

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LOS ANGELES REGION

In the matter of:)	
)	
PORT OF LOS ANGELES)	Order No. R4-2016-0339
)	
Complaint No. R4-2015-0019)	Settlement Agreement and Stipulation for
for Administrative Civil)	Entry of Order; Order
Liability)	

Section I: Introduction

This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order (“Stipulation”) is entered into by and between the Assistant Executive Officer of the Los Angeles Regional Water Quality Control Board (“Regional Water Board”), on behalf of the Prosecution Staff (“Prosecution Staff”) and the Port of Los Angeles (“POLA”) (collectively “Parties”) and is presented to the Los Angeles Regional Water Quality Control Board, or its delegate, for adoption as an order by settlement pursuant to Government Code section 11415.60. The Stipulation shall take effect and become binding on POLA upon acceptance of the Stipulation and entry of the Order attached hereto (“Order”) by the Regional Water Board, or its delegate.

Section II: Recitals

1. POLA owns and operates the New Dock Street Pump Station (“Facility”) located at 151 Henry Ford Avenue, Terminal Island, California, on land owned by the City of Long Beach. POLA operates the Facility through a legal agreement with the City of Long Beach. The Facility receives and treats infiltrating groundwater and storm water runoff. POLA is permitted to discharge up to 7.25 million gallons per day of the treated wastewater into the Cerritos Channel. The Facility has been subject to the following orders of the Regional Water Board during the period of the alleged effluent limit violations as listed in Attachment A - Amended Exhibit “1” – Notice of Violation attached hereto and incorporated by reference:

- Waste Discharge Order No. R4-2006-0086 (Effective from November 11, 2006 through August 29, 2013)
- Waste Discharge Order No. R4-2013-0108 (Effective from August 30, 2013 through August 30, 2018)
- Time Schedule Order No. R4-2013-0109 (Effective from July 11, 2013 through July 11, 2017)

2. Settlement Offer No. R4-2015-0019 (“Expedited Payment Letter”) is an offer to participate in the Regional Water Board’s Expedited Payment Program, to impose a statutory mandatory minimum penalty totaling \$150,000 for alleged violations of the Regional Water Board Order Nos. R4-2006-0086 and R4-2013-0108. The Expedited Payment Letter is attached hereto and incorporated by reference as Attachment B.

3. The Expedited Payment Letter alleges that POLA violated Regional Water Board Order Nos. R4-2006-0086 and R4-2013-0108, as noted in POLA's self-monitoring reports from the 1st Quarter 2013 through the 4th Quarter 2014. Subsequent to issuance of the Expedited Payment Letter, Prosecution Staff evaluated the 1st Quarter 2015 through 2nd Quarter 2016 self-monitoring reports and discovered 13 additional violations of the copper and zinc effluent limitations. Of the 65 violations reported, 63 are subject to mandatory minimum penalties pursuant to Water Code section 13385(h) and (i). These violations include effluent limit exceedances for flow, copper, lead, mercury, nickel, zinc, total suspended solids, settleable solids, and phenol. The alleged effluent limit violations are specified in Attachment A - Amended Exhibit "1" – Notice of Violation.

4. To resolve by consent and without further administrative proceedings certain alleged violations of the California Water Code, and Regional Water Board Order Nos. R4-2006-0086 and R4-2013-0108, the Parties have agreed to the imposition of ONE HUNDRED EIGHTY NINE THOUSAND DOLLARS (\$189,000) in mandatory minimum penalties against POLA. Payment of EIGHTY SEVEN THOUSAND DOLLARS (\$87,000) shall be paid to the *State Water Cleanup and Abatement Account* no later than 30 days following the Regional Water Board or its delegee executing this Order. The remaining ONE HUNDRED TWO THOUSAND DOLLARS (\$102,000) in mandatory minimum penalties shall be suspended upon completion of a Supplemental Environmental Project ("SEP") for Litter Control Measures.

5. The Parties have engaged in settlement negotiations and agree to settle the matter without administrative or civil litigation and by providing this Stipulation to the Regional Water Board, or its delegate, for adoption as an Order pursuant to Government Code section 11415.60. Upon the execution of this Stipulation and entry of the Order by the Regional Water Board, or its delegate, the terms and conditions of this Stipulation and the Order shall be binding upon the Parties and the Regional Water Board.

6. The Prosecution Staff has determined based on the information in the record that the resolution of the alleged violations (i.e., assessment of mandatory minimum penalties, a portion of which are allocated towards the completion of a SEP) is fair and reasonable and fulfills its enforcement objectives of Water Code sections 13000 et seq., the 2010 State Water Resources Control Board Water Quality Enforcement Policy, and satisfies the objectives and requirements of the Federal Clean Water Act (33 U.S.C. § 1251 et seq.) as implemented by the foregoing, and that no further action is warranted concerning the specific violations alleged in the Complaint except as provided in this Stipulation; and that this Stipulation is in the best interest of the public.

Section III: Stipulations

The Parties stipulate to the following:

7. **Administrative Civil Liability:** POLA hereby agrees to the imposition of an administrative civil liability totaling ONE HUNDRED EIGHTY NINE THOUSAND DOLLARS (\$189,000) as set forth in Paragraph 4 of Section II herein. POLA agrees that within thirty (30) days of issuance of the Order, POLA shall remit, by check, EIGHTY

SEVEN THOUSAND DOLLARS (\$87,000) payable to the *State Water Pollution Cleanup and Abatement Account*, and shall indicate on the check Order No. R4-2016-0339. POLA shall send the original signed check to the State Water Resources Control Board Accounting Office, Attn: ACL Payment, P.O. Box 1888, Sacramento, CA 95812-1888. Copies of the check shall be sent to Andrew Choi, Regional Water Quality Control Board, Los Angeles Region, 320 West Fourth Street, Suite 200, Los Angeles, California 90013 or via e-mail to Andrew.Choi@waterboards.ca.gov. Further, POLA agrees that ONE HUNDRED TWO THOUSAND DOLLARS (\$102,000) of this administrative civil liability shall be suspended (the "Suspended Liability") upon completion of a SEP as set forth in Paragraph 4 of Section II herein and Attachment C attached hereto and incorporated by reference.

8. **Supplemental Environmental Project (SEP):** Upon the Regional Water Board's acceptance of this Stipulation, the Settling Respondent agrees to perform the SEP as described in Paragraphs 9 through 19, below, and Attachment C, detailing the implementation of the SEP, incorporated herein by reference.

9. **SEP Description:** The goal of the Litter Control Measures is to reduce the trash and litter loading from land-side activities into harbor waters. The SEP consists of installation of trash skimmers and media filters and debris screens in storm drain inlets. Trash skimmers will focus on reducing floating trash and other materials around marinas and harbors. Media filters and debris screens installed in storm drain inlets will remove surface runoff pollutants and prevent litter from entering the storm drain system. This SEP is to reduce pollutants from making their way to the same receiving waters as those ultimately affected by the effluent exceedances at POLA's Facility. The SEP shall be completed within 15 months upon adoption of this Stipulation and entry of the Order. For more detail on the SEP project due dates, see Table 1 below:

a. **Trash Skimmers**

Trash skimmers will be strategically utilized around marinas and harbors where free floating trash and materials accumulate due to the natural flow of currents. Trash skimmers are designed to be mounted onto docks. Approximately 300 gallons of seawater per minute will flow through the trash skimmer catch receptacle. The receptacle traps floating trash and other materials until it can be removed. Trash skimmers will be made available to all marinas within the Port of Los Angeles on a trial basis. POLA will then evaluate and determine the most suitable locations among all marinas that showed an interest. Each trash skimmer costs approximately \$15,000, which includes the trash skimmer, control panel, brackets and scoop net, installation, and a 2-year service contract. POLA will install two trash skimmers.

b. **Media Filters and Debris Screens in Stormdrain Inlets**

Media filters and debris screens will remove surface runoff pollutants. Media filter types will vary based on targeted pollutants, reduction efficiency and costs. The debris screens are a physical barrier to prevent litter from entering the storm drain system. POLA will evaluate approximately 300 storm drain inlets for

media filter installation and 150 stormdrain inlets for debris screen installation. The evaluation will consist of surrounding land use assessment, public event activities assessment, visual observations of trash inside and around the stormdrain inlets and sediment sample collections, if necessary. The evaluation will identify the pollutants for each stormdrain and an appropriate stormdrain media filter or debris screen will be determined and installed on the highest priority stormdrains. POLA will install approximately 100 media filters and 100 debris screens based on the stormdrain inlet assessment.

Table 1 - Project Due Dates

Activity	Due Date
Purchase and Install Trash Skimmers	6 months from the adoption date
Conduct Stormdrain Inlet Assessment	6 months from the adoption date
Purchase and Install Suitable Stormdrain Inlet Treatment Measure	12 months from the adoption date
SEP Completion	15 months from the adoption date

10. **Representation of POLA:** As a material consideration for the Regional Water Board's acceptance of this Stipulation, POLA represents that it will utilize the funds as outlined in Paragraphs 4 and 7 to implement the SEP in accordance with the schedule and timeline for performance and the work plan contained in Attachment C. POLA understands that its promise to implement the SEP, in its entirety and in accordance with the work plan and schedule for performance, is a material condition of this settlement between POLA and the Regional Water Board.

11. **Agreement to Fund and Report, and Guarantee Implementation of the SEP:** POLA represents that upon the approval of this Stipulation and entry of this Order: 1) it will fund the SEP as described in this Stipulation; 2) it will provide a certified, written report to the Regional Water Board consistent with the terms of this Stipulation, including Attachment C, detailing the implementation of the SEP, 3) it will guarantee implementation of the SEP by remaining liable for the Suspended Liability until the SEP is completed and accepted by the Regional Water Board; and 4) within 30 days of the completion of the SEP, it will provide written certification, under penalty of perjury, that POLA complied with all applicable environmental laws and regulations in implementing the SEP including but not limited to the California Environmental Quality Act ("CEQA"), the federal Clean Water Act and the Porter-Cologne Act. POLA agrees that the Regional Water Board has the right to require an audit of the funds expended by it to implement the SEP, as further described in Paragraph 17 below.

12. **Publicity Associated with SEP:** Whenever POLA or its agents or subcontractors publicizes one or more elements of the SEP, they shall state in a **prominent manner** that the project is being undertaken as part of the settlement of an enforcement action by the Regional Water Board against POLA.

13. **Regional Water Board Oversight Costs:** Within thirty (30) days of issuance of the Order, POLA agrees to remit, by check, TWELVE THOUSAND DOLLARS (\$12,000) payable to the *State Water Pollution Cleanup and Abatement Account* as reimbursement for the Regional Water Board's expected costs of overseeing the implementation of the SEP. This amount represents the approximate 80 hours at \$150 an hour needed to review the design plans, reports and further communications with POLA in implementing the SEP. POLA shall indicate on the check Order No. R4-2016-0339 and specify that it is payment for SEP oversight costs. Should the amount of time actually spent to oversee implementation of the SEP be less than the number of hours anticipated, the Parties agree that no funds shall be returned to POLA. In the event that the Regional Water Board staff spends more time to oversee implementation of the SEP, the Parties agree that POLA is not liable for payment of the costs associated with the additional oversight hours. POLA shall send the original signed check to the State Water Resources Control Board Accounting Office, Attn: SEP Oversight Payment, P.O. Box 1888, Sacramento, CA 95812-1888. A copy of the check shall be sent to Andrew Choi, Regional Water Quality Control Board, Los Angeles Region, 320 West Fourth Street, Suite 200, Los Angeles, California 90013.

14. **Submittal of Progress Reports:** POLA shall provide quarterly progress reports on the Litter Control Measures SEP to the Regional Water Board Contact listed in Paragraph 23 below including an evaluation project progress and an accounting of all costs and expenses incurred for the SEP during that quarter. The requirement for quarterly progress reports commences upon adoption of this Stipulation and entry of the Order and will terminate upon issuance of the Satisfaction of Order, discussed in Paragraph 17 below. If no activity occurs during a particular quarter, a quarterly report so stating shall be submitted.

Table 2 - Progress Report Due Dates

Period		Due date
1st Quarter	January 1 to March 31	April 15
2nd Quarter	April 1 to June 30	July 15
3rd Quarter	July 1 to September 30	October 15
4th Quarter	October 1 to December 31	January 15

15. **Inspection:** POLA shall permit inspection of the SEP by the Regional Water Board staff at any time without notice.

16. **Final Report and Certification of Completion of SEP:** On or before the applicable SEP Completion Date, POLA shall submit the Final Report and a certified statement of completion of the Litter Control Measures ("Certification of Completion"). The Certification of Completion shall be submitted, under penalty of perjury, to the Regional Water Board Contact by a responsible official representing POLA. The Certification of Completion, in conjunction with the Final Report, shall include following:

- a. Certification that the SEP 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 SEP and the costs incurred by POLA.
- b. Certification documenting the expenditures by POLA during the implementation period for the SEP. POLA's expenditures may include external payments to outside vendors or contractors performing the SEP. In making such certification, POLA may rely upon normal 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. POLA shall provide any additional information requested by the Regional Water Board staff which is reasonably necessary to verify SEP expenditures.
- c. Certification, under penalty of perjury, that POLA followed all applicable environmental laws and regulations in the implementation of the SEP including but not limited to the California Environmental Quality Act (CEQA), the federal Clean Water Act, and the Porter-Cologne Act. To ensure compliance with CEQA where necessary, POLA shall provide the Regional Water Board with the following documents from the lead agency prior to commencing SEP construction:
 - i. Categorical or statutory exemptions relied upon;
 - ii. Negative Declaration if there are no potentially "significant" impacts;
 - iii. Mitigated Negative Declaration if there are potentially "significant" impacts but revisions to the project have been made or may be made to avoid or mitigate those potentially significant impacts; or
 - iv. Environmental Impact Report.
- a. **Third Party Financial Audit:** In addition to the Certification of Completion and at the written request of the Regional Water Board Assistant Executive Officer, POLA, at its sole cost, shall submit a report prepared by an independent third party acceptable to the Regional Water Board Assistant Executive Officer providing such party's professional opinion that POLA has expended money in the amounts claimed. The audit report shall be provided to the Regional Water Board Contact within three (3) months of notice from the Regional Water Board Assistant Executive Officer to POLA of the need for an independent third party financial audit. The audit need not address any costs incurred by the Regional Water Board for oversight.

17. **Regional Water Board Acceptance of Completed SEP:** Upon POLA's satisfaction of its obligations under this Stipulation, the completion of the SEP, and all related monitoring and reporting, and any audit requested by the Regional Water Board Assistant Executive Officer, the Regional Water Board Contact shall send POLA a letter recognizing satisfactory completion of its obligations under the SEP. This letter shall

terminate any further SEP obligations of POLA and result in the permanent suspension of the Suspended Liability.

18. Failure to Expend All Suspended Administrative Civil Liability Funds on the Approved SEP: In the event that POLA is not able to demonstrate to the reasonable satisfaction of the Regional Water Board Assistant Executive Officer that the entire Suspended Liability has been spent to complete the SEP, POLA shall pay the difference between the Suspended Liability and the amount POLA can demonstrate was actually spent to complete the SEP, as an administrative civil liability. POLA shall pay this amount within 30 days of its receipt of notice by the Regional Water Board Assistant Executive Officer's determination that POLA has failed to demonstrate that the entire Suspended Liability has been spent to complete the SEP components. In the event that payment is due pursuant to this Paragraph, POLA shall indicate on the original signed check Order No. R4-2016-0339 and send it to the State Water Resources Control Board Accounting Office, Attn: SEP Differential, P.O. Box 1888, Sacramento, CA 95812-1888. The check should be made payable to the *State Water Pollution Cleanup and Abatement Account*. Copies of the check shall be sent to Andrew Choi, Regional Water Quality Control Board, Los Angeles Region, 320 West Fourth Street, Suite 200, Los Angeles, California 90013.

19. Failure to Complete the SEP: If the SEP is not fully implemented by the SEP Completion Date required by this Stipulation, the Regional Water Board Assistant Executive Officer shall issue a Notice of Violation. As a consequence, POLA shall be liable to pay the entire Suspended Liability or, if shown by POLA, some portion thereof less the value of the completion of any milestone requirements as determined by the Motion for Payment of Suspended Liability, as described below, or as agreed in writing by the Parties. Unless otherwise agreed or determined by a Motion for Payment of Suspended Liability, POLA shall not be entitled to any credit, offset, or reimbursement from the Regional Water Board for expenditures made on the SEP prior to the date of receipt of the Notice of Violation. The amount of the Suspended Liability owed shall be determined by agreement of the Parties or, if the Parties cannot reach agreement, via a "Motion for Payment of Suspended Liability" before the Regional Water Board, or its delegate. Upon a determination by the Regional Water Board, or its delegate, of the amount of the Suspended Liability assessed, the amount shall be paid to the *State Water Board Cleanup and Abatement Account* within thirty (30) days after the service of the Regional Water Board's determination. In addition, POLA shall be liable for the Regional Water Board's reasonable costs of enforcement, including but not limited to reasonable legal costs and reasonable expert witness fees. Payment of the assessed amount will satisfy POLA's obligations to implement the SEP.

20. Regional Water Board is Not Liable: Neither the Regional Water Board members nor the Regional Water Board staff, attorneys, or representatives shall be liable for any injury or damage to persons or property resulting from acts or omissions by POLA, its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation or the Order, nor shall the Regional Water Board, its members or staff be held as parties to or guarantors of any contract entered into by POLA,

its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and Order.

21. **Covenant Not to Sue:** POLA 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.

22. **Compliance with Applicable Laws:** POLA understands that payment of the administrative civil liability in accordance with the terms of this Stipulation and Order, or compliance with the terms of this Stipulation and Order is not a substitute for future compliance with applicable laws, and that additional continuing violations of the type alleged in the Expedited Payment Letter may subject them to further enforcement by the Regional Water Board, including additional administrative civil liability.

23. **Party Contacts for Communications related to Stipulation and Order:**

For the Regional Water Board:

Mr. Andrew Choi
320 W. 4th Street, Suite 200
Los Angeles, CA 90013
(213) 576-6791
andrew.choi@waterboards.ca.gov

For POLA:

Mr. Christopher Cannon
Director
Environmental Management Division
Port of Los Angeles
425 S. Palos Verdes Street,
San Pedro, CA 90731

With Copy to:

Mr. Kenneth F. Mattfeld
Deputy City Attorney
Office of the Los Angeles City Attorney
425 S. Palos Verdes Street
San Pedro, CA 90731

24. **Attorney's Fees and Costs:** Except as otherwise provided herein, each Party shall bear all attorneys' fees and costs arising from the Party's own counsel in connection with the matters set forth herein.

25. **Matters Addressed by Stipulation:** Upon adoption of this Stipulation and entry of the Order by the Regional Water Board, this Stipulation and Order represent a final and binding resolution to settle, as set forth herein, all claims, violations or causes of action alleged in the Expedited Payment Letter Exhibit 1 and based on the specific facts alleged in this Stipulation (“Covered Matters”). The provisions of this Paragraph are expressly conditioned on the payment of the administrative civil liability as provided herein by the deadlines specified in this Stipulation, and POLA’s full satisfaction of the obligations described in this Stipulation and Order.

26. **Public Notice:** POLA understands that this Stipulation and the Order must be noticed for a 30-day public review period prior to consideration by the Regional Water Board. In the event objections are raised during the public comment period, the Regional Water Board may, under certain circumstances, require a public hearing regarding the Stipulation. In that event, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the Stipulation and the Order as necessary or advisable under the circumstances.

27. **Addressing Objections Raised During Public Comment Period:** The Parties agree that the procedures contemplated for adopting the Stipulation and Order by the Regional Water Board and conducting review of this Stipulation by the public are lawful and adequate. In the event procedural objections are raised prior to the Stipulation and 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.

28. **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. POLA is represented by counsel in this matter.

29. **Modification:** This Stipulation and Order shall not be modified by any of the Parties by oral representation made before or after its execution. Either Party may propose extensions or modifications as reasonably necessary to complete the SEP, and all modifications, including any extensions, must be in writing, mutually agreed upon and signed by all Parties and approved by the Regional Water Board.

30. **If Proposed Order Does Not Take Effect:** In the event that this Stipulation and/or the Proposed Order does not take effect because it is not approved by the Regional Water Board, or its delegate, 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 and/or a hearing panel to determine whether to assess administrative civil liabilities for the underlying alleged violations, unless the Parties agree otherwise. The Parties agree to re-initiate the hearing process in that new hearing procedures will issue with scheduled due dates for a hearing within 90 days from the date the Stipulation and/or the Proposed Order is deemed not accepted by the Regional Water Board. 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 pursuant to California Evidence Code section 1152. The Parties agree to waive any and all objections based on settlement communications in this matter, other than California Evidence Code section 1152 evidentiary objections, 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 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.

31. **Waiver of Hearing:** POLA has been informed of the rights provided by Water Code section 13323, subdivision (b), and hereby waives its right to a hearing for Settlement Offer No. R4-2015-0019 before the Regional Water Board or a hearing panel prior to the adoption of the Stipulation and Order by the Regional Water Board or its delegate.

32. **Waiver of Right to Petition Regional Board's Adoption of Stipulation and Order:** POLA hereby waives its right to petition the Regional Water Board's adoption of the Stipulated Order as written 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. This explicit waiver of rights includes potential future decisions by the Regional Water Board or its delegate related to this Order, including, but not limited to time extensions, completion of SEP milestones, and other terms contained in this Order.

33. **Necessity for Written Approvals:** All approvals and decisions of the Regional Water Board under the terms of this Order shall be communicated to POLA 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 POLA of its obligation to obtain any final written approval required by this Order.

34. **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.

35. **No Third Party Beneficiaries:** This Stipulated Order is not intended to confer any rights or obligations on any third party or parties, and no third party or parties shall have any right of action under this Stipulated Order for any cause whatsoever.

Port of Los Angeles
Order No. R4-2016-0339
Settlement Agreement and Stipulation for Entry of Order

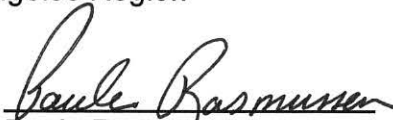
36. **Effective Date:** The obligations under this Stipulation are effective and binding on the Parties only upon the approval of the Stipulation and entry of the Order by the Regional Water Board or delegee, which incorporates the terms of this Stipulation.

37. **Severability:** The provisions of this Stipulation and the Order are severable; should any provision be found invalid the remainder shall remain in full force and effect.

38. **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.


It is so stipulated.

California Regional Water Quality Control Board Prosecution Team,
Los Angeles Region

By: 
Paula Rasmussen
Assistant Executive Officer


Date: May 9, 2017

The Port of Los Angeles

By: 
Eugene Seroka
Executive Director

Date: April 28, 2017

Approved as to Form:

By: 
Kenneth F. Mattfeld, Esq.
Deputy City Attorney

Date: April 11, 2017

Order of the Regional Water Board

39. This Order incorporates the foregoing Stipulation and all terms and conditions thereof.

40. In accepting the foregoing Stipulation, the Regional Water Board has considered a mandatory minimum penalty for each serious and chronic effluent violation outlined in the Complaint pursuant to Water Code section 13385, subdivisions (h) and (i). The Regional Water Board's findings are based upon information obtained by the Regional Water Board's staff in investigating the allegations in Exhibit 1 of the Expedited Payment Letter or otherwise provided to the Regional Water Board. The Regional Water Board has reviewed the allegations in Exhibit 1 of the Expedited Payment Letter and the information in the record and finds that the settlement is fair and reasonable and complies with its obligations under California Water Code, the 2010 State Water Resource Control Board Water Quality Enforcement Policy, and satisfies the objectives and requirements of the Federal Clean Water Act as implemented by the foregoing.

41. The Respondent is responsible for meeting the milestones, standards and indicators set forth in this Stipulation and Attachment C.

42. The amount of the SEP complies with Water Code sections 13385(I)(1) and (2).

43. The proposed settlement was noticed to receive public comment from **MMMM DD, YYYY** through **MMMM DD, YYYY**. No comments were submitted to the Regional Board.

44. 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 ("CEQA") (Public Resources Code, sections 21000 et seq.), in accordance with section 15321(a)(2), Title 14, of the California Code of Regulations. In implementing the SEP, POLA shall comply with all applicable provisions of CEQA as described in the foregoing Stipulation and Attachment C.

Pursuant to Water Code section 13323 and Government Code section 11415.60, **IT IS HEREBY ORDERED** on behalf of the California Los Angeles Regional Water Quality Control Board.

By: _____
Samuel Unger, P.E.
Executive Officer

Date: _____

Attachment A: Amended Exhibit “1” – Notice of Violation

Attachment B: Expedited Payment Letter – Settlement Offer No. R4-2015-0019

Attachment C: Supplemental Environmental Project Litter Control Measures

Attachment A

Amended Exhibit “1” – Notice of Violation

AMENDED EXHIBIT "1" - NOTICE OF VIOLATION

Effluent Limit Violations

Violation Date	Monitoring Period	Violation Type	Parameter	Reported Value	Permit Limit	Units	Pollutant Category	% Exceeded	Serious/Chronic	Water Code Section 13385	Penalty
03/08/13	1st Quarter 2013	Daily Maximum	Flow	0.787	0.725	MGD	OEV	9%	Chronic	(i)1	\$0
08/31/13	3rd Quarter 2013	Daily Maximum	Copper	41.5	10	µg/L	2	315%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Lead	86.5	14	µg/L	2	518%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Mercury	0.16	0.10	µg/L	2	60%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Nickel	17.5	13	µg/L	2	35%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Zinc	430	150	µg/L	2	187%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Copper	41.5	7.6	µg/L	2	446%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Lead	86.5	4.6	µg/L	2	1780%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Mercury	0.16	0.05	µg/L	2	220%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Nickel	17.5	7.0	µg/L	2	150%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Zinc	430	51	µg/L	2	743%	Serious	(h)1	\$3,000
09/19/13	3rd Quarter 2013	Daily Maximum	Total Suspended Solids	120	75	mg/L	1	60%	Serious	(h)1	\$3,000
09/30/13	3rd Quarter 2013	Monthly Average	Total Suspended Solids	120	50	mg/L	1	140%	Serious	(h)1	\$3,000
09/30/13	3rd Quarter 2013	Monthly Average	Settleable Solids	0.25	0.1	mL/L	1	150%	Serious	(h)1	\$3,000
10/02/13	4th Quarter 2013	Daily Maximum	Copper	11.1	10	µg/L	2	11%	Chronic	(i)1	\$3,000
10/30/13	4th Quarter 2013	Daily Maximum	Copper	11	10	µg/L	2	10%	Chronic	(i)1	\$3,000
10/31/13	4th Quarter 2013	Monthly Average	Copper	7.8	7.6	µg/L	2	3%	Chronic	(i)1	\$3,000
10/31/13	4th Quarter 2013	Monthly Average	Lead	10.1	4.6	µg/L	2	120%	Serious	(h)1	\$3,000
10/31/13	4th Quarter 2013	Monthly Average	Zinc	76	51	µg/L	2	49%	Serious	(h)1	\$3,000
11/22/13	4th Quarter 2013	Daily Maximum	Phenol	1.1	1.0	µg/L	2	10%	Chronic	(i)1	\$3,000
02/03/14	1st Quarter 2014	Daily Maximum	Copper	35	10	µg/L	2	250%	Serious	(h)1	\$3,000
02/03/14	1st Quarter 2014	Daily Maximum	Lead	22	14	µg/L	2	57%	Serious	(h)1	\$3,000
02/03/14	1st Quarter 2014	Daily Maximum	Zinc	350	150	µg/L	2	133%	Serious	(h)1	\$3,000
02/28/14	1st Quarter 2014	Monthly Average	Copper	9.6	7.6	µg/L	2	26%	Serious	(h)1	\$3,000
03/07/14	1st Quarter 2014	Daily Maximum	Total Suspended Solids	87	75	mg/L	1	16%	Chronic	(i)1	\$3,000
03/07/14	1st Quarter 2014	Daily Maximum	Phenol	1.1	1.0	µg/L	2	10%	Chronic	(i)1	\$3,000
03/14/14	1st Quarter 2014	Daily Maximum	Lead	19	14	µg/L	2	36%	Serious	(h)1	\$3,000
03/14/14	1st Quarter 2014	Daily Maximum	Zinc	180	150	µg/L	2	20%	Serious	(h)1	\$3,000
03/31/14	1st Quarter 2014	Monthly Average	Zinc	64.6	51	µg/L	2	27%	Serious	(h)1	\$3,000
04/04/14	2nd Quarter 2014	Daily Maximum	Zinc	190	150	µg/L	2	27%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Nickel	14	13	µg/L	2	8%	Chronic	(i)1	\$0
12/02/14	4th Quarter 2014	Daily Maximum	Copper	49	10	µg/L	2	390%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Copper	1.58	0.6	lb/day	2	163%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Lead	49	14	µg/L	2	250%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Lead	1.58	0.87	lb/day	2	82%	Serious	(h)1	\$3,000

AMENDED EXHIBIT "1" - NOTICE OF VIOLATION

Effluent Limit Violations

Violation Date	Monitoring Period	Violation Type	Parameter	Reported Value	Permit Limit	Units	Pollutant Category	% Exceeded	Serious/Chronic	Water Code Section 13385	Penalty
12/02/14	4th Quarter 2014	Daily Maximum	Zinc	440	150	µg/L	2	193%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Zinc	14.2	9.3	lb/day	2	53%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Copper	44	10	µg/L	2	340%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Lead	58	14	µg/L	2	314%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Nickel	15	13	µg/L	2	15%	Chronic	(i)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Zinc	320	150	µg/L	2	113%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Total Suspended Solids	120	75	mg/L	1	60%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Settleable Solids	0.5	0.3	mL/L	1	67%	Serious	(h)1	\$3,000
12/19/14	4th Quarter 2014	Daily Maximum	Copper	25	10	µg/L	2	150%	Serious	(h)1	\$3,000
12/19/14	4th Quarter 2014	Daily Maximum	Lead	23	14	µg/L	2	64%	Serious	(h)1	\$3,000
12/19/14	4th Quarter 2014	Daily Maximum	Zinc	250	150	µg/L	2	67%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Copper	26.7	7.6	µg/L	2	251%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Lead	26.6	4.6	µg/L	2	478%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Nickel	9.82	7.0	µg/L	2	40%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Zinc	212.6	51	µg/L	2	317%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Total Suspended Solids	120	50	mg/L	1	140%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Settleable Solids	0.5	0.1	mL/L	1	400%	Serious	(h)1	\$3,000
01/28/15	1st Quarter 2015	Daily Maximum	Copper	18	10	µg/L	2	80%	Serious	(h)1	\$3,000
01/30/15	1st Quarter 2015	Daily Maximum	Copper	11	10	µg/L	2	10%	Chronic	(i)1	\$3,000
01/31/15	1st Quarter 2015	Monthly Average	Copper	10.7	7.6	µg/L	2	41%	Serious	(h)1	\$3,000
05/11/15	2nd Quarter 2015	Daily Maximum	Copper	13	10	µg/L	2	30%	Serious	(h)1	\$3,000
05/18/15	2nd Quarter 2015	Daily Maximum	Copper	21	10	µg/L	2	110%	Serious	(h)1	\$3,000
05/31/15	2nd Quarter 2015	Monthly Average	Copper	10.92	7.6	µg/L	2	44%	Serious	(h)1	\$3,000
10/07/15	4th Quarter 2015	Daily Maximum	Copper	16	10	µg/L	2	60%	Serious	(h)1	\$3,000
10/31/15	4th Quarter 2015	Monthly Average	Copper	9	7.6	µg/L	2	18%	Chronic	(i)1	\$3,000
10/31/15	4th Quarter 2015	Monthly Average	Zinc	65	51	µg/L	2	27%	Serious	(h)1	\$3,000
01/14/16	1st Quarter 2016	Daily Maximum	Copper	13	10	µg/L	2	30%	Serious	(h)1	\$3,000
01/20/16	1st Quarter 2016	Daily Maximum	Copper	16	10	µg/L	2	60%	Serious	(h)1	\$3,000
01/31/16	1st Quarter 2016	Monthly Average	Copper	10.6	7.6	µg/L	2	39%	Serious	(h)1	\$3,000
02/01/16	1st Quarter 2016	Daily Maximum	Copper	13	10	µg/L	2	30%	Serious	(h)1	\$3,000
										Total	\$189,000

Attachment B

**Expedited Payment Letter
Settlement Offer No. R4-2015-0019**



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Los Angeles Regional Water Quality Control Board

March 20, 2015

Mr. Christopher Cannon
Port of Los Angeles
425 S. Palos Verdes Street
San Pedro, CA 90733

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
CLAIM NO. 7014 2120 0004 7562 2164

SETTLEMENT OFFER NO. R4-2015-0019: OFFER TO PARTICIPATE IN THE EXPEDITED PAYMENT PROGRAM RELATING TO VIOLATIONS OF THE NPDES PERMIT FOR THE PORT OF LOS ANGELES, NEW DOCK STREET PUMP STATION, 151 HENRY FORD AVENUE, TERMINAL ISLAND, CALIFORNIA (ORDER NO. R4-2013-0108, NPDES PERMIT NO. CA0064157, CI NO. 7856)

Dear Mr. Cannon:

This letter is to notify the Port of Los Angeles (hereinafter "Permittee or "you") of alleged violations of the California Water Code identified in the State Water Resources Control Board's water quality data system and to allow the Permittee to participate in the Los Angeles Regional Water Quality Control Board's (Regional Board) Expedited Payment Program for Effluent and/or Reporting Violations (Expedited Payment Program) to address mandatory minimum penalties that must be assessed pursuant to California Water Code sections 13385 and 13385.1.

NOTICE OF VIOLATION:

Based on information in the California Integrated Water Quality System (CIWQS) as of March 18, 2015, the Regional Board alleges that the Permittee has violated the effluent limitations, reporting violations, or California Water Code provisions identified in the Notice of Violation (NOV) attached as Exhibit "1". The Permittee will have the opportunity to address the alleged violations as discussed below.

STATUTORY LIABILITY:

Subdivisions (h) and (i) of California Water Code section 13385 require the assessment of a mandatory minimum penalty of three thousand dollars (\$3,000) for specified serious and chronic effluent limit and reporting violations. For the purposes of subdivision (h) of section 13385, failure to file a discharge monitoring report required pursuant to sections 13383 for each complete period of 30 days following the deadline for submitting the report constitutes a serious violation. The Permittee is also subject to discretionary administrative civil liabilities of up to ten thousand dollars (\$10,000) for each day in which the violation occurs, plus ten dollars (\$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 Regional Board beginning with the date that the violations first

CHARLES STRINGER, CHAIR | SAMUEL UNGER, EXECUTIVE OFFICER

320 West 4th St., Suite 200, Los Angeles, CA 90013 | www.waterboards.ca.gov/losangeles

occurred.¹ The formal enforcement action that the Regional Board uses to assess such liability is an administrative civil liability complaint, although the Regional 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 twenty-five thousand dollars (\$25,000) per violation. In addition, the Superior Court may assess up to twenty-five dollars (\$25) per gallon discharged but not cleaned up in excess of 1,000 gallons.

OFFER TO PARTICIPATE IN EXPEDITED PAYMENT PROGRAM:

The Permittee can avoid the issuance of a formal enforcement action and settle the alleged violations identified in the attached NOV by participating in the Regional Board's Expedited Payment Program. Details of the proposed settlement are described below and addressed in the enclosed documents.

To promote resolution of these violations, the Regional Board makes this Conditional Offer. The Permittee may accept this offer, waive the Permittee's right to a hearing, and pay the mandatory minimum penalty of \$150,000 for the violations described in the NOV. If the Permittee elects to do so, subject to the conditions below, the Regional Board will accept that payment in settlement of any enforcement action that would otherwise arise out of the violations identified in the NOV. Accordingly, the Regional Board will forego issuance of a formal administrative 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 the NOV.

The Expedited Payment Program does not address or resolve liability for any violation that is not specifically identified in the NOV regardless of the date that the violation occurred.

PERMITTEE'S OPTIONS FOR RESPONSE TO OFFER:

If you accept this 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 **April 20, 2015**.

If the Permittee chooses to contest any of the violations alleged in the NOV, please identify the specific violation and the basis for the challenge (factual error, affirmative defense, etc.) on or before the due date specified above.

Responses contesting any of the violations alleged in the NOV shall be submitted as a pdf via email or CD to Mr. Andrew Choi, andrew.choi@waterboards.ca.gov, (213) 576-6791, and submitted by you under penalty of perjury.

The Regional Board staff will evaluate the contested violation and take one of two actions:

¹ Please note that there are no statutes of limitation that apply to administrative proceedings to assess mandatory minimum penalties. See *City of Oakland v. Public Employees' Retirement System*, (2002) 95 Cal.App.4th 29, 48; 3 Witkin, Cal. Procedure (4th ed. 1996) Actions, §405(2), p. 510.) Additionally, the State Water Resources Control Board had determined that the equitable doctrine of laches does not apply to mandatory minimum penalties. (State Water Board Order Nos. 2013-0053, 2013-0054, 2013-0055, 2013-0099.)

- 1) The Regional Board staff will determine that the violation is not supported, expunge the alleged violation from the CIWQS database, take no further action against the Permittee for the alleged violation, and notify the Permittee of that determination. The Permittee will be given thirty (30) days from the date of receipt of the Regional Board staff determination to complete and return the Acceptance and Waiver for the remainder of the violations; or
- 2) The Regional Board staff will determine that the alleged violation is meritorious, and will notify the Permittee of that determination. The Permittee will be given thirty (30) days from the date of receipt of the Regional Board staff determination to complete and return the Acceptance and Waiver.

If the Permittee chooses not to make a payment in response to the Regional Board staff's determination, the Permittee should expect to be contacted regarding formal enforcement action that will be initiated with regard to the contested violations. In a formal enforcement action, the liability amount sought and/or imposed may exceed the liability amount set forth in this Conditional Offer. Moreover, the cost of enforcement is a factor that can be considered in assessing the liability amount.

CONDITIONS FOR REGIONAL BOARD ACCEPTANCE OF RESOLUTION:

Federal regulations require the Regional 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)). Upon receipt of the Permittee's Acceptance and Waiver, the Regional Board staff will publish a notice of the proposed resolution of the violations.

If no comments are received within the 30-day comment period, and unless there are new material facts that become available to the Regional Board, the Regional Board Executive Officer will execute the Acceptance and Waiver as a stipulated order assessing the uncontested mandatory minimum penalty amount pursuant to Water Code sections 13385 and 13385.1.

If, however, significant comments are received in opposition to the settlement, this offer may be withdrawn. In that case, the Permittee's waiver pursuant to the Acceptance and Waiver will also be treated as withdrawn. In that case, the violations will be addressed in a liability assessment proceeding. At the liability assessment hearing the Permittee will be free to make arguments as to any of the alleged violations, and the Permittee's agreement to accept this conditional offer will not in any way be binding or used as evidence against the Permittee. The Permittee will be provided with further information on the liability assessment proceeding.

In the event the Acceptance and Waiver is executed by the Regional Board Executive Officer, full payment of the assessed amount shall be due within thirty (30) calendar days after the date the Acceptance and Waiver is executed. 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

Mr. Christopher Cannon
Port of Los Angeles

- 4 -

March 20, 2015

and 13385.1 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the \$150,000 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 Permittee to further liability.

Should you have any questions about this Conditional Offer or Notice of Violation, please contact Enforcement Unit staff Mr. Andrew Choi at (213) 576-6791 or at andrew.choi@waterboards.ca.gov regarding this matter.

Sincerely,



Paula Rasmussen
Assistant Executive Officer

Enclosures:

Exhibit "1" - Notice of Violation
Acceptance of Conditional Resolution and Waiver of Right to Hearing; (proposed)
Order

cc: [via email]
Mayumi Okamoto, Office of Enforcement, State Water Resources Control Board

EXHIBIT "1" - NOTICE OF VIOLATION
Effluent Limit Violations

Date	Monitoring Period	Violation Type	Parameter	Reported Value	Permit Limit	Units	Pollutant Category	% Exceeded	Serious/Chronic	Water Code Section 13385	Penalty
03/08/13	1st Quarter 2013	Daily Maximum	Flow	0.787	0.725	MGD	OEV	9%	Chronic	(i)1	\$0
08/31/13	3rd Quarter 2013	Daily Maximum	Copper	41.5	10	µg/L	2	315%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Lead	86.5	14	µg/L	2	518%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Mercury	0.16	0.10	µg/L	2	60%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Nickel	17.5	13	µg/L	2	35%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Daily Maximum	Zinc	430	150	µg/L	2	187%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Copper	41.5	7.6	µg/L	2	446%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Lead	86.5	4.6	µg/L	2	1780%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Mercury	0.16	0.05	µg/L	2	220%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Nickel	17.5	7.0	µg/L	2	150%	Serious	(h)1	\$3,000
08/31/13	3rd Quarter 2013	Monthly Average	Zinc	430	51	µg/L	2	743%	Serious	(h)1	\$3,000
09/19/13	3rd Quarter 2013	Daily Maximum	Total Suspended Solids	120	75	mg/L	1	60%	Serious	(h)1	\$3,000
09/30/13	3rd Quarter 2013	Monthly Average	Total Suspended Solids	120	50	mg/L	1	140%	Serious	(h)1	\$3,000
09/30/13	3rd Quarter 2013	Monthly Average	Settleable Solids	0.25	0.1	mL/L	1	150%	Serious	(h)1	\$3,000
10/02/13	4th Quarter 2013	Daily Maximum	Copper	11.1	10	µg/L	2	11%	Chronic	(i)1	\$3,000
10/30/13	4th Quarter 2013	Daily Maximum	Copper	11	10	µg/L	2	10%	Chronic	(i)1	\$3,000
10/31/13	4th Quarter 2013	Monthly Average	Copper	7.8	7.6	µg/L	2	3%	Chronic	(i)1	\$3,000
10/31/13	4th Quarter 2013	Monthly Average	Lead	10.1	4.6	µg/L	2	120%	Serious	(h)1	\$3,000
10/31/13	4th Quarter 2013	Monthly Average	Zinc	76	51	µg/L	2	49%	Serious	(h)1	\$3,000
11/22/13	4th Quarter 2013	Daily Maximum	Phenol	1.1	1.0	µg/L	2	10%	Chronic	(i)1	\$3,000
02/03/14	1st Quarter 2014	Daily Maximum	Copper	35	10	µg/L	2	250%	Serious	(h)1	\$3,000
02/03/14	1st Quarter 2014	Daily Maximum	Lead	22	14	µg/L	2	57%	Serious	(h)1	\$3,000
02/03/14	1st Quarter 2014	Daily Maximum	Zinc	350	150	µg/L	2	133%	Serious	(h)1	\$3,000
02/28/14	1st Quarter 2014	Monthly Average	Copper	9.6	7.6	µg/L	2	26%	Serious	(h)1	\$3,000
03/07/14	1st Quarter 2014	Daily Maximum	Total Suspended Solids	87	75	mg/L	1	16%	Chronic	(i)1	\$3,000
03/07/14	1st Quarter 2014	Daily Maximum	Phenol	1.1	1.0	µg/L	2	10%	Chronic	(i)1	\$3,000
03/14/14	1st Quarter 2014	Daily Maximum	Lead	19	14	µg/L	2	36%	Serious	(h)1	\$3,000
03/14/14	1st Quarter 2014	Daily Maximum	Zinc	180	150	µg/L	2	20%	Serious	(h)1	\$3,000
03/31/14	1st Quarter 2014	Monthly Average	Zinc	64.6	51	µg/L	2	27%	Serious	(h)1	\$3,000
04/04/14	2nd Quarter 2014	Daily Maximum	Zinc	190	150	µg/L	2	27%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Nickel	14	13	µg/L	2	8%	Chronic	(i)1	\$0
12/02/14	4th Quarter 2014	Daily Maximum	Copper	49	10	µg/L	2	390%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Copper	1.58	0.6	lb/day	2	163%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Lead	49	14	µg/L	2	250%	Serious	(h)1	\$3,000

EXHIBIT "1" - NOTICE OF VIOLATION
Effluent Limit Violations

Date	Monitoring Period	Violation Type	Parameter	Reported Value	Permit Limit	Units	Pollutant Category	% Exceeded	Serious/Chronic	Water Code Section 13385	Penalty
12/02/14	4th Quarter 2014	Daily Maximum	Lead	1.58	0.87	lb/day	2	82%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Zinc	440	150	µg/L	2	193%	Serious	(h)1	\$3,000
12/02/14	4th Quarter 2014	Daily Maximum	Zinc	14.2	9.3	lb/day	2	53%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Copper	44	10	µg/L	2	340%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Lead	58	14	µg/L	2	314%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Nickel	15	13	µg/L	2	15%	Chronic	(i)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Zinc	320	150	µg/L	2	113%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Total Suspended Solids	120	75	mg/L	1	60%	Serious	(h)1	\$3,000
12/11/14	4th Quarter 2014	Daily Maximum	Settleable Solids	0.5	0.3	mL/L	1	67%	Serious	(h)1	\$3,000
12/19/14	4th Quarter 2014	Daily Maximum	Copper	25	10	µg/L	2	150%	Serious	(h)1	\$3,000
12/19/14	4th Quarter 2014	Daily Maximum	Lead	23	14	µg/L	2	64%	Serious	(h)1	\$3,000
12/19/14	4th Quarter 2014	Daily Maximum	Zinc	250	150	µg/L	2	67%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Copper	26.7	7.6	µg/L	2	251%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Lead	26.6	4.6	µg/L	2	478%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Nickel	9.82	7.0	µg/L	2	40%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Zinc	212.6	51	µg/L	2	317%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Total Suspended Solids	120	50	mg/L	1	140%	Serious	(h)1	\$3,000
12/31/14	4th Quarter 2014	Monthly Average	Settleable Solids	0.5	0.1	mL/L	1	400%	Serious	(h)1	\$3,000
										Total	\$150,000

Settlement Offer No. R4-2015-0019
CI No. 7856, NPDES Permit No. CA0064157

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

Port of Los Angeles
Settlement Offer No. R4-2015-0019
NPDES Permit No. CA0064157

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the Los Angeles Regional Water Quality Control Board (Regional Board), the Port of Los Angeles (Permittee) hereby accepts the "Offer to Participate in Expedited Payment Program" and waives the right to a hearing before the Regional Board to dispute the allegations of violations described in the Notice of Violation (NOV), which is attached hereto as Exhibit "1" and incorporated herein by reference.

The Permittee agrees that the NOV shall serve as a complaint pursuant to Article 2.5 of the California Water Code and that no separate complaint is required for the Regional Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Permittee agrees to pay the penalties required by California Water Code section 13385, in the sum of \$150,000 (Expedited Payment Amount), which shall be deemed payment in full of any civil liability pursuant to Water Code sections 13385 and 13385.1 that otherwise might be assessed for the violations described in the NOV. The Permittee understands that this Acceptance and Waiver waives its right to contest the allegations in the NOV and the amount of civil liability for such violations.

The Permittee understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the NOV.

Upon execution by the Permittee, the completed Acceptance and Waiver shall be returned to:

Andrew Choi, Enforcement Unit
Expedited Payment Program
Los Angeles Regional Water Quality Control Board
320 West 4th Street, Suite 200
Los Angeles, California 90013

The Permittee understands that federal regulations set forth at title 40, Code of Federal Regulations, section 123.27(d)(2)(iii) require the Regional 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 Regional Board Executive Officer, will be published as required by law for public comment.

If no comments are received within the notice period that causes the Regional Board Executive Officer to question the Expedited Payment Amount, the Regional Board Executive Officer will execute the Acceptance and Waiver.

Settlement Offer No. R4-2015-0019
CI No. 7856, NPDES Permit No. CA0064157

The Permittee understands that if significant comments are received in opposition to the Expedited Payment Amount, the offer on behalf of the Regional Board to resolve the violations set forth in the NOV may be withdrawn. In that circumstance, the Permittee 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 Regional Board. For such a liability hearing, the Permittee understands that this Acceptance and Waiver executed by the Permittee will be treated as a settlement communication and will not be used as evidence in that hearing.

The Permittee further understands that once the Acceptance and Waiver is executed by the Regional Board Executive Officer, 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 \$150,000 liability shall be paid by a cashiers or certified check made out to the "State Water Pollution Cleanup and Abatement Account". 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 Regional Board Executive Officer.

Please mail check to:

State Water Resources Control Board
ATTN: ACL PAYMENT
Division of Administrative Services, Accounting Branch
1001 I Street, 18th Floor, [95814]
P.O. Box 1888
Sacramento, California 95812-1888

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

Port of Los Angeles

By: _____
(Signed Name) (Date)

(Printed or typed name) (Title)

IT IS SO ORDERED PURSUANT TO CALIFORNIA WATER CODE SECTION 13385

Date: _____

By: _____
Samuel Unger, P.E.
Executive Officer

Attachment C
Supplemental Environmental Project
Litter Control Measures

**Supplemental Environmental Project Workplan
New Dock Street Pump Station
NPDES Permit No. CA0064157, Order No. R4-2013-0108**

On March 20, 2015, a Settlement Offer was issued by the Los Angeles Regional Water Quality Control Board (LARWQCB) in regards to violations of the discharge exceedances for a National Pollution Discharge Elimination System (NPDES) permit for the New Dock Street Pump Station (New Dock). The LARWQCB will allow the Discharger (City of Los Angeles Harbor Department, also referred to as the Port) to participate in a Supplemental Environmental Project (SEP) program. Through the SEP program, the Port will allocate a designated portion of the violation settlement to develop an environmentally beneficial project. Therefore, in accordance with the SEP requirements, the Port has developed a SEP to reduce litter around the Los Angeles Harbor.

The goal of the litter control measures is to reduce the loading of trash and litter from land-side activities into harbor waters. Currently, litter removal in the harbor is conducted via water craft, street sweeping, and hand sweeping by either Port tenants or Harbor Department staff. Despite the implementation of the sweeping measures, trash is still conveyed to the harbor via wind and storm drains. The first priority for water craft is the removal of larger floating debris that is a navigational hazard. This often leaves small but deleterious trash to in the environment. The Harbor Department is not subject to a trash Total Maximum Daily Load (TMDL) nor are there any specific permit requirements that obligate the Port to implement any mandates.

Below are the proposed projects:

A. Installation of Trash Skimmers

Marina Accessories, Inc. trash skimmers will be strategically utilized around marinas and harbors where free floating trash/materials are accumulated by the natural flow of currents. Trash skimmers are mounted to docks and they create a gentle current that moves approximately 300 gallons of water per minute through the catch receptacle. The receptacle traps floating trash/materials in place until it can be removed manually by opening the lid and scooping out the contents into a landside waste disposal bin. (See attached specification sheet for complete details.)

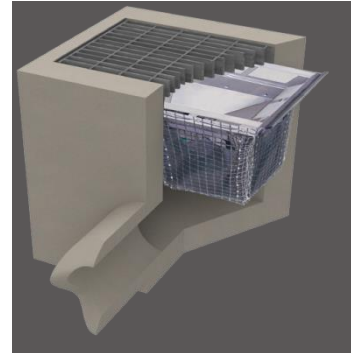
Locations for the new trash skimmers have not been determined. Upon receipt of LARWQCB's approval of this SEP, all marinas within the Port would be offered the opportunity to obtain a trash skimmer, given that they would dedicate staff to empty the skimmer and monitor the trash intake on a daily basis. The Port will then evaluate and determine the most suitable locations among all marinas that show an interest.

The estimated cost of each trash skimmer is approximately \$15,000, which includes the trash skimmer, control panel, brackets and scoop net, installation and a 2-year service contract. It is anticipated that two trash skimmers will be purchased through this program.

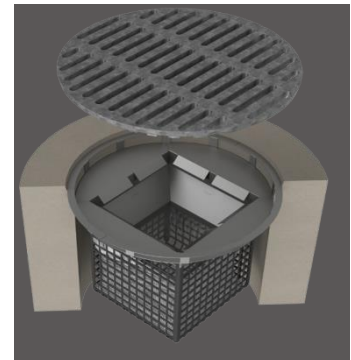


B. Installation of Media Filters and Debris Screen in Stormdrain Inlets

Public areas around the Port that are used by the general public on a regular basis include areas such as San Pedro and Wilmington Waterfronts, Ports O’ Call, marinas, and streets. The Port also hosts a number of large public events throughout the year, such as Cars and Stripes Forever, Lobster Festival, and Navy days. Both types of activities (regular and special events) are subject to many vehicle visits, food preparation and consumption, high use of dumpsters, and many other public recreational activities. These activities can potentially contribute pollutants such as metals (zinc and copper), oil debris, and litter to the surrounding areas and enter the harbor water via stormdrains.

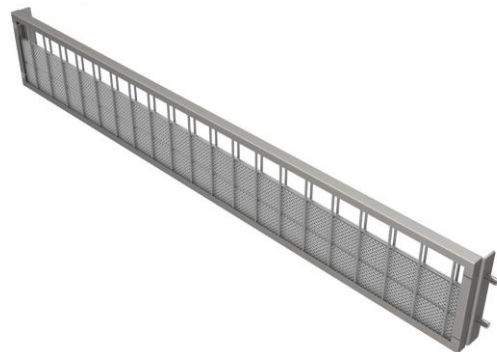


Surface runoff pollutants can be removed through media filters and debris screens. Filter designs vary from physical barriers (booms, sand bags, straw wattles, etc.) to capture devices that are installed under the inlet grate. Selection of the appropriate media varies based on targeted pollutant(s), reduction efficiency, and costs. Debris screens are a physical barrier to prevent litter from entering the stormdrain system. Typically debris screens are utilized in the curb-side stormdrain inlets where other forms of barriers (booms, sandbags, and straw wattles) may cause a traffic safety issue.



A number of stormdrains will be evaluated to determine suitability, need, and appropriate filter media. Approximately 300 stormdrain inlets will be evaluated for media filter option and 150 stormdrain inlets will be evaluated for debris screen option. The evaluation will consist of surrounding land use assessment, public events activities assessment, visual observations of trash inside and surround the stormdrain inlets, and sample collection of collected sediment, if necessary. Results from the evaluation will identify the pollutants for each stormdrain and an appropriate stormdrain media filter or debris screen will be determined and installed on highest priority stormdrains. Once the stormdrain screen or filter is installed, it will be incorporated into the Port’s regular maintenance program.

The average cost per media filter is approximately \$150 and a debris screen is approximately \$325. For budgetary purposes, it is assumed that 100 media filters and 100 debris screens will be installed. The actual number of media filters and debris screens installed may vary, based on recommendations from the stormdrain inlet assessment and available budget.



Schedule

The following schedule has been developed for conducting the stormdrain assessments, as well as purchase and installation of the appropriate stormdrain inlet treatments and trash skimmers.

Activity	Estimated Completion Date
Quarterly Progress Report	First Quarter – due April 15 th Second Quarter – due July 15 th Third Quarter – due October 15 th Fourth Quarter – due January 15 th of the following year
Purchase and Installation of Trash Skimmers	6 months upon receipt of SEP approval
Conduct Stormdrain Inlet Assessment	6 months upon receipt of SEP approval
Purchase and Installation of Suitable Stormdrain Inlet Treatment Measure	6 months upon completion of Stormdrain Inlet Assessment
SEP Report Submittal	15 months upon receipt of SEP approval

Costs

Based on the previously agreed SEP budget by the LARWQCB of \$102,000, the estimated cost breakdown of this SEP is presented below:

Activity	Estimated Cost
Trash Skimmers	\$30,000
Stormdrain Inlet Assessment	\$10,000
Stormdrain Inlet Treatment Measure Purchase	\$58,000
Quarterly Progress Report	\$3,000
Final SEP Report	\$1,000
Sum	\$102,000