transmits my comments on the Tentative Time Schedule Order (TTSO) requiring E. & J. Gallo Winery (Gallo) to eliminate the discharge of ion exchange regenerant to land at its Fresno Winery's Composting Facility.

The TTSO recaps Gallo's apparent successful attempts to delay upgrading its Composting Facility to address existing and potential violations of Waste Discharge Requirements (WDR) Order R5-2015-0040, Discharge Specifications C.1, C.2, and C.3 and Groundwater Limitations F.1, F.2, and F.3 (TTSO Finding 34). It establishes a time schedule for the phased elimination by 1 January 2030 of the discharge of high-strength ion exchange regenerant to compost windrows.

To address water quality impacts associated with the Composting Facility, a 2 April 2019 staff letter directed Gallo to submit a Notice for Intent (NOI) for coverage under Order WQ 2015-0121-DWQ, the State's General Order for Commercial Composting Operations (General Composting Order), which has since been amended by Order WQ 2020-0012-DWQ. In response, Gallo “stated its reluctance to accept the additional regulatory compliance burden of having two separate permits” (Finding 11). Instead of submitting the NOI, Gallo requested a delay to assess its future use of the Composting Facility and proposed a multi-year project to eliminate the ion exchange regenerant discharge.

Finding 25 indicates that while Gallo expects to operate the Composting Facility past 2029, the City of Fresno’s long-term plans for this site is unknown. The TTSO appears to rely solely on this uncertainty for granting Gallo a 7.5-year reprieve from submitting an NOI for coverage under the General Composting Order. Even if the City decides to redirect its green waste elsewhere by 2030 and Gallo subsequently repurposes its 60-acre compost pad, Gallo will need to temporarily store onsite the winery’s pomace, grape skins, seeds, and diatomaceous earth until this waste is hauled offsite for authorized reuse. And, it is likely that Gallo will continue to use for this purpose the “Winery By-products Storage Area” depicted in the TTSO’s Attachment C.

Finding 16 indicates that in 2019 staff observed the asphalt paving underlying the Winery By-products Storage Area “to be cracked and in disrepair.” It is encouraging that Gallo has since stepped up efforts to inspect the pavement and repair cracks with sealant. However, the containment provided by the patched-up asphalt surface falls short of that determined necessary by the General Composting Order to protect groundwater and reflect best practicable control.
Finding 16 further indicates that storm water and leachate from stockpiled pomace, skins, seeds, and spent diatomaceous earth in the Winery By-products Storage Area collects in three sumps (CMP-03, CMP-04, and CMP-5). This finding would benefit from a brief description of sump construction, rated capacities, and appurtenances for liquid transfer.

And, Finding 16 should disclose how Gallo currently disposes of accumulated storm water and leachate. According to Findings 13 and 17, this waste is apparently "stronger" than ion exchange regenerant. Finding 16 of WDR Order R5-2015-004 states, in part, that, “Storm water and wastewater (leachate) collected by the sumps is routed/pumped to the land application area distribution systems, and at other times is transferred to a water truck and used for dust control.” Is the discharge from the sumps manual or automated? Once discharged to the “land application area distribution system,” is it the high-strength waste diluted with other wastewaters prior to land application? What management practices are in place to prevent standing pools of contaminated storm water and leachate around the sumps?

Google Earth has several historical images depicting large pools of standing water of various sizes adjoining each sump. For example, the image taken 8/27/2019 shows an area of standing water at CMP-04 encompassing over about 8,000 square feet and receiving spillage from the area near the ion exchange regenerant tanks. The image taken 9/9/2019 shows this pool of standing water extending towards stockpiled solids. These images, and others like them, suggest that improvements are necessary to ensure the discharge of high-strength leachate and contaminated storm water, however seasonal, does not exacerbate an existing condition of groundwater pollution at the Fresno Winery. The TTSO misses an opportunity to address this ongoing threat to groundwater by declaring contaminated leachate and storm water a designated waste requiring containment meeting Title 27 prescriptive standards.

Please consider revising the TTSO to (1) include a finding that declares the discharge to unlined sumps of contaminated storm water and leachate from the Winery By-products Storage Area a discharge of designated waste; (2) include a finding that cites the General Composting Order’s specifications germane to leachate and storm water management and disposal; and (3) impose a time schedule for Gallo to upgrade leachate and storm water collection sumps serving its Winery By-products Storage Area to meet these specifications within three years. Gallo is the world’s largest family-owned wine business. It has the resources to do this. If you decide not to include my recommendation in this time schedule order, then please consider including it in a separate enforcement order.

Additional Remarks. Recent self-monitoring reports (SMRs) reveal an alarming increase in nitrate-nitrogen in groundwater passing through GW-6 since 2016 and, to a lesser degree, GW-5. GW-6 is at downgradient corner of Block 12, which is downgradient of the Winery By-products Storage Area. GW-5 is downgradient of Blocks 6A, 7, and 8.

The Monitoring and Reporting Program included in WDR Order R5-2015-0040 requires reporting of calculations of annual nitrogen loadings “for each discrete irrigation area with the land application areas.” The SMRs provide combined annual nitrogen loadings for Land Application Areas 1 through 4, and not for the individual blocks comprising these areas.
I encourage staff to check Gallo’s compliance with the MRP’s nitrogen loading reporting requirements and, as necessary, advise Gallo to correct reporting deficiencies and issue a letter requesting Gallo to submit a compilation of calculated annual nitrogen loadings to each discrete block for the last three years, including supporting information (e.g., annual volumes of EFF-001 and EFF-002 applied to each block and corresponding monthly average nitrogen concentrations employed in the calculations). Staff should review this data, along with recent soil monitoring data, to ascertain whether nitrogen loadings have been excessive, particularly to Blocks 6A, 7, 8, and 12. I request to receive a copy of this letter via email should staff act on my recommendation. And, once again, I request staff to confirm the “background” status of Gallo’s north background soil monitoring location. Google Earth historic imagery of this location shows it was fallow area up to September 2009 but after April 2011 was incorporated in the surrounding Block 1. Soil monitoring data suggests it is within an active land application area and no longer representative of background conditions.

Thank you for your time and consideration.

JO ANNE KIPPS