



North Coast Regional Water Quality Control Board

September 1, 2023

IIA LLC
44911 N Highway 101 #182
Laytonville, CA 95454

GLS: 560042629

IIA LLC
Attn: Francis J Connelly
1355 N Dutton Ave
Santa Rosa, CA 95401

GLS: 560042555

Dear IIA LLC and Francis J. Connelly:

**Subject Notice of Violation, Transmittal of Inspection Report of July 19, 2023
Inspection of Mendocino County Assessor's Parcel Number 056-060-20**

File: Cannabis Inspections, Mendocino County 2023, CIWQS Place ID 889562,
WDID No. 1_23MJ000379

THIS LETTER HAS RECOMMENDATIONS THAT YOU ACT WITHIN 30 DAYS

This letter is to notify you of observed violations of the requirements listed below, and cited in Attachment A, at the Property identified as Mendocino County Assessor's Parcel Number (APN) 056-060-20 (the Property):

1. State Water Resources Control Board (State Water Board) Cannabis Cultivation Policy Principals and Guidelines for Cannabis Cultivation (Cannabis Policy).
2. California Water Code (Water Code) sections 13260 and 13264
3. The Water Quality Control Plan for the North Coast Region (Basin Plan) section 4.2.1

According to our records, the cannabis cultivation operation located on this Property is not enrolled for coverage under Order No. WQ 2019-0001-DWQ General Waste Discharge Requirements and Waiver of Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation Activities (Cannabis General Order).

HECTOR BEDOLLA, CHAIR | VALERIE QUINTO, EXECUTIVE OFFICER

On July 19, 2023, staff of the North Coast Regional Water Quality Control Board (Regional Water Board) inspected the Property and observed cannabis cultivation and associated activities with unauthorized discharges of waste to land and threatened and actual discharges of waste to waters of the state.

This letter has recommendations that you address the violations noticed herein. Within 30 days, please contact staff to discuss your plan to correct the observed violations and implement the recommendations within the staff inspection report.

Background

The Property is located north of Laytonville in the Spy Rock area. The Property is located along an unnamed tributary to Blue Rock Creek, tributary to the Middle Mainstem Eel River. Land Vision records show that the last Property sale was on February 26, 2014 from sellers Jeffrey P. Runey Jr. and Joshua J. Cox. The Property is now owned by IIA LLC.

According to the California Secretary of State business search website (found at <https://bizfileonline.sos.ca.gov/search/business>), IIA LLC initially filed as a Limited Liability Corporation on October 27, 1998, with an Agent of Service for Process of Francis J Connelly. On September 13, 2004 IIA LLC filed a certificate of cancellation.

On July 19, 2023, during the execution of a criminal search warrant served by the California Department of Fish and Wildlife (CDFW), Regional Water Board staff inspected the Property, accompanied by personnel from CDFW and the Mendocino County Sheriff's Office. The purpose of the inspection was to evaluate site development and conditions on the Property, and to identify and assess any impacts or threatened impacts to the quality and beneficial uses of waters of the state, which include both surface water and groundwater. During the inspection, staff observed cannabis cultivation operations of sufficient size and scope to require regulatory coverage under the Cannabis General Order. According to CDFW personnel, required state and local authorizations for commercial cannabis cultivation are not associated with the Property.

Attached is a copy of the water quality inspection report (Attachment B – July 19, 2023 Water Quality Inspection Report). Please review the inspection report carefully and completely. The inspection report contains recommendations for correcting observed violations.

Relevant Requirements

During the inspection, staff identified several features and conditions on the Property that represent violations of water quality requirements and regulations. Attachment A – Regulatory Citations, provides references to these, and related, requirements and regulations.

Observed Violations

As documented in the July 19, 2023 inspection report, staff observed large-scale cannabis cultivation and associated activities conducted in a manner that has resulted in numerous unauthorized threats of waste discharge to waters of the state, without first obtaining regulatory coverage for associated waste discharges, in violation of Water Code section 13260. These Property conditions also violate the Cannabis Policy.

During the inspection, staff observed Property conditions of concern, which include:

1. Active cannabis cultivation activities, infrastructure, and materials.
2. Improper storage, handling, and containment of fertilizers, resulting in threats of discharges to land and threats of discharges to waters of the state.
3. Disturbed soil areas throughout the Property without adequate stabilization.
4. Road conditions causing concentration of stormwater runoff, erosion, transport, and delivery of sediment to waters of the state.
5. Two unpermitted watercourse crossings with threat of sediment delivery.

These Property conditions of concern lacked measures to prevent discharge and the threat of discharge of waste to waters of the state, in violation of Water Code section 13260, Basin Plan section 4.2.1 Prohibition 2 and the Cannabis Policy

As document in the inspection report, staff observed evidence of unauthorized discharges of waste that can impact the quality waters of the state in violation of Water Code section 13264 associated with the diverted watercourse at Point 6 and from the outlet of the pond at Polygon 2.

Legal Requirements

The State Water Board adopted the Cannabis Policy and the Cannabis General Order on October 17, 2017, and updates on February 5, 2019, which remain in effect today. The purpose of the Cannabis Policy is to ensure that the discharge of waste and diversion of water associated with cannabis cultivation does not have a negative impact on water quality, aquatic habitat, riparian habitat, wetlands, and springs. The Cannabis Policy applies to cannabis cultivation activities throughout California including, Commercial Recreational, Commercial Medical, and Personal Use Medical. The Policy does not apply to recreational cannabis cultivation for personal use, which is limited to six plants under the Adult Use of Marijuana Act (Proposition 64, approved by California voters in November 2016).

The Cannabis General Order is the statewide water quality permit that implements the Cannabis Policy through the overarching general Waste Discharge Requirements (WDRs) in accordance with the California Water Code and is available for eligible cannabis cultivators to enroll under. The Cannabis General Order regulates waste discharges from cultivation areas including sediment, irrigation runoff, fertilizers, pesticides/herbicides, petroleum, agricultural related chemicals, cultivation related

waste, and refuse. Threats of waste discharge may be from irrigation runoff, over fertilization, pond failure, road construction, grading activities, domestic and cultivation related waste, refuse placement, etc. All commercial cannabis cultivators must obtain coverage under the Cannabis General Order, including for both indoor and outdoor cultivation.

Cultivation activities on the Property requires conformance with the Cannabis Policy and enrollment in under the [Cannabis General Order](#). For more information, please visit our website at:

(https://www.waterboards.ca.gov/northcoast/water_issues/programs/cannabis/)

As documented in the inspection report, the Property conditions observed on the Property are do not meet the requirements of the Cannabis Policy. Please provide a written response supporting documentation, including relevant photos, explaining and how the Property will be restored in compliance with the Policy.

A water quality certification is required prior to conducting instream work.

The application for the water quality certification for cannabis cultivation-related projects is available here:

https://www.waterboards.ca.gov/northcoast/water_issues/programs/cannabis/pdf/200204/RB1_Cannabis_WQC_401_App.pdf

Additional Potential Liabilities

The Regional Water Board is in the process of considering whether the violations of the Policy warrant further enforcement. We encourage you to take steps, to correct the violations as soon as possible, securing any applicable permits from this and other agencies prior to conducting work. Please note that the existing conditions, as observed and documented in the inspection report, may represent continuing violations of the Water Code.

Please note that correcting the conditions of non-compliance at the Property does not preclude enforcement for the violations alleged in this notice. As noted above, the Regional Water Board reserves its right to fully enforce the law against any violation and threatened violation by taking enforcement actions such as a cleanup and abatement order, time schedule order, administrative civil liabilities, and referral to the California Attorney General's office. Administrative civil liabilities may be assessed on a daily basis in the amount up to \$5,000 for each day the violation occurs or up to \$10 per gallon, but not both pursuant to Water Code section 13350.

Inspection Report Recommendations

As mentioned above, the July 19, 2023 inspection report provides recommendations to correct the alleged violations, as well as to address features and conditions that threaten to impact water quality.

Within 30 days of this letter, please advise our staff, Adona White, of your intentions, plan, and schedule to implement recommendations in the inspection report. If you have questions about what is required of you to comply with the requirements outlined above, and to advise as to your plan and schedule to correct the alleged violations, please contact our staff Adona White by email at Adona.White@waterboards.ca.gov or by phone at 707-576-2672.

Future correspondence regarding this matter will be sent to you at this address unless an alternative address is provided to the Regional Water Board. Failure to accept mail from the Regional Water Board is not a valid excuse for non-compliance with any future enforcement orders, and a failure to respond or otherwise appear at a future enforcement proceeding could subject you to a default order and the imposition of administrative civil liability.

You may also contact me at Jeremiah.Puget@waterboards.ca.gov or by phone at 707-576-2835. Additionally, we are available to meet with you if you wish to discuss this letter or our waste discharge regulatory programs in further detail.

Sincerely,

Jeremiah Puget
Senior Environmental Scientist
Enforcement Unit

Attachments: Attachment A – Regulatory Citations
Attachment B – July 19, 2023 Water Quality Inspection Report

Cc: **North Coast Regional Water Quality Control Board**
Northcoast.Cannabis@waterboards.ca.gov
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California Department of Fish and Wildlife

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Kari Gahan, Kari.Gahan@wildlife.ca.gov

Department of Cannabis Control

Erin Wonder, Erin.Wonder@cannabis.ca.gov

Attachment A – Regulatory Citations

Table 1 Regulatory Citations

Regulatory Section	Citation
California Water Code Section 13260	<p>“(a) Each of the following persons shall file with the appropriate regional board a report of the discharge, containing the information that may be required by the regional board:</p> <p>(1) A person discharging waste, or proposing to discharge waste, within any region that could affect the quality of the waters of the state, other than into a community sewer system.</p> <p>(2) A person who is a citizen, domiciliary, or political agency or entity of this state discharging waste, or proposing to discharge waste, outside the boundaries of the state in a manner that could affect the quality of the waters of the state within any region.”</p>
California Water Code Section 13261(a)	<p>“A person who fails to furnish a report or pay a fee under Section 13260 when so requested by a regional board is guilty of a misdemeanor and may be liable civilly in accordance with subdivision (b).”</p>
California Water Code Section 13264(a)	<p>“No person shall initiate any new discharge of waste or make any material changes in any discharge, or initiate a discharge to, make any material changes in a discharge to, or construct, an injection well, prior to the filing of the report required by Section 13260 and no person shall take any of these actions after filing the report but before whichever of the following occurs first: (3) The issuance of waste discharge requirements pursuant to Section 13263. (2) The expiration of 140 days after compliance with Section 13260 if the waste to be discharged does not create or threaten to create a condition of pollution or nuisance and any of the following applies:... (3) The issuance of a waiver pursuant to Section 13269.”</p>
California Water Code Section 13265(a)	<p>“Any person discharging waste in violation of Section 13264, after such violation has been called to his attention in writing by the regional board, is guilty of a misdemeanor and may be liable civilly in accordance with subdivision (b). Each day of such discharge shall constitute a separate offense.”</p>
Cannabis Policy and General Order No. WQ 2019-0001-DWQ	<p>State Water Resources Control Board Cannabis Cultivation Policy and General Waste Discharge Requirements Order No. WQ 2019-0001-DWQ for Discharges of Waste Associated with Cannabis Cultivation Activities</p> <p>Available at: https://www.waterboards.ca.gov/water_issues/programs/cannabis/docs/policy/final_cannabis_policy_with_attach_a.pdf and https://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2019/wqo2019_0001_dwq.pdf</p>

Regulatory Section	Citation
Basin Plan Section 4.2.1, Prohibition 2	Prohibits “[t]he placing or disposal of soil, silt, bark, slash, sawdust, or other organic and earthen material from any logging, construction, or associated activity of whatever nature at locations where such material could pass into any stream or watercourse in the basin in quantities which could be deleterious to fish, wildlife, or other beneficial uses.”

**North Coast Regional Water Quality Control Board
Attachment B**

**Cannabis Water Quality Inspection Report
IIA LLC Property**

	Inspection Details
Inspection Date & Time	July 19, 2023; 09:01
Address/Location	59990 Registered Guest Road, Laytonville, CA 95454
County	Mendocino
Assessor's Parcel Number (APN)	056-060-20
Watershed	Eel River Hydrologic Unit, Middle Main Hydrologic Area, Blue Rock Creek watershed, unnamed tributary
Property Owner's Legal Name and Company	IIA LLC
Mailing Address	44911 N Highway 101 #182 Laytonville, CA 95454 Attn: Francis J Connelly 1355 N Dutton Ave Santa Rosa, CA 95401
Agency Responsible for Warrant	California Department of Fish and Wildlife (CDFW)
Person Responsible for Warrant	Warden Grace Nunn
Warrant Date	July 19, 2023
Warrant Type	Criminal Search
Lead Inspector Name	Adona White, PE, Water Resources Control Engineer
Office/Regional Board	North Coast Regional Water Quality Control Board
Other Personnel Onsite	Representatives from CDFW and State Water Resources Control Board Division of Water Rights
Author of Report	Adona White

CIWQS Identifiers	Place ID 889562, WDID No. 1_23MJ000379
Permit Status/Waiver	unpermitted

Inspection Observations

The inspection map is shown in Figures 3 and 4 and includes the locations referenced at the following features that could be of concern to water quality.

Polygon 1: Water storage pond. Freeboard is minimal.

Point 2: Outlet of pond at Polygon 1 is to a watercourse with threatened discharge.

Point 3: Water storage tank.

Point 4: Potting soil stock pile. Covered with tarp.

Point 5: Watercourse crossing. 4-foot diameter rusted coorugated metal pipe culvert appears undersized compared to channel. Threatened discharge of sediment.

Point 6: Watercourse is diverted into road ditch due to lack of a crossing. The natural channel is abandoned downstream of the road. The road ditch directs the watercourse down and discharges into the next watercourse associated with Point 5, threatening sediment delivery.

Polygon 7: Outdoor cultivation area on ridge nose startled by two watercourses.

Point 8: Water storage tanks.

These features pose threats to the quality of waters of the state with the threatened and actual discharges to surface waters. Waste discharges to land pose threats of contamination to surface and groundwater quality and can become mobilized during precipitation events and at times of increased surface water flow and runoff.

Inspection Recommendations

1. Immediately cease unauthorized cannabis cultivation.
2. Remove cultivation infrastructure and properly dispose of waste including but not limited to trash, fertilizer, pesticide and petroleum containers, plastic tarps and sheeting at a legal disposal facility.
3. Cleanup fertilizer containers and feed tanks and prevent discharge of nutrients to land in a manner that threatens water quality. Properly dispose of all pesticides and fertilizers at a legal disposal facility.

4. Cleanup potting soil and properly locate and stabilize or remove and dispose of at a legal disposal facility.
5. Prior to cultivating cannabis or developing a property for cannabis cultivation, ensure cannabis cultivation activities are in conformance with state and local requirements. Enroll for coverage under the Cannabis General Order. [Details about enrolling](#) in the Cannabis General Order can be found at: <https://public2.waterboards.ca.gov/mt/Home/Index>
6. Hire a qualified professional to assess the Property, including but not limited to the features described in this report, to develop a treatment plan to guide that the cleanup and remediation of the assessed features that ensures that will no longer pose a threat of discharge or impacts to the quality of waters of the state. Submit the plan for approval and implement cleanup and restoration work.
7. Ensure the Property is cleaned up and winter-ready as soon as possible prior to the onset of winter wet weather with increased threat of impacts to waters of the state. Please document in your submissions evidence of completion of the cleanup work as soon as possible prior to October 15, 2023.
8. Contact me at Adona.White@waterboards.ca.gov or 707-576-2672 to discuss your plans to cleanup and remediate the site conditions that threaten water quality.

Enforcement Discretion

The observations in this report will be assessed for violations of the California Water Code. The Regional Water Board and the State Water Board reserve the right to take any enforcement action authorized by law.



Figure 3. Inspection map with aerial imagery showing the point, line, and polygon feature locations of interest described in the text.

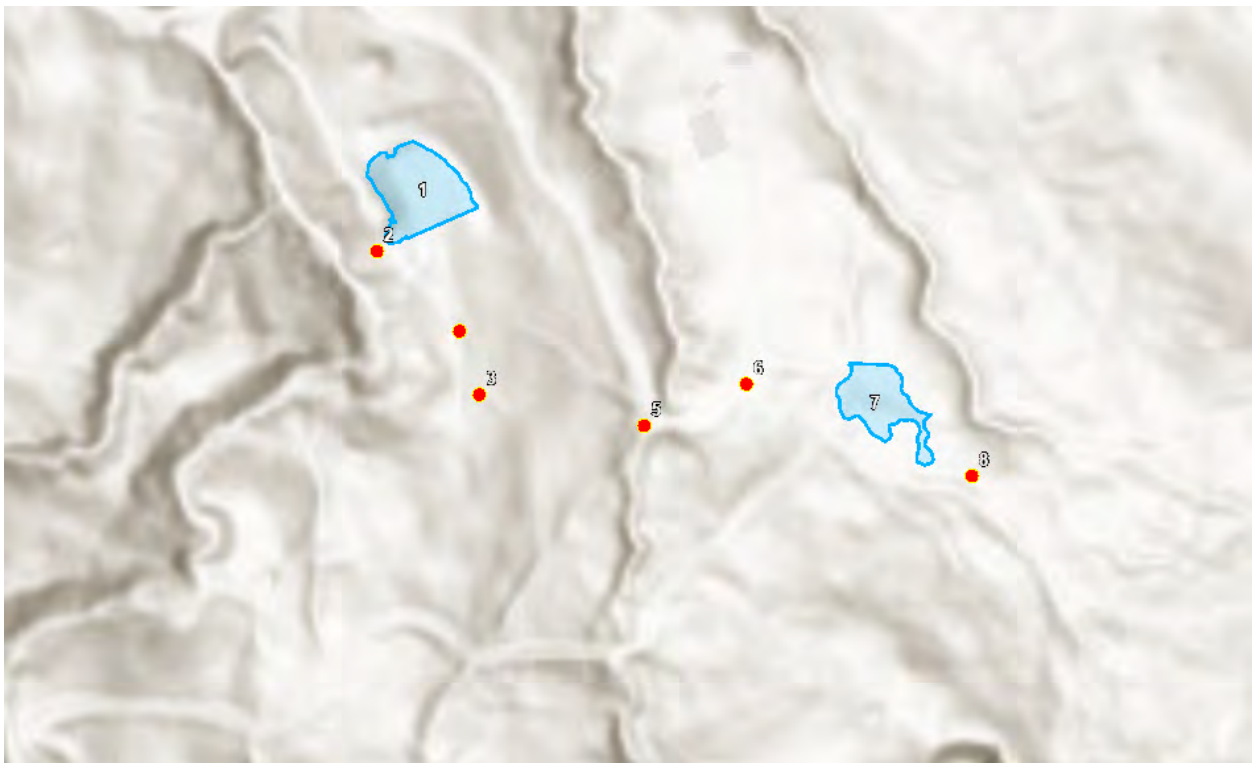


Figure 4 Inspection map with terrain showing features of interest described in the text.

Inspection Photographs

All photographs taken by Adona White on July 19, 2023



Figure 5. Polygon 1. Pond.



Figure 6. Point 5 culvert inlet.

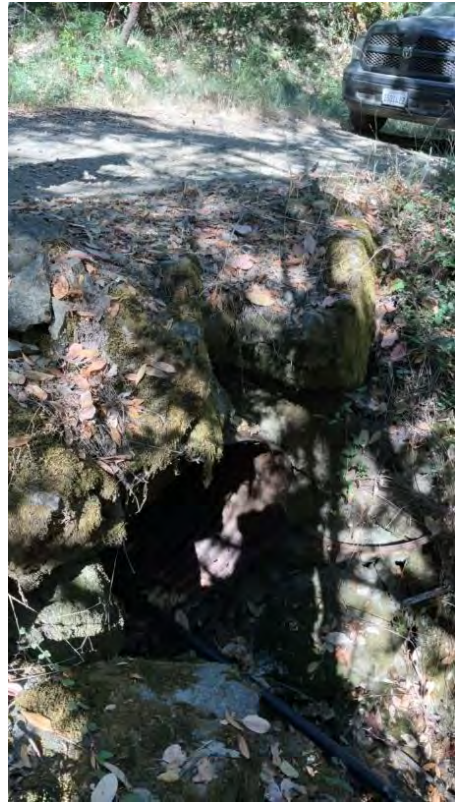


Figure 7. Point 5, culvert outlet.



Figure 8. Point 5. Inside ditch delivers to watercourse at culvert inlet.



Figure 9. Point 5, upstream channel.



Figure 10. Point 5, downstream channel.



Figure 11. Point 6. Watercourse is diverted into road ditch due to lack of a crossing. The natural channel is abandoned downstream of the road. The road ditch directs the watercourse down and discharges into the next watercourse associated with Point 5, threatening sediment delivery.



Figure 12. Polygon 7 outdoor cultivation area.