

California Regional Water Quality Control Board
North Coast Region

TIME SCHEDULE AND INVESTIGATIVE ORDER

NO. R1-2025-0020

REQUIRING

SEXTON PROPERTIES, LLC

TO COMPLY WITH REQUIREMENTS PRESCRIBED IN CLEANUP AND ABATEMENT
AND INVESTIGATIVE ORDER NO. R1-2023-0054

REGARDING

HUMBOLDT COUNTY ASSESSOR PARCEL NUMBER 217-391-007-000

This Order is issued to Sexton Properties, LLC based on provisions of Water Code section 13308, which authorizes the California Regional Water Quality Control Board, North Coast Region (hereinafter, the North Coast Water Board or Board) to issue a time schedule order if the North Coast Water Board determines there is a threatened or continuing violation of a cleanup and abatement order, and Water Code section 13267, which authorizes the North Coast Water Board to issue investigative orders requiring the preparation and submittal of technical and monitoring reports (collectively, the Order). Issuance of this Order is consistent with the Cannabis Enforcement Strategy that was presented to the North Coast Water Board at the December 5, 2024, Board meeting, which proposed the use of time schedule orders in certain circumstances to increase compliance rates with outstanding cleanup and abatement orders within the cannabis program.

The North Coast Water Board finds, with respect to Sexton Properties, LLC's acts, or failure to act, the following:

- 1) On July 20, 2022, Sexton Properties, LLC signed an Assumption of Deed of Trust Agreement through which it took ownership of Humboldt County Assessor Parcel Number 217-391-007-000 (hereafter, the Property) and agreed to pay the outstanding debt owed by Dobrev Capital, LLC on the Property. The transfer of ownership was recorded with Humboldt County on August 1, 2022. Prior to this transfer, Dobrev Capital, LLC had owned the Property since November 11, 2019.
- 2) During Dobrev Capital, LLC's ownership of the Property, several agencies, including staff from the State Water Resources Control Board (State Water Board), inspected the Property and documented water quality violations. Based on the observations of State Water Board staff, the North Coast Water Board issued Cleanup and Abatement and Investigative Order No. R1-2021-0029 to

Dobrev Capital, LLC on May 21, 2021. Dobrev Capital, LLC subsequently hired consultants to submit a proposed Restoration, Mitigation, and Monitoring Plan (RMMP) to the North Coast Water Board for approval, as required under Order No. R1-2021-0029. The North Coast Water Board's Executive Officer approved the RMMP on March 7, 2022. Between June and October 2022, State Water Board staff, who have been assisting North Coast Water Board staff on this matter, contacted Dobromir Dobrev, the manager/member of Dobrev Capital, LLC, to request updates on the status of implementation of the approved plan. On October 1, 2022, Mr. Dobrev informed staff that Dobrev Capital, LLC no longer owned the Property. Mr. Dobrev provided staff a copy of the Assumption of Deed of Trust Agreement that was signed by him, on behalf of Dobrev Capital, LLC, and by Fritz Sexton, on behalf of Sexton Properties, LLC. Mr. Dobrev did not provide any information regarding the status of implementation of the RMMP.

- 3) The Assumption of Deed of Trust that was signed by Mr. Sexton identifies him as the sole member of Sexton Properties, LLC. The Statement of Information filed with the California Secretary of State also identifies Mr. Sexton as the manager or member of Sexton Properties, LLC.
- 4) On October 21, 2022, State Water Board staff emailed Mr. Sexton regarding the transfer of ownership and to provide a copy of Order No. R1-2021-0029 that had been issued to Dobrev Capital, LLC. Staff did not receive a response from Mr. Sexton.
- 5) On July 6, 2023,¹ North Coast Water Board staff transmitted draft Cleanup and Abatement and Investigative Order R1-2023-00XX (draft Cleanup Order) to Sexton Properties, LLC,² and provided 30 calendar days to submit comments or evidence for consideration before issuance of a final order. Staff sent the draft Cleanup Order by email, GLS (a parcel delivery service), and process server to the manager/member of Sexton Properties, LLC, Fritz Sexton. In addition, staff sent the draft Cleanup Order to the agent for service of process for Sexton Properties, LLC, Maureen McCready, by GLS. Ms. McCready signed for the GLS delivery on July 7, 2023. Mr. Sexton accepted delivery by the process server on July 19, 2023.

¹ Staff had previously mailed the draft Cleanup Order to Sexton Properties, LLC, via certified mail, on March 30, 2023; however, no authorized recipient was available to accept the delivery, and the package was returned to sender.

² The draft Cleanup Order had also been transmitted to, and named as a responsible party, Dobrev Capital, LLC.

- 6) Staff did not receive any response from Sexton Properties, LLC; however, staff subsequently proposed several substantive changes to the draft Cleanup Order that had been transmitted to Sexton Properties, LLC.³ Therefore, on September 21, 2023, staff transmitted a revised draft Cleanup and Abatement and Investigative Order R1-2023-00XX (revised draft Cleanup Order) to Sexton Properties, LLC, and provided 14 calendar days to submit comments or evidence for consideration before issuance of a final order. Staff sent the revised draft Cleanup Order by United States Postal Service (USPS) certified mail to the address on file for Sexton Properties, LLC, by email and USPS certified mail to Mr. Sexton, and by USPS certified mail to Ms. McCready. Ms. McCready signed for the delivery on September 26, 2023. The packages sent by certified mail to Mr. Sexton and to Sexton Properties, LLC's address were returned to sender.
- 7) Personnel of the California Department of Fish and Wildlife (CDFW) subsequently contacted State Water Board staff regarding a September 25, 2023 conversation they had with Mr. Sexton. According to CDFW staff, Mr. Sexton stated that he had not realized the extent of the violations on the Property, or the costs associated with the remediation, and that he was assessing whether he should dissolve the limited liability company (LLC). After learning about this conversation, State Water Board staff emailed Mr. Sexton on October 3, 2023 and requested that Mr. Sexton contact State Water Board staff with any questions regarding the revised draft Cleanup Order or the corrective actions needed at the Property. Mr. Sexton did not respond.
- 8) On October 16, 2023, after having received no evidence or comments from Sexton Properties, LLC, the Executive Officer of the North Coast Water Board issued Cleanup and Abatement and Investigative Order No. R1-2023-0054 (Cleanup Order), which requires Sexton Properties, LLC to clean up and abate the effects of unauthorized grading, road building, construction of a stream crossing, and excavation and alteration of watercourses, and to eliminate the threat of future discharges to tributaries of Larabee Creek from the Property. Paragraphs 2-15 of the Cleanup Order contain factual findings that detail the history of the Property, which are incorporated herein by reference.
- 9) Required Actions No. 1 of the Cleanup Order required Sexton Properties, LLC to complete one of the following actions: 1) submit a written statement

³ Among the changes, staff proposed removing Dobrev Capital, LLC as a party named in the revised draft Cleanup Order. Rather than name both parties jointly in the draft Cleanup Order, staff proposed that Order No. R1-2021-0029, issued to Dobrev Capital, LLC on May 21, 2021, would remain in effect against Dobrev Capital, LLC, and the revised draft Cleanup Order would only name Sexton Properties, LLC as a responsible party.

acknowledging intent to utilize and fully implement the RMMP that Dobrev Capital, LLC had submitted pursuant to Order No. R1-2021-0029, and that was approved by the North Coast Water Board's Executive Officer; or 2) develop and submit a new proposed RMMP acceptable to the North Coast Water Board or its delegated officer. The North Coast Water Board required Sexton Properties, LLC to comply with one of the two options specified above within 90 days of the issuance date of the Cleanup Order, which resulted in a deadline of January 14, 2024.

- 10) Required Actions No. 2 of the Cleanup Order required Sexton Properties, LLC to implement winterization measures at the Property and submit documentation of completion by October 31, 2023.
- 11) Required Actions No. 3 of the Cleanup Order required Sexton Properties, LLC to begin implementation of an RMMP approved by the Executive Officer (either the March 7, 2022, RMMP or a new approved RMMP) by May 15, 2024.
- 12) Required Actions No. 4 of the Cleanup Order required Sexton Properties, LLC to submit monthly progress reports on the first day of each month during implementation of the RMMP through completion of the work.
- 13) Required Actions No. 5 of the Cleanup Order required Sexton Properties, LLC to complete implementation of the restoration and mitigation measures contained in an approved RMMP by October 31, 2024.
- 14) Required Actions No. 6 of the Cleanup Order required Sexton Properties, LLC to submit an RMMP Completion Report for approval within 60 days of completing implementation of the RMMP and no later than December 30, 2024.
- 15) Required Actions No. 7 of the Cleanup Order required annual monitoring reports by January 31 of each year following completion of the RMMP, for a minimum of two years.
- 16) On October 23, 2023, the Cleanup Order was delivered via USPS certified mail to Ms. McCreedy. The copy of the Cleanup Order sent via USPS certified mail to Mr. Sexton was returned as unclaimed. Sexton Properties, LLC did not contact staff in response to the Cleanup Order.
- 17) On March 7, 2024, staff issued a Notice of Violation for failure to comply with Required Actions Nos. 1 and 2 of the Cleanup Order as a result of Sexton Properties, LLC failing to submit a proposed RMMP, or written acknowledgement of intent to utilize the previously approved RMMP from Dobrev Capital, LLC, and

for failing to implement winterization measures at the Property. The Notice of Violation was sent by email and USPS certified mail to Mr. Sexton, and by USPS certified mail to Ms. McCready. The copy of the Notice of Violation sent to Mr. Sexton was returned as unclaimed and the copy to Ms. McCready was refused.

- 18) On March 26, 2024, following the unsuccessful delivery of the Notice of Violation, State Water Board staff conducted a business status check with the California Secretary of State's website for Sexton Properties, LLC. Mr. Sexton had filed a certificate of cancellation to terminate the LLC on September 29, 2023, shortly after his conversation with CDFW staff. Additionally, Ms. McCready had filed a resignation of agent for service of process on October 23, 2023, the same day that she had signed for delivery of the Cleanup Order.
- 19) On May 30, 2024, staff reissued the Notice of Violation to Sexton Properties, LLC for failure to comply with Required Actions Nos. 1 and 2 of the Cleanup Order and to inform him of Sexton Properties, LLC's ongoing obligations under the Cleanup Order, despite the certificate of cancellation that was filed with the Secretary of State. The notice included a citation to California Corporations Code section 17707.06, which specifies that an LLC that files a certificate of cancellation continues to exist, in part, for prosecuting and defending actions by or against it to collect or dispense obligations. Staff sent the Notice of Violation by email, USPS certified mail, and FedEx to Mr. Sexton. The copy sent via USPS certified mail was returned as unclaimed; however, the copy sent to Mr. Sexton via FedEx, with electronic confirmation of delivery, was delivered to the intended address on May 31, 2024. Staff did not receive any response to the Notice of Violation.
- 20) On November 14, 2024, staff issued another Notice of Violation for failure to comply with Required Actions No. 5 of the Cleanup Order as a result of Sexton Properties, LLC failing to complete implementation of the restoration and mitigation measures required to be contained in an approved RMMP by October 31, 2024. Staff sent the notice to Mr. Sexton by email, USPS certified mail, and GLS. The copy sent to Mr. Sexton via USPS certified mail was returned as unclaimed; however, the copy sent to Mr. Sexton via GLS, with electronic confirmation of delivery, was delivered to the intended address on November 15, 2024.
- 21) Since issuance of the November 14, 2024 Notice of Violation, Sexton Properties, LLC has further violated Required Actions No. 6 of the Cleanup Order, which required them to submit an RMMP Completion Report no later than December 30, 2024.

- 22) To date, Sexton Properties, LLC has not contacted State Water Board or North Coast Water Board staff in response to the Cleanup Order or the multiple Notices of Violation issued in 2024. Sexton Properties, LLC continues to violate the requirements of the Cleanup Order; specifically, by failing to comply with Required Actions Nos. 1, 2, 3, 5, or 6 of the Cleanup Order in accordance with the deadlines outlined above in Paragraphs 9, 10, 11, 13, and 14 of this Order.
- 23) Pursuant to Water Code section 13308, subdivision (a), if the North Coast Water Board determines there is a threatened or continuing violation of any cleanup and abatement order, the North Coast Water Board may issue an order establishing a time schedule and prescribing a civil penalty that shall become due if compliance is not achieved in accordance with that time schedule. Section 13308, subdivision (b), further provides that the amount of the civil penalty shall be based on the amount reasonably necessary to achieve compliance, not to include any amount intended to punish or redress previous violations, and that the civil penalty shall not exceed ten thousand dollars (\$10,000) for each day in which the violation occurs.
- 24) On February 18, 2025, the Prosecution Team transmitted a draft Time Schedule and Investigative Order (Draft Order) to Sexton Properties, LLC. The transmittal letter accompanying the Draft Order informed Sexton Properties, LLC that a hearing would be held before the North Coast Water Board to consider adoption of the Draft Order and that additional details regarding the hearing date and location would be identified in the Hearing Procedure that would be provided by the Advisory Team. The Draft Order that was mailed to Sexton Properties, LLC via GLS was delivered on February 21, 2025. The Draft Order that was mailed to Sexton Properties, LLC by USPS certified mail was picked up at the post office on February 27, 2025.
- 25) The Prosecution Team also transmitted electronic copies of the Draft Order to the Advisory Team on February 19, 2025 and to Mr. Sexton on February 26, 2025.
- 26) On March 13, 2025, the Advisory Team provided the parties a Notice of Public Hearing and Hearing Procedure for the Draft Order. The Notice was transmitted to the parties via email and by mail to Sexton Properties, LLC. The Hearing Procedure identified important deadlines for prehearing submissions.
- 27) Consistent with the deadline contained in the Hearing Procedure, the Prosecution Team submitted comments on the Hearing Procedure on March 21, 2025. The Advisory Team provided a response to the Prosecution Team's comments on April 4, 2025. Included in the Advisory Team's email to the parties

was the login information and instructions for uploading prehearing submittals to the North Coast Water Board's file transfer protocol (FTP) site.

- 28) On April 7, 2025, the Prosecution Team informed Sexton Properties, LLC and the Advisory Team that it had uploaded its evidence exhibits, exhibit index table, witness list, and legal analysis to the FTP site. Pursuant to the Hearing Procedure, Sexton Properties, LLC had until 5 p.m. on April 21, 2025 to submit supporting evidence, legal/technical memorandum, and a witness list. Sexton Properties, LLC did not submit any documents.
- 29) On April 30, 2025, the Prosecution Team provided Sexton Properties, LLC and the Advisory Team a revised Draft Order for consideration.
- 30) A hearing to consider adoption of this Order was held on May 8, 2025. Sexton Properties, LLC did not appear at the hearing to contest the Prosecution's allegations or the draft Order. Based on Sexton Properties, LLC's failure to comply with Required Actions Nos. 1, 2, 3, 5, and 6 of the Cleanup Order by the required deadlines, the North Coast Water Board finds that issuance of a time schedule order, pursuant to Water Code section 13308, is appropriate. Therefore, this Order establishes a time schedule consisting of new deadlines and potential civil penalties for several required actions contained in the Cleanup Order based on Sexton Properties, LLC's ongoing violations of the Cleanup Order, in accordance with Water Code section 13308.
- 31) Additional required actions are contained in the Cleanup Order, for which there is no continuing or threatened violation to establish the Board's authority under Water Code section 13308; specifically, the requirement to submit monthly progress reports during implementation of the RMMP (Required Actions No. 4) and the requirement to submit annual monitoring reports following completion of the restoration and mitigation measures contained the RMMP (Required Actions No. 7). These required actions do not have specific dates as deadlines because they are contingent upon Sexton Properties, LLC completing a prior action to trigger the monthly or annual reporting requirement. Accordingly, until Sexton Properties, LLC completes the prerequisite action, there is no threatened or continuing violation of these requirements. Therefore, this Order does not modify these deadlines through a time schedule nor prescribe a civil penalty pursuant to Water Code section 13308. Rather, these required actions remain obligations with which Sexton Properties, LLC must comply pursuant to the Board's authority under Water Code section 13267, under which they were initially established in the Cleanup Order. To provide a comprehensive list of the required actions and deadlines with which Sexton Properties, LLC must comply, this Order incorporates the continuing obligation to provide these reports as required by Water Code section 13267 and Required Actions Nos. 4 and 7 of the Cleanup

Order so that all requirements and deadlines are contained within a single order. Paragraphs 24, 24.b, 24.d, and 25 of the Cleanup Order contain the factual and legal analysis that establishes the North Coast Water Board's authority to require submittal of the monthly progress reports and annual monitoring reports, which is incorporated herein by reference.

- 32) The adoption of this Order is an enforcement action to protect the environment, and is therefore exempt from the provisions of the California Environmental Quality Act (Public Resources Code section 21000 et seq.) pursuant to Title 14, California Code of Regulations, sections 15308 and 15321, subdivision (a)(2).
- 33) Any person aggrieved by this action of the North Coast Water Board may petition the State Water Board to review the action in accordance with Water Code section 13320 and California Code of Regulations, title 23, section 2050 et seq. The State Water Board must receive the petition by 5:00 p.m., 30 days after adoption of this order, except that if the thirtieth day following the action 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.⁴

THEREFORE, IT IS HEREBY ORDERED, pursuant to Water Code sections 13308 and 13267, that Sexton Properties, LLC shall comply with, and be subject to, the following:

- 1) **By July 1, 2025**, Sexton Properties, LLC shall 1) acknowledge the intent to use and fully implement the North Coast Water Board-approved RMMP previously submitted by Dobrev Capital, LLC pursuant to Order R1-2021-0029, or 2) submit an acceptable RMMP for approval by the North Coast Water Board or its delegated officer. To be acceptable for approval by the Executive Officer, the RMMP shall include all elements specified in Required Actions No. 1 and the General Requirements and Notices contained in the Cleanup Order. Additionally, given the length of time that has passed since issuance of the Cleanup Order, to the extent that Sexton Properties, LLC elects to use the RMMP previously submitted by Dobrev Capital, LLC, they must ensure that the plan is still appropriate to address current site conditions and that the implementation schedule allows them to complete implementation of the work outlined in the plan consistent with the deadline specified in Paragraph 3 below. Because the RMMP shall propose installation and maintenance of erosion control measures and implementation of the RMMP must be completed prior to the start of the 2025/2026 wet weather season, this Order does not contain a separate time

⁴ Copies of the law and regulations applicable to filing petition may be found on the [State Water Board's webpage titled Water Quality Petitions](https://www.waterboards.ca.gov/public_notices/petitions/water_quality/) (https://www.waterboards.ca.gov/public_notices/petitions/water_quality/).

schedule deadline to implement winterization measures as originally required in Required Actions No. 2 of the Cleanup Order, unless the deadline to complete implementation of the RMMP is extended beyond October 31, 2025, due to circumstances beyond the control of Sexton Properties, LLC's control.

- a. **Prescribed civil penalty:** The Cleanup Order provided estimated costs to prepare an RMMP that were based on the costs presented in the State Water Board's Direct Cost Analysis for the Proposed Cannabis Cultivation Policy (2017 Direct Cost Analysis)⁵ for field inspection and report preparation of a combined Site Management Plan and Disturbed Area Stabilization Plan, which ranged between \$3,660 and \$11,720. Using the median cost of \$7,690 from the range identified in the Cleanup Order, and adjusting for the rate of inflation since 2017,⁶ the cost associated with preparation of an acceptable RMMP is estimated to be \$9,835. Therefore, the amount reasonably necessary to achieve compliance is calculated to be \$10,819, which represents the estimated cost of compliance plus ten percent. For each civil penalty in this Order prescribed under Water Code section 13308, ten percent is added to the estimated cost of compliance to establish the maximum penalty. The additional ten percent is intended to incentivize Sexton Properties, LLC to complete the required actions by making compliance the less costly option.⁷ The additional ten percent is not intended to punish or redress previous violations. Additionally, the daily liability amounts prescribed in this Order under Water Code section

⁵ The State Water Board considered the estimated costs associated with various technical reports regarding site characterization, stabilization, and restoration during the adoption and amendment of the Cannabis Cultivation Policy and Cannabis General Order. The estimated costs were presented in the [2017 Direct Cost Analysis](http://www.waterboards.ca.gov/water_issues/programs/cannabis/docs/policy/20171017_cannabis_cultivation_policy_cost_analysis.pdf) (www.waterboards.ca.gov/water_issues/programs/cannabis/docs/policy/20171017_cannabis_cultivation_policy_cost_analysis.pdf)

⁶ The inflation rates that are referenced in this Order were determined using the California Department of Finance and World Bank, 2025, available at: [Inflation | Department of Finance](https://dof.ca.gov/forecasting/economics/economic-indicators/inflation/) (<https://dof.ca.gov/forecasting/economics/economic-indicators/inflation/>) and [Inflation, consumer prices \(annual %\) - United States | Data](https://data.worldbank.org/indicator/FP.CPI.TOTL.ZG?end=2023&locations=US&start=1960&view=chart) (<https://data.worldbank.org/indicator/FP.CPI.TOTL.ZG?end=2023&locations=US&start=1960&view=chart>). Specifically, the following inflation rates were applied for each year: 2.44% (2018), 1.81% (2019), 1.23% (2020), 4.7% (2021), 8.0% (2022), 4.12% (2023), and 2.9% (2024).

⁷ Although this Order estimates the cost of compliance for each action imposed pursuant to the North Coast Water Board's authority under Water Code section 13308, these costs are merely estimates and are not intended to, nor do they, act as a cap on the amount that Sexton Properties, LLC may need to incur to comply with the required actions.

13308 have been calculated by adding ten percent to the maximum daily liability amount that would have been applicable to each required action under the Cleanup Order. This ten percent is similarly not intended to punish or redress previous violations but, rather, is intended to set the daily liability at an amount reasonably necessary to achieve compliance given that the prior daily liability amounts referenced in the Cleanup Order were insufficient to incentivize Sexton Properties, LLC to complete the required actions. Accordingly, if Sexton Properties, LLC fails to submit an adequate RMMP by July 1, 2025, the civil penalty shall accrue at a daily rate of \$1,100 for each day of violation, up to the maximum liability of \$10,819.

- 2) Following the start of implementation of the RMMP, Sexton Properties, LLC shall submit monthly progress reports beginning **the first day of the month** following the start of implementation of the approved RMMP through completion of the work. The reports shall include all elements specified in Required Actions No. 4 and the General Requirements and Notices contained in the Cleanup Order. If Sexton Properties, LLC fails to submit monthly progress reports during implementation of the RMMP, as required, they may be subject to administrative civil liability up to \$1,000 for each day in which the violation occurs, pursuant to Water Code section 13268.
- 3) **By October 31, 2025**, Sexton Properties, LLC shall complete implementation of the restoration and mitigation measures required to be contained in an acceptable RMMP.
 - a. **Prescribed civil penalty:** The cost associated with implementation of the restoration and mitigation measures is estimated to be \$167,283, based on the scope of work proposed in the RMMP previously submitted by Dobrev Capital, LLC and the costs associated with applicable permits. A detailed explanation of the corrective actions considered under the previously approved plan, and their estimated costs, is provided in Attachment A to this Order. The amount reasonably necessary to achieve compliance is, therefore, calculated to be \$184,011, which represents the estimated cost of compliance plus ten percent. If Sexton Properties, LLC fails to complete implementation of the restoration and mitigation measures by October 31, 2025, the civil penalty shall accrue at a daily rate of \$5,500 per day of violation up to the maximum liability of \$184,011.
- 4) **By October 31, 2025**, if the North Coast Water Board or its delegated officer extend the RMMP implementation deadline above in Paragraph 3, Sexton Properties, LLC shall complete implementation of winterization measures to prevent discharges of sediment and sediment-laden stormwater to waters of the

state and submit documentation of the completed measures. If the requirement to implement winterization measures and submit documentation of completion by October 31, 2025 is triggered under this Order, and Sexton Properties, LLC fails to comply, the North Coast Water Board may impose a civil penalty consistent with Water Code section 13308.

- a. **Prescribed civil penalty:** Compliance with this required action would include preparing a plan for winterization measures, installation and maintenance of best management practices (BMPs), and submittal of documentation demonstrating completed implementation of winterization measures. The cost of preparing a plan for winterization measures is based on the cost estimated in the 2017 Direct Cost Analysis for an Erosion and Sediment Control Plan, which ranged between \$1,200 and \$2,400. Using the median cost of \$1,800 from the range identified in the Cleanup Order, and adjusting for the rate of inflation since 2017, the cost associated with preparation of a plan for winterization was calculated to be \$2,302. The labor and material costs associated with implementation and installation of BMPs and submittal of documentation demonstrating completed measures were calculated to be \$5,529 using RSMeans, State Water Board Underground Storage Tank Cleanup Fund Cost Guidelines, and 2017 Direct Cost Analysis. Based on these considerations, the total cost associated with this requirement, including report preparation, implementation, and documentation of completion, is estimated to be \$7,831. Therefore, the amount reasonably necessary to achieve compliance is calculated to be \$8,614, which represents the estimated cost of compliance plus ten percent. If Sexton Properties, LLC fails to comply with this requirement, the civil penalty shall accrue at a daily rate of \$5,500 per day of violation up to the maximum liability of \$8,614.
- 5) **Within 60 days of completing implementation of the RMMP, but no later than December 30, 2025**, Sexton Properties, LLC shall submit an RMMP Completion Report for approval by the North Coast Water Board or its delegated officer. To be acceptable for approval, the RMMP Completion Report shall include all elements specified in Required Actions No. 6 and the General Requirements and Notices contained in the Cleanup Order.
- a. **Prescribed civil penalty:** The Cleanup Order provided estimated costs to prepare an RMMP Completion Report that were based on the costs presented in the 2017 Direct Cost Analysis for the report preparation component of a combined Site Management Plan and Disturbed Area Stabilization Plan, which ranged between \$2,900 and \$8,000. Using the median cost of \$5,450 from the range identified in the Cleanup Order, and adjusting for inflation since 2017, the cost associated with preparation of an RMMP Completion Report is estimated to be \$6,970. Therefore, the

amount reasonably necessary to achieve compliance is calculated to be \$7,667, which represents the estimated cost of compliance plus ten percent. If Sexton Properties, LLC fails to submit an RMMP Completion Report within 60 days of completing implementation of the RMMP, and no later than December 30, 2025, the civil penalty shall accrue at a daily rate of \$1,100 for each day of violation, up to the maximum liability of \$7,667.

- 6) Upon completion of the restoration and mitigation measures contained in the RMMP, Sexton Properties, LLC shall submit Annual Monitoring Reports **by January 31 of each year** for at least two years, or until the North Coast Water Board or its delegated officer approves a request to discontinue monitoring. Each Annual Monitoring Report shall contain the elements specified in Required Actions No. 7 and the General Requirements and Notices contained in the Cleanup Order. If Sexton Properties, LLC fails to submit Annual Monitoring Reports after completing implementation of the RMMP, as required, they may be subject to administrative civil liability up to \$1,000 for each day in which the violation occurs, pursuant to Water Code section 13268.

- 7) The submittals required above shall be sent by email (preferred) to:

Gary Dickenson, Engineering Geologist
Gary.Dickenson@waterboards.ca.gov

Or by mail to:

State Water Resources Control Board – Office of Enforcement
Attn: Gary Dickenson
801 K St., Suite 2300
Sacramento, CA 95814

- 8) If Sexton Properties, LLC is unable to perform any of the required actions in compliance with the schedule set forth herein, due to circumstances beyond its control, Sexton Properties, LLC may request, in writing, an extension of the deadline. Any request for extension shall include justification for the delay and must be submitted as soon as the delay is recognized and prior to the deadline for the required action. An extension may only be granted by modification of this Order or by a letter from the North Coast Water Board's delegated officer.

I, Valerie Quinto, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of the Order adopted by the North Coast Water Board on May 8, 2025.

Valerie Quinto
Executive Officer

Attachment A Corrective Action Costs

ATTACHMENT A
TO TIME SCHEDULE AND INVESTIGATIVE ORDER NO R1-2025-0020

Implementation Cost Estimates: Construction Materials and Other Costs

Resources for Cost Estimates:

- State Water Resources Control Board (SWB) [2017 Direct Cost Analysis for the Proposed Cannabis Cultivation Policy](https://www.waterboards.ca.gov/water_issues/programs/cannabis/docs/policy/20171017_cannabis_cultivation_policy_cost_analysis.pdf).
(https://www.waterboards.ca.gov/water_issues/programs/cannabis/docs/policy/20171017_cannabis_cultivation_policy_cost_analysis.pdf)
- SWB [2019 Direct Cost Analysis for the Proposed Updates to Cannabis Cultivation Policy](https://www.waterboards.ca.gov/water_issues/programs/cannabis/docs/direct_cost_analysis_addendum_feb_2019.pdf).
(https://www.waterboards.ca.gov/water_issues/programs/cannabis/docs/direct_cost_analysis_addendum_feb_2019.pdf)
- SWB [Underground Storage Tank Cleanup Fund – Cost Guidelines \(2023\)](https://www.waterboards.ca.gov/water_issues/programs/ustcf/docs/2023/2023-costguidelines.pdf).
(https://www.waterboards.ca.gov/water_issues/programs/ustcf/docs/2023/2023-costguidelines.pdf)
- California Department of Fish and Wildlife (CDFW) Lake and Streambed Alteration Agreement for Dobrev RMMP activities
- California Stormwater Quality Association (CASQA) (2024). [BMP Handbooks | California Stormwater Quality Association](https://www.casqa.org/resources/bmp-handbooks)
(<https://www.casqa.org/resources/bmp-handbooks>)
- United States Department of Agriculture (USDA) – [Natural Resources Conservation Service \(FY2025\)](https://www.nrcs.usda.gov/sites/default/files/2024-11/fy25-ca-scenarios.pdf).
(<https://www.nrcs.usda.gov/sites/default/files/2024-11/fy25-ca-scenarios.pdf>)
- [RSMeans](https://www.rsmeansonline.com/) (<https://www.rsmeansonline.com/>): Database of construction costs; unit costs include materials, equipment, labor, overhead, and profit.
- Communication with regulatory agencies and vendors
- Online resources

I. Restoration, Mitigation, and Monitoring Plan (RMMP) Implementation Costs:

RMMP tasks and materials based on Restoration Plan (Grading Plan) schematics prepared by Omsberg & Preston (OP) (revision 7/16/21), RMMP by NRM (revised 9/8/21), and 401 Water Quality Certification Application for the Dobrev RMMP activities (2021).

1. Permitting: \$27,871

- CDFW Lake and Streambed Alteration Agreement (LSAA) - Activities based on 2021 LSAA application for Dobrev RMMP activities. Fees for 2025:
 - Six proposed projects x \$751.75/project = \$4,510.50
 - Marijuana Remediation fee = \$6,698
 - Total LSAA fees = \$11,208.50
- SWB 401 Water Quality Certification - Activities based on 2021 application for Dobrev RMMP activities. Fees for 2025:
 - Low Impact Discharge fee = \$4,212
 - Annual fee = \$563

ATTACHMENT A
TO TIME SCHEDULE AND INVESTIGATIVE ORDER NO R1-2025-0020

- Total 401 Water Quality Certification fees = \$4,775
- Grading Permit from Humboldt County Planning & Permitting Department – Fees for a project of 3,000 – 3,500 cubic yards (cy):
 - First 1,000 cy = \$317
 - Additional 1,000 cy: 2x \$23 = \$46
 - Plan Review fee: 65% of grading fees = \$236
 - Total Grading Permit fee = \$599
- Prepare Permit Applications:
 - One scientist at 16 hours x \$119/hr = \$1,904
- Reports Required for Permits:
 - LSAA - Project Inspection Report: Satisfied by an acceptable RMMP
 - LSAA - Project Restoration Report: Satisfied by an acceptable RMMP
 - LSAA - Revegetation Plan: Satisfied by an acceptable RMMP
 - Humboldt Co. Grading Permit - Soils Report = \$3,500
 - Per Lindberg Geologic Consulting, 2025
 - Humboldt County Grading Permit - Erosion Control Plan: Satisfied by an acceptable RMMP
 - Humboldt County Grading Permit - Grading Plan = \$5,884
 - Using the median cost from the 2017 Direct Cost Analysis for a combined Site Erosion & Sediment Control Plan and Disturbed Area Stabilization Plan, adjusted for inflation⁸

2. Restore Terrace Areas to Native Grade: \$127,517

- Disturbed Areas:
 - North Area: 37,400 square feet (sqft) = 0.85 acre (ac)
 - South Area: 59,000 sqft = 1.35 ac
 - Total: 96,400 sqft = 2.2 ac
- Soil to be Moved: 3,000 cy
 - Fill slope soil to be excavated and used to fill cut-slopes.
 - Excess spoils will need to be relocated on site or hauled off site.

2.a. Excavation of fill slopes and backfill cut-slopes: \$25,433

⁸ The adjustments for inflation referenced throughout this document were determined using data from the California Department of Finance and World Bank, 2025, available at: [Inflation | Department of Finance](https://dof.ca.gov/forecasting/economics/economic-indicators/inflation/) (https://dof.ca.gov/forecasting/economics/economic-indicators/inflation/) and [Inflation, consumer prices \(annual %\) - United States | Data](https://data.worldbank.org/indicator/FP.CPI.TOTL.ZG?end=2023&locations=US&start=1960&view=chart) (https://data.worldbank.org/indicator/FP.CPI.TOTL.ZG?end=2023&locations=US&start=1960&view=chart). Specifically, the following inflation rates were applied for each year: 2.44% (2018), 1.81% (2019), 1.23% (2020), 4.7% (2021), 8.0% (2022), 4.12% (2023), and 2.9% (2024).

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- Equipment: Excavator, dozer, loader, dump truck, and compactor.
 - Mobilization/Demobilization: $3 \times \$1,036 = \$3,108$ (RSMMeans)
- Excavator to remove material from fill slopes. The fill slopes are steep and up to 20 feet thick. Estimated 1,500 cy to be removed by excavator. The remaining fill material to be excavated by dozer.
 - Excavator, 1.5 cy capacity: $1,500 \text{ cy} \times \$2.24/\text{cy} = \$3,360$ (RSMMeans)
- Loader to move excavated material to cut-slope (700 cy) and/or load spoils for hauling (805 cy); total = 1,505 cy.
 - Load Fill: Front end loader, 2.25 cy capacity: $700 \text{ cy} \times \$1.77/\text{cy} = \$1,239$ (RSMMeans)
 - Load Spoils: Front end loader, 2.25 cy capacity: $805 \text{ cy} \times \$1.77/\text{cy} = \$1,425$ (RSMMeans)
- Dozer to install material into cut-slope (1,500 cy) and excavate remaining material from fill slope (1,500 cy).
 - Excavate: Dozer, 105 horsepower (HP), 150-ft haul: $1,500 \text{ cy} \times \$5.17/\text{cy} = \$7,755$ (RSMMeans)
 - Backfilling: Dozer, 105 HP, 150-ft haul: $1,500 \text{ cy} \times \$2.50/\text{cy} = \$3,750$ (RSMMeans)
- Compactor to compact fill material placed in cut-slope.
 - Compaction: Estimated 10 days for fill and compaction $\times \$222/\text{day} = \$2,220$ (USTCF, 2023)
- Excess fill material (spoils) to be hauled from the restoration area to either an onsite or off-site location. Estimate 805 cy (52 cy of material to be removed to restored Class III watercourse at South Area; and offset import of 753 cy of drain rock and installed at North and South Areas).
 - Hauling: Truck, 8 cy, 0.5 mile (mi): $805 \text{ cy} \times \$3.20/\text{cy} = \$2,576$ (RSMMeans)

2.b. Installation of Cut-Slope Dewatering Controls: \$70,232

- 8-inch diameter (dia) perforated pipe: $\$4.90/\text{ft} \times 580 \text{ ft} = \$2,842$
 - 270 ft for South Area and 310 ft for North Area.
 - \$98 per 20-ft roll (Reinders.com)
- 8-inch dia HDPE pipe: $\$6.00/\text{ft} \times 160 \text{ ft} = \960
 - 160 ft for South Area.
 - \$120 per 20-foot section, corrugated, double wall (Tractorsupply.com)
- Geotextile fabric rolls: $\$1,063 \times 7 \text{ rolls} = \$7,441$
 - Geotextile fabric (top and bottom) of drain rock. Non-woven geotextile filter fabric.
 - South Area: 135 ft long \times 55 ft wide \times 1.5 ft thick. 4 rolls
 - North Area: 160 ft long \times 40 ft wide \times 1.5 ft thick. 3 rolls
 - Material: Mirafi - TenCate 140N fabric, 15 ft \times 360 ft roll (5,400 sqft), \$1,063/roll. 7.5 ft \times 360 ft roll, \$367/roll (paramountmaterials.com)
- Drain Rock and Buttress Material: \$58,989 (Randall Sand & Gravel)

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- Material cost: $1,242 \text{ ton} \times \$24.50/\text{ton} = \$30,429$
 - Drain rock: Washed small class rock slope protection (RSP) rock, or crushed base rock (median 4-inch dia), 1.5-ft thick layer.
 - Drain rock extent: South Area- 135 ft long x 55 ft wide x 1.5 ft depth; 397 cy. North Area- 160 ft long x 40 ft wide x 1.5 ft thick; 356 cy. Ballast, 3-6-inch dia, \$24.50/ton (Randall Sand & Gravel)
- Transport cost: $56 \text{ loads} \times 3 \text{ hours (hr)} \times \$170/\text{hr} = \$28,560$
 - $753 \text{ cy} \times 1.65 \text{ tons/cy} = 1,242 \text{ tons}$
 - A 20-23.5 ton load using transfer trucks (5-axle truck).
 - 1,242 tons would require 56 loads (1,242 tons/22 tons per load).
 - Transfer truck hourly rate of \$170/hr (Randall Sand & Gravel)
 - 3 hr roundtrip

2.c. Decommission Access Roads: \$3,308

- North Area access roads; light reshaping: $450 \text{ ft} \times \$7.35/\text{ft} = \$3,308$ (USDA-NRCS, FY2025)

2.d. Stormwater and Erosion Control Measures: \$28,544

- Straw Wattles: Installation, materials, and labor. 15-foot spacing between wattles. The estimated natural slope at North Area is 6.5:1 [H:V] (horizontal approximately 230 ft - 260 ft:vertical 40 ft), South Area is 7:1 [H:V] (horizontal 280 ft:vertical 40 ft).
 - North Area: Length of disturbed area, 230 ft. Number of rows, $230 \text{ ft}/15 \text{ ft spacing} = 15 \text{ rows}$ (14 wattles and 1 silt fence). Amount of wattle: Average row length 120 ft x 14 rows = 1,680 ft
 - South Area: Length of disturbed area, 285 ft. Number of rows, $285 \text{ ft}/15 \text{ ft spacing} = 19 \text{ rows}$ (18 wattles and 1 silt fence). Amount of wattle: Average row length 220 ft x 18 rows = 3,960 ft
 - Crossing: 4 rows x 25 ft = 100 ft
 - Total: $5,740 \text{ ft} \times \$3.59/\text{ft} = \$20,607$ (RSMeans)
- Silt Fence: Installation, materials, and labor; contain lower perimeter of disturbed area.
 - North Area: 380 ft
 - South Area: 375 ft
 - Total: $755 \text{ ft} \times \$3.81/\text{ft} = \$2,877$ (RSMeans)
- Straw Mulch:
 - North Area: 37,400 sqft or 0.85 ac
 - South Area: 59,000 sqft or 1.35 ac
 - Total: $2.2 \text{ ac} \times \$2,300/\text{ac} = \$5,060$ (CASQA, 2023)
 - Range \$2,300/ac - \$6,900/ac (CASQA, 2023)

3. Restore Class III Watercourse, South Area: \$8,025

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Restore drainage of Class III watercourse (south graded terrace), as part of restoring the terrace area to natural grade. Construct an armored channel, 2 ft wide, minimum 1 ft deep, sides laid back 2:1 (H:V), rock no less than 8.4-inch dia. Excavate 52 cy of fill for 350 ft of channel length. Proposed project footprint of 2,100 sqft of channel/riparian area; proposal would disturb approximately 350 sqft of vegetation of the graded terrace. Rocked Area (channel bottom): 2 ft (W) x 350 ft (L) x 0.5 ft (D) = 350 cubic feet (cu ft) or 13 cy or 21 ton.

- Ballast rock, 3-6-inch dia, = \$1,025 [\$78.85/cy] (Randall Sand & Gravel)
 - Material cost: 21 tons x \$24.50/ton = \$515 (Randall Sand & Gravel)
 - 20-23.5 tons per load for transfer truck
 - Transport cost: 1 load x 3 hr x \$170/hr = \$510
 - 21 tons = 1 load
 - Transfer truck (5-axle) is \$170/hr (Randall Sand & Gravel)
 - 3 hr roundtrip
- Restoring Class III watercourse is estimated to be similar to installing a drainage swale including earthwork and stabilization: 350 ft x \$20/ft = \$7,000 (CASQA, 2023)
 - Rate range: \$19 - \$70/ft. Estimate uses lower range value as equipment will be onsite for terrace restoration.

4. Construct Rock-lined Spillway, Instream Pond: \$3,317

Placement of rock armor, no less than 18-inch dia. rock, excavate 1 cy of fill. Proposed project footprint of approximately 36 sqft of channel/riparian area; proposal would disturb 6 ft of channel length and approximately 96 sqft of vegetation (removal of willows and alders growing in fill prism).

- Cost to construct rock-lined spillway: \$3,317 (per cost presented in CDFW Lake and Streambed Alteration Agreement for Dobrev RMMP activities (2021), adjusted for inflation).

5. Remove Water Diversion – Spring Box: \$553

Remove water diversion infrastructure (spring box). Proposed project footprint of 24 sqft; proposal would excavate 1 cy of fill, disturb approximately 5 ft of channel length, and disturb approximately 30 sqft of vegetation.

- Cost to remove water diversion: \$553 (per cost presented in CDFW Lake and Streambed Alteration Agreement for Dobrev RMMP activities (2021), adjusted for inflation).

Total Cost To Implement RMMP: \$167,283

II. Winterization Implementation Costs: Winterization tasks and materials based on plans previously submitted by Dobrev Capital, LLC including Revised Interim Winterization & Erosion Control Plan, dated October 7, 2020, and Updated Revised Interim Winterization & Erosion Control Plan, dated September 22, 2021.

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1. Conduct site inspection and prepare plan for implementation: \$2,302 (Using median cost from the 2017 Direct Cost Analysis associated with an Erosion & Sediment Control Plan, adjusted for inflation).
2. Replace/install straw wattles at locations of slope failure and watercourse crossing:
 - Total: 710 ft x \$3.59/ft = \$2,549 (RSMeans)
 - North Area: 3 rows x 105 ft
 - South Area: 3 rows x 195 ft
 - Crossing: 2 rows x 50 ft
3. Replace/install erosion control blankets at locations of cut-slope failure scarp:
 - Total: 470 sqyd x \$3.08/sqyd = \$1,448 (RSMeans)
 - North Area: 230 sqyd
 - South Area: 240 sqyd
4. Maintenance of previous erosion control measures, including repair silt fencing and straw wattles, maintenance of drainage ditch sediment catchments, etc.:
 - Total Labor Cost = \$526
 - Field staff 8 hours x \$30/hr = \$240 (Labor rate, 2017 Direct Cost Analysis, adjusted for inflation)
 - Engineer 2 hours x \$143/hr = \$286. (Labor rate, 2017 Direct Cost Analysis, adjusted for inflation)
 - Vehicle: 130 mi x 0.655/mi = \$85 (USTCF, 2023)
5. Prepare and submit documentation of completed implementation: \$921 (median cost from the 2017 Direct Cost Analysis associated with a Monthly Progress Report, adjusted for inflation).

**Total Cost for Implementation and Documentation of Completed Winterization:
\$7,831**