CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD COLORADO RIVER BASIN REGION

In the Matter of:)
) Order R7-2012-0048
City of Holtville)
Wastewater Treatment Plant) Settlement Agreement and Stipulation for) Entry of Administrative Civil Liability Order
Complaint R7-2012-0020 for)
Administrative Civil Liability)

Section I: Introduction

1. This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order ("Stipulation") is entered into by and between the Regional Water Quality Control Board Prosecution Staff ("Prosecution Staff") and the City of Holtville (the "Discharger") (collectively Parties) and is presented to the California Regional Water Quality Control Board, Colorado River Basin Region ("Regional Water Board") for adoption as an Order, by settlement, pursuant to Government Code section 11415.60. The Stipulation and Order are in reference to an adjudicative proceeding initiated by the issuance of Administrative Civil Liability Complaint R7-2012-0020, dated April 6, 2012 (the "Complaint").

Section II: Recitals

- 2. The Discharger owns and operates a municipal wastewater treatment plant (WWTP) located at 1250 Kamm Road, Holtville, CA 92250 and provides sewerage service to the City of Holtville, a small community as defined by Water Code section 13385, subdivision (k)(2). The WWTP has a treatment capacity of 0.85 million gallons-per-day (MGD). Effluent from the WWTP system is discharged to the Pear Drain, a tributary to the Alamo River, and ultimately to the Salton Sea. The Pear Drain, Alamo River, and Salton Sea are waters of the United States.
- 3. The WWTP was subject to the requirements set forth in Waste Discharge Requirements (WDRs) Board Order R7-2006-0050, National Discharge Elimination System Permit (NPDES) CA0104361 from June 1, 2006 until June 1, 2011.
- 4. The Complaint recommends imposing mandatory minimum penalties (MMPs) in the amount of \$6,000 for violations of the effluent limitations for *E. coli* set forth in WDRs Order R7-2006-0050 that occurred five times between November 11, 2010 and March 17, 2011. The Alleged ACL violations addressed by this Stipulation are detailed in Exhibit "A", which is attached hereto and incorporated herein by reference.
- 5. The Parties have engaged in settlement negotiations and agree to settle the matter without administrative or civil litigation and by presenting this Stipulation to the Regional Water Board for adoption as an Order pursuant to Government Code section 11415.60. The Prosecution Team believes that the resolution of the Alleged ACL Violations is fair and reasonable and fulfills its enforcement objectives, that no further action is warranted

- concerning the Alleged ACL Violations except as provided in this Stipulation and that this Stipulation is in the best interest of the public.
- 6. To resolve by consent and without further administrative proceedings all alleged violations of Water Code section 13385 set forth in the Complaint, the Parties have agreed to the imposition of six thousand dollars (\$6,000) in mandatory minimum penalties against the Discharger. The Discharger has elected to implement a Compliance Project (CP) in accordance with the terms of this Stipulation and Order. The six thousand dollars (\$6,000) shall be suspended upon completion of a CP as set forth in this Stipulation and Order.

Section III: Stipulations

The Parties stipulate to the following:

- 7. **Jurisdiction:** The Parties agree that the Regional Water Board has subject matter jurisdiction over the matters alleged in this action and personal jurisdiction over the Parties to this Stipulation.
- 8. Administrative Civil Liability: The six thousand dollars (\$6,000) in stipulated administrative civil liability shall be suspended (Suspended Liability) pending completion of a compliance project (CP), as set forth herein and in Exhibit "B" attached hereto and incorporated by this reference
- 9. CP Description: The Parties agree that this resolution includes the performance of a CP to employ an engineering firm to install an aluminum sulfate (alum) injection system that would further clarify and improve the secondary effluent quality prior to filtration. The objective is to inject alum into the secondary clarifier effluent splitter box, disperse and flash mix using compressed diffused air, and pump the treated secondary effluent upstream into the dynamic backwash filters, where the coagulated solids could then be trapped-removed-returned to the secondary clarifiers for settling. The CP's implementation timeline and estimated costs are detailed in Exhibit "B".
- 10. CP Completion Date: The CP shall be concluded by April 1, 2013 ("CP Completion Date"). A final report certifying the completion of the CP shall be provided to the Regional Water Board and the State Water Resources Control Board's (State Water Board) Division of Financial Assistance by May 1, 2013, as described in Paragraph 14.
- 11. Agreement of Discharger to Fund, Report and Guarantee Implementation of CP: The Discharger represents that: (1) it will utilize the suspended Liability to implement the CP and understands that no additional liability above and beyond the \$6,000 shall be suspended for costs incurred to complete the CP; (2) it will provide a final report to the Regional Water Board consistent with the terms of this Stipulation detailing the implementation of the CP and certifying completion of the CP; (3) it will attach a cover letter to the final report that clearly identifies the Discharger, WDID number, and ACL Order number R7-2012-0048; and includes the following statement:

"I declare under the penalty of perjury under the laws of the State of California that I have personally examined and am familiar with the information submitted in this document, and that bases on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment for knowing violations."

And (4) it will guarantee implementation of the CP identified in Exhibit "B" by remaining liable for the Suspended Liability until the CP is completed and accepted by the Regional Water Board in accordance with the terms of this Stipulation. The Discharger agrees that the Regional Water Board has the right to require an audit of the funds expended by it to implement the CP.

- 12. Failure to Complete the CP: If the CP as described in this Stipulation and Order is determined to be infeasible, or if the Discharger fails to complete the CP by April 1, 2013, as required by this Stipulation and Order, the Regional Water Board shall issue a Notice of Violation (NOV). If other circumstances beyond the reasonable control of the Discharger prevent completion of the CP by the CP Completion Date, Regional Water Board staff may extend the CP Completion Date by up to one (1) year, to April 1, 2014. The Discharger must send its request for an extension in writing with necessary justification to the Regional Water Board Contact identified in Paragraph 18 no later than March 1, 2013. As a consequence, the Discharger shall be liable to pay the State Water Pollution Cleanup and Abatement Account the Suspended Liability within 30 days of receipt of the NOV.
- 13. **Final Report Certification of Completion of CP:** On or before the CP Completion Date, the Discharger shall submit a final report (Certification of Completion) to the Regional Water Board Contact identified in Paragraph 18 and the State Water Board's Division of Financial Assistance. The Certification of Completion shall include following:
 - a. A cover letter that clearly identifies the Discharger, the Discharger's WDID number, reference to the Order number listed on page one of this Stipulation and Order, and includes the following statement: "I declare under the penalty of perjury under the laws of the State of California that I have personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment for knowing violations."
 - b. Certification that the CP has been completed in accordance with the terms of this Stipulation. Such documentation may include photographs, invoices, receipts, certifications, and other materials reasonably necessary for the Regional Water Board to evaluate the completion of the CP and the costs incurred by the Discharger.

- c. Certification documenting the expenditures by the Discharger during the completion period for the CP. Expenditures may include external payments to outside vendors or contractors performing the CP. In making such certification, the official may rely upon normal company project tracking systems that capture employee time expenditures and external payments to outside vendors such as environmental and information technology contractors or consultants. The certification need not address any costs incurred by the Regional Water Board for oversight. The Discharger shall provide any additional information requested by the Regional Water Board staff that is reasonably necessary to verify CP expenditures.
- 14. Third Party Financial Audit of CP: At the written request of Regional Water Board staff, the Discharger, at its sole cost, shall submit a report prepared by an independent third party(ies) acceptable to the Regional Water Board staff providing such party's(ies') professional opinion that the Discharger has expended money in the amounts claimed by the Discharger directly on the CP. The written request shall specify the reasons why the audit is being requested. The audit report shall be provided to Regional Water Board staff within three (3) months of notice from Regional Water Board staff to the Discharger of the need for an independent third party audit. The audit need not address any costs incurred by the Regional Water Board for oversight.
- 15. Failure to Expend all Suspended Administrative Civil Liability Funds on the Approved CP: In the event that the Discharger is not able to demonstrate to the reasonable satisfaction of the Regional Water Board staff that the entire Suspended Liability has been spent to complete the components of the CP for which the Discharger is financially responsible, the Discharger shall pay the difference between the Suspended Liability and the amount the Discharger can demonstrate was actually spent on the CP, as an administrative civil liability. The Discharger shall pay the additional administrative liability within 30 days of its receipt of notice of the Regional Water Board's determination that the Discharger has failed to demonstrate that the entire Suspended Liability has been spent to complete the CP in accordance with this Stipulation and Order.
- 16. Regional Water Board Acceptance of Completed CP: Upon the Discharger's satisfaction of its obligations under this Stipulation and completion of the CP and any audit requested by the Regional Water Board, Regional Water Board staff shall send the Discharger a letter recognizing satisfactory completion of its obligations under this Stipulation and Order. This letter shall terminate any further obligations of the Discharger under this Stipulation and Order and result in the permanent stay of the Suspended Liability.
- 17. **Compliance with Applicable Laws:** The Discharger understands that payment of administrative civil liability in accordance with the terms of this Order or compliance with the terms of this Order is not a substitute for compliance with applicable laws, and that continuing violations of the type alleged in the Complaint may subject it to further enforcement, including additional administrative civil liability.

18. Party Contacts for Communications related to Stipulation/Order:

For the Regional Water Board:

Doug Wylie, Senior Water Resource Control Engineer Colorado River Basin Regional Water Quality Control Board 73-720 Fred Waring Drive, Suite 100 Palm Desert, CA 92260 dwylie@waterboards.ca.gov (760) 776-8960

For the Discharger:

Frank Cornejo
Waterworks Supervisor
City of Holtville
121 West Fifth Street
Holtville, CA 92250-1298
fcornejo@holtville.gov
(760) 356-3186

- 19. **Attorney's Fees and Costs:** Each Party shall bear all attorneys' fees and costs arising from the Party's own counsel in connection with the matters set forth herein.
- 20. **Matters Addressed by Stipulation:** Upon the Regional Water Board's adoption of the Order incorporating the terms of this Stipulation, this Stipulation represents a final and binding resolution and settlement of the violations alleged in the Complaint (Covered Matters). The provisions of this Paragraph are expressly conditioned on the full payment of the administrative civil liability by the deadline specified in Paragraph 10 and the Discharger's full satisfaction of the CP obligations described herein.
- 21. **Public Notice:** Federal law mandates that any settlement will not become final until after 30-day public notice and comment period expires, (40 CFR 123.27). On April 6, 2012, the Assistant Executive Officer issued the Complaint and provided notice to the public that the violations alleged in the Complaint could be resolved by settlement, including, but not limited to performance of a CP. No public comments were received. Thus, the settlement of the violations alleged in the Complaint and this Stipulation has been properly noticed.
- 22. Addressing Objections Raised During Public Comment Period: The Parties agree that the procedure contemplated for adopting the Order by the Regional Water Board and review of this Stipulation by the public is lawful and adequate. In the event procedural objections are raised prior to the Order becoming effective, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the procedure as necessary or advisable under the circumstances.
- 23. **Interpretation:** This Stipulation and Order shall be construed as if the Parties prepared it jointly. Any uncertainty or ambiguity shall not be interpreted against any one Party.
- 24. **Modification:** This Stipulation and Order shall not be modified by any of the Parties by oral representation made before or after its execution. All modifications must be in writing, signed by all Parties, and approved by the Regional Water Board or its delegee.
- 25. **If Order Does Not Take Effect:** In the event that this Order does not take effect because it is not approved by the Regional Water Board or is vacated in whole or in part by the State Water Resources Control Board or a court, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing before the Regional Water

Board to determine whether to assess administrative civil liabilities for the underlying alleged violations, unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing. The Parties agree to waive any and all objections based on settlement communications in this matter, including, but not limited to:

- a. Objections related to prejudice or bias of any of the Regional Water Board members or their advisors and any other objections that are premised in whole or in part on the fact that the Regional Water Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions as a consequence of reviewing the Stipulation and/or the Order, and therefore may have formed impressions or conclusions prior to any contested evidentiary hearing on the Complaint in this matter; or
- b. Laches or delay or other equitable defenses based on the time period for administrative or judicial review to the extent this period has been extended by these settlement proceedings.
- 26. **Waiver of Hearing:** The Discharger has been informed of the rights provided by Water Code section 13323, subdivision (b), and hereby waives its right to a hearing before the Regional Water Board prior to the adoption of the Order.
- 27. **Waiver of Right to Petition:** The Discharger hereby waives its right to petition the Regional Water Board's adoption of the Order for review by the State Water Board, and further waives its rights, if any, to appeal the same to a California Superior Court and/or any California appellate level court.
- 28. **Regional Water Board is Not Liable:** Neither the Regional Water Board members nor the Regional or State Water Board staff, attorneys, or representatives shall be liable for any injury or damage to persons or property resulting from acts or omissions by the Discharger its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and/or Order nor shall the Regional Water Board, its members or staff be held as parties to or guarantors of any contract entered into by the Discharger, its directors, officers, employees, agents, representatives, or contractors in carrying out activities pursuant to this Stipulation and Order.
- 29. **Covenant Not to Sue:** The Discharger covenants not to sue or pursue any administrative or civil claim(s) against any State Agency or the State of California, their officers, Board Members, employees, representatives, agents, or attorneys arising out of or relating to any Covered Matter.
- 30. **Necessity for Written Approvals:** All approvals and decisions of the Regional Water Board under the terms of this Order shall be communicated to the Discharger in writing. No oral advice, guidance, suggestions, or comments by employees or officials of the Regional Water Board regarding submissions or notices shall be construed to relieve the Discharger of its obligation to obtain any final written approval required by this Order.

City of Holtville, Municipal WWTP Settlement Agreement; Stipulation for Entry of Administrative Civil Liability Order; R7-2012-0048

- 31. **Authority to Bind:** Each person executing this Stipulation in a representative capacity represents and warrants that he or she is authorized to execute this Stipulation on behalf of and to bind the entity on whose behalf he or she executes the Stipulation.
- 32. **Counterpart Signatures:** This Stipulation may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one document. Further, this Stipulation may be executed by facsimile or electronic signature, and any such facsimile or electronic signature by any Party hereto shall be deemed to be an original signature and shall be binding on such Party to the same extent as if such facsimile or electronic signature were an original signature.
- 33. **Effective Date**: This Stipulation is effective and binding on the Parties upon the entry of this Order by the Regional Water Board, which incorporates the terms of this Stipulation.

City of Holtville, Municipal WWTP Settlement Agreement; Stipulation for Entry of Administrative Civil Liability Order; R7-2012-0048

IT IS SO STIPULATED.

California Regional Water Quality Control Board, Colorado River Basin Prosecution Team

Date: 8/13/12

Jose Angel,

Assistant Executive Officer

City of Holtville

Date: 8:13:12

Alex Meyerhoff, AICP

City Manager

Order of the Regional Water Board:

IT IS HEREBY ORDERED:

- 34. This Order incorporates the foregoing Stipulation, set forth in Paragraphs 1 through 33 above, by this reference, as if set forth fully herein.
- 35. In accepting this Stipulation, the Regional Water Board has considered, where applicable, each of the factors prescribed in Water Code section 13385, subdivision (e). The Regional Water Board's consideration of these factors is based upon information obtained by the Prosecution Team in investigating the allegations in the Complaint, or otherwise provided to the Regional Water Board.
- 36. This is an action to enforce the laws and regulations administered by the Regional Water Board. The Regional Water Board finds that issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Pub. Resources Code § 21000 et seq.), in accordance with section 15321(a)(2), Title 14, of the California Code of Regulations.
- 37. The Executive Officer is authorized to refer this matter directly to the Attorney General for enforcement if the Dischargers fail to perform any of its obligations under the Order.

I, Robert Perdue, Executive Officer, do hereby certify the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Colorado River Basin on September 20, 2012.

Robert Perdue Executive Officer

Data

EXHIBIT "A"

Summary of Violations of Board Order R7-2006-0050 and Mandatory Minimum Penalties

No.	Assessed Violation ¹ No.	Date Occurred	Description of Violation	Serious Violation Defined by Water Code 13385(h)	Amount Assessed Dollars (\$)
1	888590	11/10/2010	Exceeded Daily Maximum Effluent Limit of 400 MPN/400 mL for E. coli. Reported value = 1,990 MPN/100 mL	No	0 ²
2	888592	11/24/2010	Exceeded Daily Maximum Effluent Limit of 400 MPN/400 mL for E. coli. Reported value = 800 MPN/100 mL	No	0 ²
3	888593	11/30/2010	Exceeded Monthly Average Effluent Limit of 126 MPN/400 mL for E. coli. Reported value = 130 MPN/100 mL	No	0 ²
4	894541	1/19/2011	Exceeded Daily Maximum Effluent Limit of 400 MPN/400 mL for E. coli. Reported value = 1,990 MPN/100 mL	No	3,000
5	897795	3/17/2011	Exceeded Daily Maximum Effluent Limit of 400 MPN/400 mL for E. coli. Reported value = 770 MPN/100 mL	No	3,000

Total: \$6,000

 $^{^{\}rm 1}$ Data Source: California Integrated Water Quality System (CIWQS) $^{\rm 2}$ This is a supporting violation

EXHIBIT "B"



CITY OF HOLTVILLE

121 WEST FIFTH STREET

CIVIC CENTER * HOLTVILLE, CALIFORNIA 92250-1298 * (760):356-2912

"THE GARROT CAPITAL OF THE WORLD"

August 6th, 2012

Mr. Jose Angel
Assistant Executive Officer
Regional Water Quality Control Board, Division of Water Quality
Colorado River Basin Region
73-720 Fred Waring Drive, Suite 100
Palm Desert, CA 92260

Subject: City of Holtville - NPDES Permit No. CA0104361

Administrative Civil Liability Compliant No. R7-2012-0020

Compliance Project Proposal

Dear Mr. Angel:

Summarized below for your review is our Compliance Project proposal in relation to Administrative Civil Liability Compliant No. R7-2012-0020.

It is understood that the City of Holtville has incurred a total of \$6000 in civil liability penalties. As stated in our later dated April 24, 2012, the City of Holtville requested to engage the Prosecution Team in settlement discussions, including but not limited to proposing a Compliance Project (CP) in accordance with the Enforcement Policy of the State Water Resources Control Board, in lieu of paying the \$6,000 of the proposed civil liability.

At this time, we would like to formally propose a Compliance Project that will meet or exceed the total amount of mandatory minimum penalties assessed to date in order to correct the causes of the effluent limitation violations.

Specifically, the ACL Complaint references (5) <u>E.Coli effluent limit violations</u> that occurred between November 2011 thru March 2012. These effluent violations were a direct result of low ultraviolet light transmittance (<55%), which reduces the efficiency of our disinfection process. This situation is typically experienced during the winter months due to the low ambient temperatures, which hinder our biological secondary treatment, thus reducing overall effluent quality.

The Compliance Project we hereby propose would involve installing an <u>aluminum sulfate (alum)</u> injection system that would further clarify and improve the final secondary effluent quality prior to filtration. The objective is to inject alum into the secondary clarifier effluent splitter box, disperse and flash mix using compressed diffused air, and pump the *treated* secondary effluent upstream into the dynamic backwash filters (which are continuously scouring), where the *coagulated solids* could then be trapped-removed-returned to the secondary clarifiers for settling.

File: TA 13 0105 All, Holtville WWTP, Order PEGION 7

Such treatment would significantly reduce the "turbidity" of the filtered effluent to the UV disinfection system, which would increase the transmittance of UV light and overall effectiveness of our disinfection process.

Turbidity is an optical measurement defined by light scattering, and typically used to measure filter effluent clarity. Regularly used in the clarification of drinking water, coagulants reduce effluent turbidity, suspended solids and color.

Summarized below for your review are the best estimates of probable costs:

Equipment/Mater	1al			
Costs	Quant	Description	Unit Cost	Total
and the second series and second series and second second second second second second second second second sec	2	Polystar secondary containment for (2) existing 1500 gal. poly chemical tanks	\$ 4140	\$4140
	1	95 gpd peristaltic chemical feed pump	\$ 600	\$600
	1	Intermatic 24 hr. Pump control timer	\$ 125	\$125
	4	Forced air diffuser nozzles	\$ 20	\$80
	All all a	Misc. plumbing fittings and connectors	\$ 300	\$300
			Total equipment and materials costs:	\$5245
Labor/Installatio	n			,
Costs		Description	Work Estimate	Total
		Electrical contract work for installation of 24 hr. control timer and related receptacles.	\$ 800	\$800
			Total contracted labor and installation costs:	ŞBOO
			TOTAL PROJECT COST:	\$6045

The expenditures for this project would be funded by the City of Holtville's Sewer Fund (2012-2013 wastewater plant annual operating budget).

Upon approval, we expect the project to be completed within 4-6 months, and by no later than April 2013.

We would greatly appreciate your prompt consideration of this proposal at the next regularly scheduled Regional Board Hearing. Please be assured that we will continue doing everything we can to completely resolve all of our compliance issues. Feel free to contact me if you have any questions or comments regarding this letter at 760-356-3186 or 760-457-9064.

Respectfully Submitted,

Frank Cornejo. Waterworks Supervisor City of Holtville

RECEIVED
MEOUSZOIZ
REGION 7



2000 Midway Drive, Twinsolog, Onio [# 800.275.3453 [# 330.405.6186

Mr. Frank Cornejo

Company: City of Holtville Date: July 26, 2011

E-mail:fcornejo@holtville.ca.gov

RE: Secondary Containment Requirements / POLY DIKETM WALL SYSTEM

Dear Frank,

Thank you for the opportunity to quote on your requirement.

- · POLYSTAR specializes in preventing Hazardous Material spills.
- We solve your SPCC problems by offering unique world class secondary containment systems that are the best return on investment of your environmental compliance dollar.

Visit our web site www.polystarcontainment.com

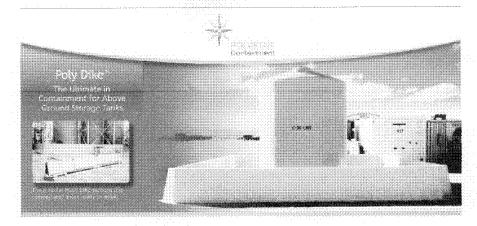
We are proud of our full service approach and offer custom solutions for the larger more complex requirements. We look forward to a lasting relationship with City of Holtville.

The POLYSTAR Advantage

- Our systems are insurance against the remediation expense of Hazardous Material spills.
- Our systems are surface mounted and thus do not require excavation at point of installation.
- · Our Systems can be relocated for many years of reuse.
- Our Fiberglass composite products are considered robust with a projected useful life of 15 to 20 years.
- We offer unique solutions to Secondary Containment Requirements and the best return on investment of your environmental compliance dollar.



2030 (Jidway Drive, Twinsburg, Ohio (# 800.275.3453) #: 330.405.8186



POLY DIKETM WALL SYSTEM

A Poly DikeTM Wall System is needed to provide secondary containment for tanks containing liquid aluminum sulfate. Poly DikeTM system walls are a truncated triangular design and are manufactured from nominal 1/4" thick fiberglass. The fiberglass will include an industrial-grade, corrosion resistant isophthalic resin or vinyl ester resin and a gray gel coat finish.

POLY DIKETM WALL SYSTEM MEASURING 20' LONG X 10' WIDE X 18" HIGH INSIDE DIMENSIONS — Utilizing a Liner

(Capacity @ 2,992 Gallons)

QUOTED PRICE

\$ 4,140.00

Included in quoted price:

- Liner (30 Mii) LLDPE
- · Liner Locks, with self tapping fasteners
- · Securing Rods (rubber mallet not included)
- FOUR (4) 90° corners
- Sleeve Joiner

Freight TBD Based on Location

RECEIVED REGION 7