

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
COLORADO RIVER BASIN REGION**

TIME SCHEDULE ORDER R7-2016-0008

ISSUED TO
ONE WORLD BEEF, LLC, OWNER/OPERATOR
BRAWLEY SLAUGHTERHOUSE WASTEWATER TREATMENT FACILITY
Brawley – Imperial County

The California Regional Water Quality Control Board, Colorado River Basin Region (Colorado River Basin Water Board) finds that:

1. One World Beef, LLC (OWB or Discharger), submitted an application and Report of Waste Discharge (ROWD) for Waste Discharge Requirements (WDRs), dated November 25, 2015, for proposed on-site discharges of wastes from a wastewater treatment facility (WWTF) that provides services to a beef slaughterhouse and processing facility (Facility). The Facility is located at 57 Shank Road, Brawley, CA 92227, in Imperial County, as shown in Attachment A, incorporated herein and made part of this Board Order by reference.
2. The Discharger has entered into a Purchase and Sales Agreement (Agreement) to buy the Facility from National Beef California, LP (NBC). NBC is a wholly-owned subsidiary of National Beef Packing Company, LLC (headquartered in Kansas City, Missouri), which in turn is a subsidiary of Leucadia National Corporation. The Facility is expected to be sold presently to the Discharger pursuant to the Agreement.
3. The WWTF consists of primary screens, two Dissolved Air Flotation (DAF) units, an anaerobic digester (Pond 1), an intermediate dissolved air flotation unit, an aerobic activated sludge pond (Pond 2), a clarifier, a polishing pond (Pond 3), which consists of a clarifier (Pond 3A/3B) and diversion pond (Pond 3C), a suspended air flotation (SAF) unit, and a belt filter press for dewatering solids. All three ponds are unlined. The WWTF also includes an unlined storm water pond onsite that is not considered part of the WWTF. Attachment B, incorporated herein and made part of this Board Order by reference, shows the flow diagram for the WWTF.
4. The Discharger proposes to resume operations at the Facility in February 2016 and discharge wastewater at two locations: (1) to areal groundwater through the three unlined ponds and (2) from the WWTF into the city of Brawley municipal wastewater collection system for further treatment and disposal at the city of Brawley Wastewater Treatment Plant (Brawley WWTP).
5. Based on NBC's monitoring data for the WWTF, Table 1, below, shows the characteristics of the proposed discharge of wastewater to the unlined ponds and the city of Brawley POTW:

Table 1: Projected Discharge Characteristics					
Constituent	units	Monthly Averages			
		Raw Wastewater	DAF Effluent	Pond 1 Effluent	Final WWTF Effluent
Biochemical Oxygen Demand	mg/L	6000	5200	1500	<100
Total Organic Carbon	mg/L	2600	1700	150	<100
Total Suspended Solids	mg/L	3000	2200	750	50
Total Dissolved Solids	mg/L	2100	2100	2100	2100
Total Kjeldahl Nitrogen	mg/L	150	150	150	<50
Ammonia	mg/L	120	120	120	30
Oil & Grease	mg/L	750	750	50	<20
Alkalinity	mg/L	500	500	500	500

6. The Discharger proposes to implement a phased approach to ramp up operations at the Facility. During the start-up phase, it proposes to process 100 to 200 head of cattle per day. Ultimately, the Discharger expects to process up to 1,600 head of cattle per day. To address water quality concerns and ensure compliance with the Brawley Pretreatment Program, the Discharger also proposes to make improvements to the WWTF before and after starting operations. Table 2, below, shows the proposed improvement program, time schedule for implementation, and projected amount of wastewater to be generated by each phase:

Table 2: OWB's Proposed WWTF Discharges and Improvements			
Phase	Proposed WWTF Improvements	Month/Year	Wastewater¹ Flow Rate (gpd)
Phase 1	Replace rotary drum screens, replace wastewater pumps, overhaul DAF units, replace aeration system in Pond 2. Implement biological denitrification via baffle system, mixing and recirculation, and pH and dissolved oxygen monitoring.	Dec 2015-Jun 2016	200,000
Phase 2	Increase aeration requirements for Pond system	Jul 2016-Jun 2017	400,000

Table 2: OWB's Proposed WWTF Discharges and Improvements			
Phase	Proposed WWTF Improvements	Month/Year	Wastewater¹ Flow Rate (gpd)
Phase 3	Overhaul biogas utilization system; bypass pumping for denitrification slip stream.	Jul 2017-Jun 2018	750,000
Phase 4	Replace sheet pile clarifier and SAF with new optimized clarifier.	Jul 2018-Jun 2021	1,000,000
Phase 5	Clean close Pond 1, Engineering Alternative, refurbish Pond 1, or construct new anaerobic lagoon with internal mixing and sludge withdrawal system. Reuse or separate lined evaporation. Segregation of wastewater.	Jul 2018-Jun 2021	1,300,000
¹ Discharge of wastes is expected to start in February 2016.			

Hydrogeologic Conditions

7. The average annual precipitation in the Imperial Valley is about 3 inches per year. The average annual evapotranspiration rate is about 71 inches per year.
8. Soil units represented in the location of the slaughterhouse are the Imperial-Glenbar-silty clay and Imperial-silty clay to sandy silt. The shallow hydrogeologic profile includes surficial confining silty clay over sandy clayey silt, with an upper confined/semi-confined aquifer. The surficial confining unit consists of very stiff clay extending from 0 to 20 feet. Below that, at 20-25 feet below ground surface (bgs), is a medium-dense sandy clayey silt. The local upper aquifer is approximately 9-21 feet bgs.
9. Surface waters in the area of the site consist of the Imperial Irrigation District (IID) irrigation canals, surface drains, and tile drains (Imperial Valley Drains). Agricultural subsurface drainage water, which enters tile drains and open drains near the site, serves as a source of freshwater replenishment to the Salton Sea. The IID's Oakley Canal borders the slaughterhouse on the east.
10. There are no domestic or municipal wells within 500 feet of the WWTF. Groundwater flow in the area is to the northwest toward the Salton Sea.
11. Water supply to the Facility from the city of Brawley has a TDS concentration of approximately 850 mg/L.
12. On June 27, 2013, pursuant to Section 13267 of the California Water Code, the Colorado River Basin Water Board issued a Technical Order against NBC. The Technical Order required NBC to conduct a groundwater investigation to determine whether the discharge to the unlined ponds adversely impacted groundwater and, if so, the extent of that impact. The Technical Order also required NBC to properly characterize its wastewater for regulatory purposes.

13. In response to the Technical Order, NBC installed eleven on-site groundwater monitoring wells. It submitted the results of its groundwater investigation and wastewater characterization in a report titled "Groundwater Study Wastewater Pre-treatment System," dated September 27, 2013, prepared by its consultant, HR Green. Colorado River Basin Water Board staff reviewed the report and found that the wastewater discharged to the unlined ponds not only had the potential to adversely impact groundwater, but it also caused concentrations of BOD and Nitrate to increase in areal groundwater when compared to background concentrations, albeit the increase appeared to be confined to the immediate vicinity of the ponds.
14. Based on the groundwater investigation and wastewater characterization, the Colorado River Basin Water Board notified NBC in a letter, dated January 31, 2014, that Pond 1 will be regulated pursuant to Title 27 of the California Code of Regulations (CCR), and that Ponds 2 and 3 will be regulated under Division 7, Chapter 4, Article 4 [commencing with Section 13260] of the California Water Code (CWC). The letter also noted that Ponds 2 and 3 do not require a liner at this time, but recommended compaction of existing clay materials at the next regularly scheduled maintenance following installment of the new Pond 1. Further, the letter explained that all three ponds must be included in the groundwater monitoring program. Finally, the letter requested NBC to provide additional technical specifications for the proposed upgrades and improvements to the ponds so that Waste Discharge Requirements could be drafted for all three ponds in one Board Order.

Basin Plan, Beneficial Uses, and Regulatory Considerations

15. The Water Quality Control Plan for the Colorado River Basin (Basin Plan), which was adopted on November 17, 1993, and amended on November 16, 2012, designates beneficial uses, establishes water quality objectives, and contains implementation programs and policies to achieve those objectives for all waters addressed through the plan (including amendments adopted by the Colorado River Basin Water Board to date). In addition, State Water Resources Control Board (State Water Board) Resolution 88-63 requires that, with certain exceptions, regional water boards assign the municipal and domestic supply use to water bodies that do not have beneficial uses listed in their Basin Plans.
16. The proposed discharge from the Facility to the unlined ponds is within the Imperial Hydrologic Unit, whose beneficial uses are designated as:
 - a. Municipal supply (MUN)
 - b. Industrial supply (IND)
17. First-encountered groundwater beneath the site is not currently used for municipal purposes because of its relatively high salt concentrations.
18. The beneficial uses of waters in the Imperial Valley Drains are:
 - a. Fresh Water replenishment of Salton Sea (FRSH)
 - b. Non-contact Water Recreation (REC II)
 - c. Warm Water Habitat (WARM)
 - d. Wildlife Habitat (WILD)
 - e. Preservation of Endangered or Threatened Species (END)

19. On January 14, 2016, the Colorado River Basin Water Board adopted Waste Discharge Requirements (WDRs) Order R7-2016-0007 to regulate onsite waste discharges into the unlined ponds. The discharge from the OWB Facility to the city of Brawley WWTF is governed by the city of Brawley's Waste Discharge Requirements Order R7-2015-0004 (National Pollutant Discharge Elimination System Permit No. CA0104523), which includes pretreatment program requirements for Industrial Users, to which NBC was subject, and OWB will now be subject.
20. Board Order R7-2016-0007 specifies prohibitions, effluent limitations, specifications, and provisions necessary to protect the beneficial uses of the surface and ground waters within the Colorado River Basin Region.
21. Discharge Prohibitions A.1, A.2, and A.3 of Board Order R7-2016-0007 state:
 - "[A.1] Discharge of waste classified as "hazardous", as defined in Title 23, CCR, Section 2521(a), or "designated", as defined in California Water Code Section 13173, is prohibited.
 - "[A.2] The treatment or disposal of wastes from the facility shall not cause pollution or nuisance as defined in Sections 13050(l) and 13050(m) of Division 7 of the California Water Code.
 - "[A.3] The Discharger shall not cause degradation of any water supply in accordance with State Water Resources Control Board Resolution 68-16."
22. Groundwater Limitations D.1 and D.3 of WDRs Order R7-2016-0007 state that:
 - "[D.1] Discharge from the ponds shall not cause groundwater to contain waste constituents in concentrations statistically greater than background water quality.
 - "[D.3] Discharge from the ponds shall not cause groundwater to acquire taste, odor, toxicity, or color that creates nuisance or impairs beneficial use."
23. As shown in Table 1, Finding 5, above, the projected wastewater discharge from the Facility into the unlined ponds is characterized by relatively high concentrations of Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), Bacteria (as measured by the Most Probable Number of total coliform organisms per 100 milliliter sample), and Ammonia. Other pollutants found in the discharge to the unlined ponds include Oil and Grease, Total Petroleum Hydrocarbons, and Nitrate.
24. The actual wastewater characteristics of the proposed discharge may vary based on the Discharger's actual monitoring data for the WWTF once the Facility commences and ramps up operations. However, based on the WWTF and proposed improvements to the WWTF, Colorado River Basin Water Board staff has concluded that the variation may not be sufficiently significant to eliminate the need to manage the discharge pursuant to Title 27 (Alternative 1). Nevertheless, the variation, coupled with implementation of onsite best practicable treatment or control (BPTC) of the discharge, and other onsite improvements to Pond 1, as proposed by the Discharger for Phase 5, provide the Discharger with an opportunity to submit an Engineered Alternative pursuant

to Title 27 (Alternative 2). Notwithstanding Board staff's conclusion, the Discharger may undertake such improvements that may result in a material change in the quantity and/or quality of the onsite wastewater discharged to the unlined ponds so that the discharge may not have to be managed as a "designated waste" pursuant to Title 27. Under this scenario, the Discharger may reapply for revised waste discharge requirements (Alternative 3).

25. In the interim and in light of the foregoing, the proposed onsite discharge threatens violation of Discharge Prohibitions A.1 through A.3 of WDRs Order R7-2016-0007.
26. The Colorado River Basin Water Board recognizes that the Discharger will need time to implement onsite improvements to bring its discharge in compliance with WDRs Order R7-2016-0007 and Title 27 under Alternatives 1 and 2, if the Discharger selects either of those alternatives.
27. Section 13300 of the CWC states:

"Whenever the regional board finds that a discharge of waste is taking place or threatening to take place that violates or will violate requirements prescribed by the regional board, or the state board, or that the waste collection, treatment, or disposal facilities of a discharger are approaching capacity, the board may require the discharger to submit for approval of the board, with such modifications as it may deem necessary, a detailed time schedule of specific actions the discharger shall take in order to correct or prevent a violation of requirements."
28. Section 13167.5 of the CWC states in relevant part:

"(a) The state board or the regional board, as applicable, shall provide notice and a period of at least 30 days for public comment prior to the adoption of any of the following...(4) A time schedule order adopted pursuant to Section 13300 that sets forth a schedule of compliance and required actions relating to waste discharge requirements prescribed pursuant to Section 13263 or 13377."
29. Imperial County has a 21.2% unemployment rate (April 2015), which is among the highest unemployment rates in California. The reopening of the Facility for operational purposes is expected to create up to 600 jobs. County data show that for every job created at a packing plant, 7 jobs are created externally. When NBC closed the Facility, packing, local cattle feeders incurred an additional \$10,000,000 in freight costs to ship cattle out of state or further distances in state to be slaughtered.
30. Based on the foregoing, because providing the Discharger with a time schedule is necessary under any of the Alternatives described in Finding 24, above, it is in the best interest of the people of the state of California to issue this Time Schedule Order.
31. This enforcement action is exempt from the provisions of the California Environmental Quality Act ((CEQA) Public Resources Code Section 21000 et seq.), pursuant to Section 15321, Article 19, Division 3, Title 14, California Code of Regulations (CCRs).
32. In compliance with CWC Section 13167.5(a)(4), the Colorado River Basin Water Board provided notice and a period of 30 days for public comment of this Time Schedule Order, and considered any comments received prior to its adoption.

33. Any person aggrieved by this action of the Colorado River Basin Water Board may petition the State Water Board to review the action in accordance with CWC Section 13320 and CCRs, Title 23, Section 2050 et seq. The State Water Board must receive the petition by 5:00 p.m., 30 days after the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received by the State Water Board by 5:00 p.m. on the next business day. Copies of the law and regulations applicable to filing petitions may be found on the Internet at: http://www.waterboards.ca.gov/public_notices/petitions/water_quality or will be provided upon request.

IT IS HEREBY ORDERED, that pursuant to Sections 13267 and 13300 of the CWC, the Discharger shall prepare technical reports and shall bring its onsite discharges of wastes into compliance with Board Order R7-2016-0007 and the requirements described in this Order by complying with the following:

1. **Alternative 1 (Compliance with prescriptive Standards of Title 27)**—The Discharger shall submit **by February 28, 2017**, a technical report providing information pursuant to Title 27, CCR, sections 21710 through 21760, for a Class II surface impoundment and a time schedule for implementation to bring Pond 1 into full compliance with all of the applicable requirements of Title 27, CCR, Section 20005 et seq. The proposed water quality monitoring program shall also include provisions for monitoring Ponds 2 and 3 for purposes of detecting, characterizing, and responding to releases.
2. **Alternative 2 (Engineered Alternative to Prescriptive Title 27 Standards)**—In lieu of compliance with Alternative 1, above, the Discharger may submit **by February 28, 2017**, a technical report with proposed design plans, specifications, and a time schedule for implementation of a proposed Engineered Alternative, as provided by and pursuant to Title 27.
3. **Alternative 3 (Material Change in the Quality or Quantity of the Wastewater Treated or Discharged)**—If there is a material change in the quality or quantity of the wastewater treated or discharged to the unlined ponds such that the wastewater does not need to be managed as a “designated waste” pursuant to Title 27, the Discharger may apply for revised waste discharge requirements and shall submit the appropriate justification in support of the application.
4. **By July 15, 2016**, the Discharger shall submit a technical report that (1) certifies the proposed improvements for Phase 1 have been implemented; and (2) describes the technical details of the improvements.
5. After Phase 1, the Discharger shall provide written notification to the Colorado River Basin Water Board **30 days before it commences a new Phase of operation**. The notification shall specify the proposed date on which a new Phase will start, a description of the proposed new Phase, the projected maximum wastewater flow rate for the new Phase, and the maximum number of head of cattle to be slaughtered in the new Phase.

6. **By February 28, 2017**, the Discharger shall submit a technical report with proposed design plans, specifications and a time schedule for implementation of onsite improvements to Ponds 2 and 3 in order to eliminate the threat to areal groundwater quality posed by the incidental waste discharged from these unlined ponds, and to prevent nuisance conditions associated with the on-site wastewater treatment and disposal facilities.
7. **By July 15, 2017**, the Discharger shall submit a technical report that (1) certifies the proposed improvements for Phase 2 have been implemented; and (2) describes the technical details of the improvements.
8. **By July 15, 2018**, the Discharger shall submit a technical report that (1) certifies the proposed improvements for Phase 3 have been implemented; and (2) describes the technical details of the improvements.
9. **By July 15, 2021**, the Discharger shall submit a technical report that (1) certifies the proposed improvements for Phase 4 have been implemented; and (2) describes the technical details of the improvements.
10. In accordance with California Business and Professions Code Sections 6735, 7835, and 7835.1, engineering and geologic evaluations and judgments shall be performed by or under the direction of California registered professionals (i.e., civil engineer, engineering geologist, geologist, etc.) competent and proficient in the fields pertinent to the required activities. All technical reports specified herein that contain work plans, that describe the conduct of investigations and studies, or that contain technical conclusions and recommendations concerning engineering and geology shall be prepared by or under the direction of appropriately qualified professional(s), even if not explicitly stated. Each technical report submitted by the Discharger shall contain a statement of qualifications of the responsible licensed professional(s) as well as the professional's signature and/or stamp of the seal. Additionally, all field activities are to be conducted under the direct supervision of one or more of these professionals.
11. All technical reports required in conjunction with this Order are required pursuant to Section 13267 of the CWC, and shall include a statement by the Discharger, or an authorized representative of the Discharger, certifying under penalty of perjury under the laws of the state of California, that the reports were prepared under his or her supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted, and that based on his or her inquiry of the person or persons who manage the system, the information submitted is, to the best of his or her knowledge and belief, true, complete, and accurate.
12. The Colorado River Basin Water Board reserves its right to take any enforcement action authorized by law. Accordingly, failure to timely comply with any provisions of this Order may subject the Discharger to further enforcement action. Such actions include, but are not limited to, the assessment of administrative civil liability pursuant to CWC Sections 13323, 13268, and 13350, a Time Schedule Order issued pursuant to CWC Section 13308, or referral to the California Attorney General for recovery of judicial civil liability.

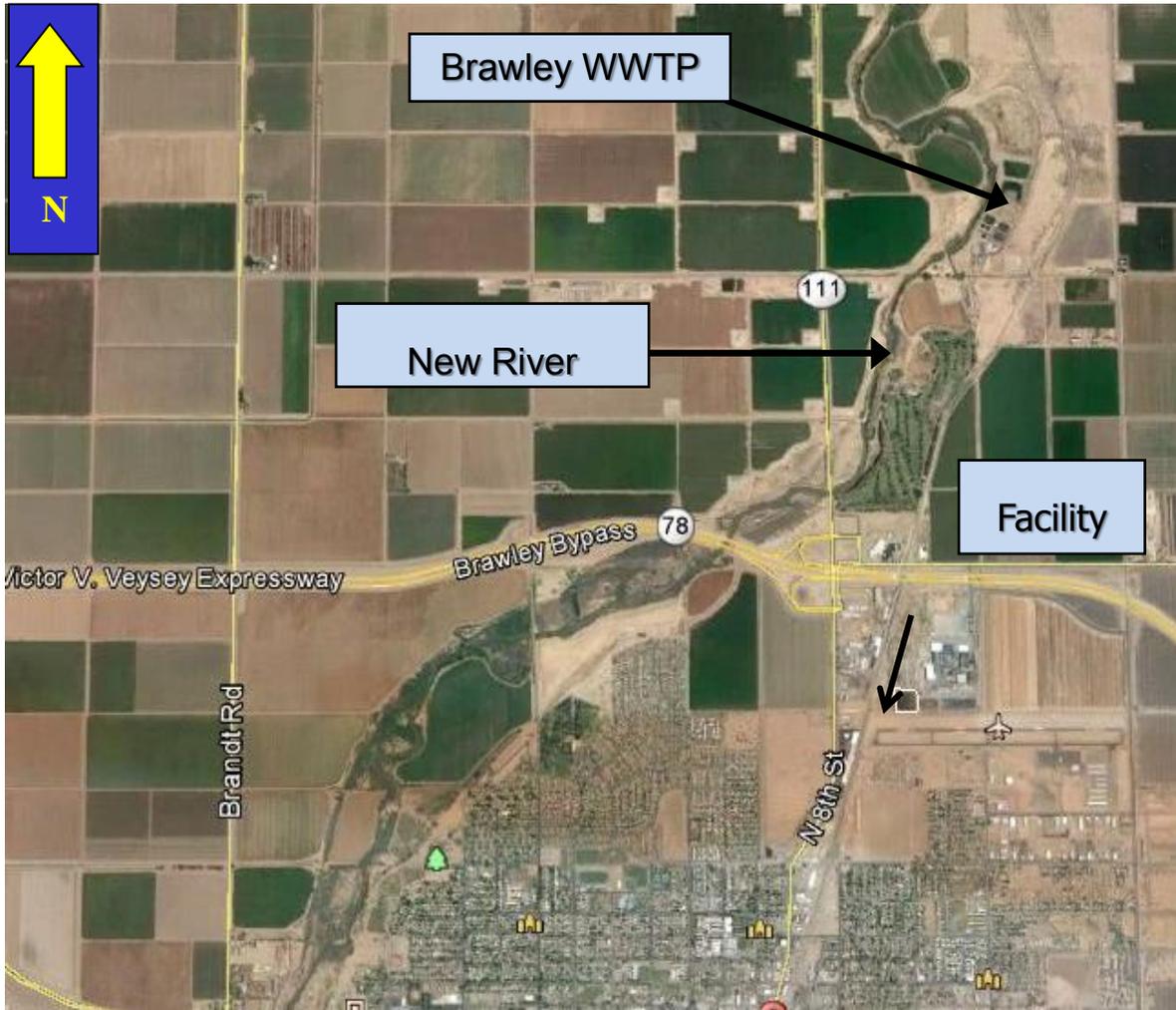
13. This Board Order does not convey property rights of any sort, or exclusive privileges, nor does it authorize injury to private property or invasion of personal rights, or infringement of federal, state, or local laws or regulations.
14. This Board Order may be modified, rescinded, or reissued, for cause. The filing of a request by the Discharger for a Board Order modification, rescission or reissuance, or notification of planned changes or anticipated noncompliance, does not stay any Board Order condition.

I, Jose L. Angel, Interim 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 Region, on January 14, 2016.

Ordered By: Jose L. Angel
JOSE L. ANGEL, P.E.
Interim Executive Officer

1/14/2016
Date

Attachment A – Facility Location Map



Brawley Slaughterhouse
TSO R7-2016-0008
Facility Location: T13S, R14E, Sections 27 and 28, SBB&M
57 Shank Road, Brawley, CA 92227, in Imperial County