

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
NORTH COAST REGION**

**CLEANUP AND ABATEMENT ORDER AND
INVESTIGATIVE ORDER NO. R1-2026-0016**

for

**DFG Beverage, LLC and DFG Real Estate, LLC
(Ray's Station Winery)
Process Wastewater WDID No. 1B180163RMEN**

Mendocino County

This Cleanup and Abatement Order (Order) is issued to DFG Beverage, LLC (Operator) and DFG Real Estate, LLC (Owner) (collectively Discharger) based on provisions of California Water Code (Water Code) section 13304, which authorizes the North Coast Regional Water Quality Control Board (Regional Water Board) to issue a Cleanup and Abatement Order, and Water Code section 13267, which authorize the Regional Water Board to require the preparation and submittal of technical and monitoring reports. This Order replaces Water Code Section 13267 Investigative Order No. R1-2024-0028 and Cleanup and Abatement Order No. R1-2024-0039, and incorporates requirements contained in Cease and Desist Order No. R1-2024-0035, formerly issued to Vintage Wine Estates, Inc (VWE). On October 31, 2024, following VWE's bankruptcy, the Discharger purchased Ray's Station Winery with the intent to upgrade the Facility's wastewater treatment system and operate it as a wine processing plant.

The Executive Officer finds, with respect to the Discharger's acts, or failure to act, the following:

PURPOSE OF THE ORDER

1. This Order requires the Discharger to clean up and abate the effects of threatened unauthorized discharges of process wastewater, from the Facility (defined below) to groundwater, a water of the state¹, and threatened surface water discharges to the waters of the state, including the Russian River. Unauthorized discharges of process wastewater create an imminent threat to waters of the state, the environment, and public health. This Order requires investigation and cleanup actions to prevent further harm and unauthorized discharges consistent with the *Porter-Cologne Water*

¹ The Regional Water Board administers and enforces the Porter-Cologne Water Quality Control Act which authorizes the Regional Water Board to regulate discharges of waste into "waters of the state." (Wat. Code, § 13260.) "Waters of the state" means "any surface water or groundwater, including saline waters, within the boundaries of the state." (Wat. Code, § 13050 subd. (e).) All waters of the United States that are within the borders of California are also waters of the state.

Quality Control Act (Wat. Code § 13000 et seq.), the Water Quality Control Plan for the North Coast Region (Basin Plan), State Water Resources Control Board (State Water Board) Resolution 92-49, Policies and Procedures for Investigation and Cleanup and Abatement of Discharges under Water Code Section 13304 (Resolution 92-49), and other applicable State and Regional Water Board plans, policies, and regulations.

Facility Location and Description

2. VWE is the former owner and operator of the Ray's Station Winery located at 13300 Buckman Drive, Hopland, California 95449 (Facility). VWE was formerly subject to the Facility's enrollment for coverage under the Regional Water Board General Waste Discharge Requirements for Discharges of Wine, Beverage and Food Processor Waste to Land in the North Coast Region (WBFP WDR), Order No. R1-2016-0002². The process wastewater system serving the Facility was subject to the WBFP WDR as per an August 30, 2021, Regional Water Board Notice of Coverage (NOC) letter.
3. As per the NOC letter, the Facility's process wastewater system is designed to initially screen out solids and pump the remaining wastewater to the wastewater treatment pond system located onsite. The wastewater treatment pond system consists of two lined aeration ponds (Pond 1 and Pond 2), one process wastewater treated effluent storage pond, and five Rapid Infiltration Basins (RIB) for disposal. Treated process wastewater effluent is sampled at an above ground pipe outlet located on the west side of the second lined aeration pond and prior to discharge into the effluent storage pond. Each RIB is 0.26 acres in size and is designed to dispose up to 66,400 gallons per wet loading/drying cycle. The wastewater treatment pond system was designed to produce effluent in compliance with the WBFP WDR effluent limitations for above ground reuse or disposal. Processed solids were temporarily stored in the solids disposal area located on the southeast corner of the Facility and sold to vendors. No process solids exist onsite as of a Facility inspection conducted on May 24, 2024.³
4. The process wastewater treatment system is designed to treat an average daily flow of 91,100 gallons per day of process wastewater during the Facility's peak production period as described in its Technical Information Form (TIF).

² The WBFP WDR can be found online at: [WBFP WDR \(ca.gov\)](http://WBFP WDR (ca.gov)).

³ Other portions of the Facility not relevant to this Order are enrolled for coverage under the National Pollutant Discharge Elimination System (NPDES) General Permit for Storm Water Discharges Associated with Industrial Activities, Order No. 2014-0057-DWQ, as amended in 2015 and 2018, (Industrial General Permit) as of July 1, 2015. The Industrial General Permit can be found online at: [Industrial General Permit \(ca.gov\)](http://Industrial General Permit (ca.gov)).

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5. A municipal drainage ditch along Highway 175 and adjacent to the Facility conveys stormwater run-off from the Facility southward down Buckman Drive to the McDowell Valley Vineyard Pond, located approximately 2,000 feet southwest of the Facility. The McDowell Valley Vineyard Pond is an onstream pond tributary to the Russian River, a water of the United States. The entire Russian River watershed is listed as impaired for sediment and temperature under Clean Water Act section 303(d).
6. Since October 31, 2024, process wastewater is hauled off-site for treatment and disposal at the City of Santa Rosa Laguna wastewater treatment plant or Gilton Waste Management located in Modesto. The use of the RIBs has also been abandoned. As described in the background section below, a failure of the synthetic pond liner for one of the wastewater ponds and a lack of adequate disposal capacity of the RIBs initiated the need to haul off site. Process wastewater now bypasses the initial treatment pond and is pumped directly to the second pond for treatment via aeration. The initial treatment pond has been drained of any remaining wastewater to allow for repair of the failed pond liner.
7. On August 18, 2025, a draft proposal to upgrade the process wastewater system to include additional aeration on the existing treatment ponds, construction of a new treated effluent storage pond, use of a new land application area (LAA), and decommissioning of the onsite RIBs, was received by the Regional Water Board. The new storage pond and LAA will be located offsite on property owned by a separate entity. The proposed 9-million-gallon capacity storage pond will receive treated effluent from the Facility's third wastewater pond and be used for the offsite irrigation of 150 to 250 acres of vineyards.

Responsible Party

8. Parcel information available from the Mendocino County Assessor's Office, as accessed via Digital Map Products' LandVision™ online service, indicates that the Property was purchased by DFG Real Estate LLC.
9. As of October 31, 2024, the Discharger took over ownership and operation of the facility located at 13300 Buckman Drive, Hopland, California 95449 (Facility). As the owner and operator of the Facility, the Discharger has permitted, or threatened to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance. The Discharger has the legal ability to control the activities at the Facility that resulted in the discharge and/or threatened discharge of waste to waters of the state.

Background

10. In 2019, in coordination with Reed International LTD, prior facility operator, VWE initiated an investigation of the lined process wastewater pond subdrains to

determine the presence of sulfate reducing anaerobic microbes in the underdrain water located beneath Pond 1 and Pond 2. After a substantial population of sulfate reducing anaerobic microbes were found within the underdrain, the resulting corrective action taken in 2019 was to cap the underdrain to eliminate the potential for subsurface discharge from the ponds to the drainage ditch along Highway 175.

11. On May 21, 2024, the Regional Water Board Assistant Executive Officer issued Water Code Section 13267 Investigative Order No. R1-2024-0028 (2024 IO) to VWE due to complaints of nuisance odor conditions and findings verified by Regional Water Board staff (Staff) inspections. The 2024 IO directed VWE, to submit a work plan and schedule of implementation to investigate and evaluate groundwater elevation, flow direction and quality, including potential impacts to sensitive receptors from constituents of concern as described in the WBFP WDR. 2024 IO requirements also included an Enhanced Stormwater Monitoring Plan, Investigation of Biofilm Presence, Investigation of Solids Storage and Disposal, and Wastewater Disposal, Treatment, and Monitoring technical reports.
12. On June 17, 2024, a Facility representative notified Staff of an upcoming potential discharge of partially treated wastewater after being notified by Facility representatives of a “ballooning” effect on the liners of Pond 1 and Pond 2. The Facility representative informed Staff that the ballooning effect was a result of capping the underdrain in 2019. Later that day, Staff was notified of a rupture of the liner in Pond 1 and that immediate action was required to prevent discharges to the drainage ditch along Highway 175 and prevent further discharges and potential discharges to waters of the state. Facility representatives speculated that the ballooning of the liner and its ultimate failure were attributed to the capped underdrain, which had apparently been collecting process water resulting in an unauthorized subsurface discharge.
13. On June 20, 2024, Cleanup and Abatement Order and Investigative Order No. R1-2024-0036 was issued by the Regional Water Board Assistant Executive Officer to VWE. Order No. R1-2024-0036 directed VWE, to take steps to clean up and abate the effects of threatened unauthorized discharges of process wastewater from the Facility to waters of the state.
14. On July 3, 2024, Staff received a letter containing requests for revisions and extensions to Order No. R1-2024-0036 from VWE. On July 11, 2024, Cleanup and Abatement Order and Investigative Order No. R1-2024-0039 was issued by the Regional Water Board Assistant Executive Officer to the Discharger superseding Order No. R1-2024-0036. Order No. R1-2024-0039 incorporated minor revisions and several extensions to the Required Actions contained in Order No. R1-2024-0036 as requested by VWE, as well as corrected minor typographical errors.
15. On August 1, 2024, the Regional Water Board Assistant Executive Officer issued a letter approving the Corrective Action Plan (CAO CAP) and Pond 2 Liner Plan

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submitted pursuant to Cleanup and Abatement Order No. R1-2024-0039 Directives No. 3 and 4. The letter also acknowledged completion of deliverables required under Directives No. 2 and 5.

16. On September 3, 2024, VWE submitted a series of technical reports pursuant to Water Code Section 13267 Investigative Order No. R1-2024-0028 Directives Nos. 1, 2, 4, and 5. Directives No. 4; Investigation of Solids Storage and Disposal, and Directive No. 5; Wastewater Disposal, Treatment, and Monitoring, were both considered complete following the September 3, 2024 submittal. Directive No. 1; Groundwater Monitoring and Subsurface Investigation work plan, was reviewed and deemed insufficient by Staff. Directive No. 2; Enhanced Stormwater Monitoring Plan, was deemed adequate for implementation. On October 2, 2024, VWE submitted a Technical Report documenting Vintage Wine Estate's Investigation of Biofilm Presence at Ray's Station Winery pursuant to Water Code Section 13267 Investigative Order No. R1-2024-0028 Directive No. 3 and was considered complete following Staff review.
17. On October 10, 2024, Cease and Desist Order No. R1-2024-0035 (2024 CDO) was issued by the Regional Water Board Executive Officer to VWE directing the Facility to cease and desist from discharging and/or threatening to discharge waste in violation of the WBFP WDR. The 2024 CDO directed VWE, to immediately cease discharging waste to unauthorized locations unless an alternative location was authorized by the Executive Officer; submit a Corrective Action Work Plan that addresses issues such as source control, treatment upgrades, and disposal capacity, an assessment of RIB disposal capacity and percolation rates, a description of actions taken to remediate the RIBs, a water balance for the treatment and disposal system, design standards for storm events, an operations plan to prevent odors and unauthorized discharges, and updated emergency contingency plans. The 2024 CDO also included quarterly reporting requirements, and the submittal of a Final Corrective Actions Summary Report detailing the actions taken, including any updated design plans for the wastewater treatment and disposal system and a new TIF.
18. On October 18, 2024, VWE ceased the use of the RIBs on the property. As of October 31, 2024, process wastewater is hauled off-site for treatment and disposal at the City of Santa Rosa Laguna wastewater treatment plant or Gilton Waste Management located in Modesto.
19. On November 19, 2024, Staff received a transmittal letter and Form 200 identifying the Discharger as the new operator of the Facility. On November 20, 2024, Staff received a Notice of Termination letter from Vintage Wine Estates, for their ownership and operation of the Facility under the WBFP WDR.
20. The Discharger is aware of ongoing incomplete requirements contained in Order Nos. R1-2024-0028, R1-2024-0039, and R1-2024-0035, issued to VWE, and

communicated to the Regional Water Board the Discharger's intention to continue the work necessary to comply with all remaining requirements. Order No. R1-2026-0016 requires DFG Beverage, LLC and DFG Real Estate, LLC to comply with these incomplete requirements, as set forth below.

Beneficial Uses and Water Quality Objectives

21. Discharges to groundwater from the Facility go to the Ukiah Hydrologic Subarea of the Upper Russian River Hydrologic Area. The beneficial uses of groundwater impacted by the Facility's discharge are defined in the Water Quality Control Plan for the California Regional Water Quality Control Board, North Coast Region (Basin Plan). The beneficial uses of groundwater within the Ukiah Hydrologic Subarea of the Upper Russian River Hydrologic Area are municipal and domestic supply (MUN), agricultural water supply (AGR), industrial service supply (IND), industrial process supply (PRO), aquaculture (AQUA), and Native American culture (CUL).
22. The beneficial uses applicable to surface waters in the Ukiah Hydrologic Subarea within the Upper Russian River are as follows: municipal and domestic supply (MUN), agricultural water supply (AGR), industrial service supply (IND), industrial process supply (PRO), groundwater recharge (GWR), freshwater replenishment (FRSH), navigation (NAV), hydropower generation (POW), water contact recreation (REC-1), non-contact water recreation (REC-2), commercial and sport fishing (COMM), warm freshwater habitat (WARM) cold freshwater habitat (COLD), wildlife habitat (WILD), rare, threatened, or endangered species (RARE), migration of aquatic organisms (MIGR), spawning, reproduction, and/or early development (SPWN), shellfish harvesting (SHELL), and aquaculture (AQUA). Beneficial uses of any specifically identified water body generally apply to all its tributaries.
23. The Basin Plan designates beneficial uses (Chapter 2) as noted above and establishes water quality objectives (Chapter 3) for the protection of those uses. Beneficial uses of any specifically identified water body generally apply to all of its tributaries. Water quality objectives for groundwater as contained in the Basin Plan, chapter 3, include, but are not limited to, the following:
 - a. Bacteria: In groundwaters used for domestic or municipal supply (MUN), the median of the most probable number of coliform organisms over any 7-day period shall be less than 1.1 MPN/100 ml, less than 1 colony/100 ml, or absent (State Department of Health Services).
 - b. Chemical Constituents: Groundwaters and surface waters shall not contain concentrations of chemical constituents in amounts that cause nuisance or adversely affect beneficial uses...

- c. **Tastes and Odors:** Groundwaters and surface waters shall not contain taste- or odor-producing substances in concentrations that cause nuisance or adversely affect beneficial uses.
- d. **Toxicity:** Groundwaters shall not contain toxic substances in concentrations that are toxic to, or that produce detrimental physiological responses in, humans or that adversely affects beneficial uses. This objective applies regardless of whether the toxicity is caused by a single substance or the synergistic effect of multiple substances.
- e. **Biostimulatory Substances:** Surface waters shall not contain biostimulatory substances in concentrations that promote aquatic growths to the extent that such growths cause nuisance or adversely affect beneficial uses.

Statewide Plans and Policies

24. **Statewide Resolutions and Policies:** State Water Board Resolution 92-49 sets forth the policies and procedures to be used during an investigation and cleanup of a polluted site and requires that cleanup levels be consistent with State Water Board Resolution 68-16, Statement of Policy with Respect to Maintaining High Quality Waters in California (“Resolution 68-16”). Resolution 92-49 requires waste to be cleaned up in a manner that promotes attainment of either background water quality, or the best water quality that is reasonable if background levels of water quality cannot be restored. Any alternative cleanup level to background must: (1) be consistent with the maximum benefit to the people of the state; (2) not unreasonably affect present and anticipated beneficial use of such water; and (3) not result in water quality less than that prescribed in the Basin Plan and applicable Water Quality Control Plans and Policies of the State Water Board. Resolution 92-49 directs that investigations and cleanup and abatement proceed in a progressive sequence. To the extent practical, it directs the Regional Water Board to require and review for adequacy written work plans for each element and phase, and the written reports that describe the results of each phase of the investigation and cleanup.

Legal Basis of Order

25. Water Code section 13304, subdivision (a) states, in relevant part: “A person who has discharged or discharges waste into waters of this state in violation of any waste discharge requirements or other order or prohibition issued by a regional board or the state board, or who has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, or probably will be, discharged into the waters of the state and causes, or threatens to create, a condition of pollution or nuisance, shall upon order of the regional board clean up the waste or abate the effects of the waste, or, in the case of threatened pollution or nuisance, take other necessary remedial action, including, but not limited to, overseeing cleanup and abatement efforts....”

26. Upon failure of any person to comply with the cleanup or abatement order, the Attorney General, at the request of the board, shall petition the superior court for that county for the issuance of an injunction requiring the person to comply with the order. In the suit, the court shall have jurisdiction to grant a prohibitory or mandatory injunction, either preliminary or permanent, as the facts may warrant.
27. "Waste" is defined by Water Code section 13050, subdivision (d) to include, "sewage and any and all other waste substances, liquid, solid, gaseous, or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing, or processing operation, including waste placed within containers of whatever nature prior to, and for purposes of, disposal."
28. "Pollution" is defined by Water Code section 13050, subdivision (l)(1) as, an alteration of the quality of the waters of the state by waste to a degree which unreasonably affects either waters of the state for beneficial use or facilities which serve these beneficial uses.
29. The Facility's activities pose a threat to water quality by:
 - 1) Threatening to cause discharges of partially treated process wastewater into groundwater, a water of the state.
 - 2) Threatening to cause or permit waste to be discharged where it is, or probably will be, discharged to waters of the state, and creates and/or threatens to create a condition of pollution or nuisance.
 - a. The Facility is in the McDowell Valley Groundwater Basin. According to the Department of Water Resources Bulletin 118, significant water-bearing formations that occur in McDowell Valley include Dissected Alluvium and Continental Deposits largely of gravelly and sandy clay, with thin gravel, sand and gravel, and some thick sections of clay. A well log from T13/R11-Section 22 suggests the alluvium in this valley may have a thickness of over 200 feet. No published specific water level data for alluvium in McDowell Valley is readily available. However, based on information available in neighboring groundwater basins (Sanal and Ukiah Valley) first encountered groundwater is estimated to be between 10 and 20 feet below surface grade and the alluvium deposits serve as viable domestic, municipal, and agricultural water supplies. In fact, three water supply wells are located on the property and serve the facility for drinking water and process water supplies.
 - b. Given the failure of the liner beneath Pond 1, the partially treated process wastewater has the potential to degrade groundwater quality and adversely affect beneficial uses of groundwater beneath the Facility and

beneath neighboring properties, including MUN and AGR. A plume of polluted groundwater could spread under hydraulic loading pressures and subsurface groundwater flows.

- c. The failure of the liner in Pond 1 and potential damage to the liner in Pond 2 create an imminent threat to groundwater quality and beneficial uses and a threat of unauthorized discharge to surface waters; through subsurface flow to the unlined stormwater detention pond. Partially treated process winery wastewater has the potential to degrade water quality. Given that the effluent data from the fully treated process wastewater indicates salts and nutrients above effluent limitations⁴ and water quality objectives, the partially treated wastewater is known to have a higher concentration of these constituents of concern. The pond liner failure and discharge of partially treated process wastewater has the potential to:
 - i. Impact groundwaters and the domestic drinking water beneficial use (MUN) that is established for the purpose of protecting human health.
 - ii. Impact groundwaters and the agricultural supply beneficial use (AGR) established to protect irrigation supplies from harming crops with elevated concentrations of salts.
 - iii. Impact surface waters and the municipal and domestic supply (MUN) established for the purpose of protecting human health; agricultural water supply (AGR) established to protect irrigation supplies from harming crops with elevated concentrations of salts; and water contact recreation (REC-1) and non-contact water recreation (REC-2) to protect recreators from bacterial sources and biostimulatory substances.

30. The discharge of partially treated process wastewater from Pond 1 threatens to further alter the quality of waters of the state and potentially alter the quality of waters of the United State to a degree that unreasonably affects waters for beneficial uses. Therefore, the threatened discharges of waste create a condition of threatened pollution subject to this Order in accordance with Water Code section 13304.

Cleanup and abatement is necessary to ensure that threatened discharges of waste to waters of the state threatening to create a condition of pollution, are appropriately cleaned up, that background water quality conditions are restored, and that any impacts

⁴ As evidenced by effluent violations of the WBFP WDR for Nitrate (as N), Sodium, Chloride, Nitrite a N, and Ammonia (as N) as demonstrated in self-monitoring reports (SMRs) submitted by the Discharger covering September 30, 2021, through December 31, 2023.

to beneficial uses are mitigated. The unauthorized discharge of treated process wastewater to groundwater could alter the quality of waters of the state to a degree which would unreasonably affect waters of the state for beneficial uses. The current condition of pollution is a violation of applicable water quality regulations and the issuance of this Order pursuant to Water Code section 13304 is appropriate and consistent with the policies of the Regional Water Board.

Technical Reports Required

31. Water Code section 13267, subdivision (a) provides that the Regional Water Board may investigate the quality of any water of the state within its region in connection with any action relating to the Basin Plan. Water Code section 13267, subdivision (b) provides that the Regional Water Board, in conducting an investigation, may require a discharger to furnish, under penalty of perjury, technical or monitoring program reports. The burden, including costs, of these technical reports shall bear a reasonable relationship to the need for the reports and the benefits to be obtained from the reports. The technical reports required by this Order pursuant to Water Code section 13267 are necessary to investigate the quality of waters of the state and to protect the waters of the state.
32. This Order requires three types of technical reports, including a Groundwater Monitoring and Subsurface Investigation plan, quarterly progress reports, and two individual Completion Reports. Additional reporting necessary through Required Action 1 has been included in the cost analysis of Groundwater Monitoring and Subsurface Investigation plan below. Regional Water Board staff estimate that the total cost of preparing and submitting all reports is between approximately \$33,032 – \$71,949⁵. The burden of compiling these reports, including the costs of the technical or monitoring reports required by this Order, bear a reasonable relationship to the need for these reports and the benefit to be gained by these reports, as discussed below:
 - a. Groundwater Monitoring and Subsurface Investigation: Associated tasks involve the assessment of groundwater quality and subsurface conditions and connectivity. Efforts will likely include well development and installation, collection of samples, laboratory testing, and data analysis. Estimated costs for completing associated reporting requirements and tasks range between \$20,894 for the installation of three groundwater monitoring wells and \$45,905 for the installation of six groundwater monitoring wells.
 - b. A quarterly progress report is a technical report necessary to ensure that the implementation of all major cleanup and abatement related events and

⁵ Estimates based on the “Underground Storage Tank Cleanup Fund 2018 Cost Guidelines Update” dated August 2018, which can be found here: [2018 Cost Guidelines Update \(ca.gov\)](https://www.ca.gov/clean-water/clean-up/underground-storage-tank-cleanup-fund/2018-cost-guidelines-update).

activities, including but not limited to completion of identified remediation and cleanup actions to demonstrate that tasks are implemented as planned, evaluate the effectiveness of cleanup measures and corrective actions, and identify needed improvements. The benefit of quarterly progress reports ensure all cleanup and abatement related activities are on schedule to appropriately restore impacted beneficial uses and abate the threat of future impacts to waters of the state. Observation and maintenance of all cleanup and abatement activities is required to ensure that the anticipated water quality benefits are achieved and maintained. The scope of quarterly progress reports (i.e., field inspection and report preparation) is comparable to that of preparing a Cleanup Progress Report or Site Assessment Report as described in the 2018 Cost Guidelines Update, which are estimated to cost between \$2,682 and \$6,944, in total. The burden, including costs, of preparing and submitting quarterly progress reports bears a reasonable relationship to the need for the report as assurance to demonstrate remedial actions are accomplished to ensure the protection of water quality.

- c. An Enhanced Stormwater Monitoring Plan associated tasks involve stormwater monitoring and inspections, field sampling collection and analysis of parameters comparable in level of effort to preparing a Cleanup Progress Report or Site Assessment Report as described in the 2018 Cost Guidelines Update. Estimated costs for completing associated reporting requirements and tasks range between \$4,092 and \$5,112.
- d. A Completion Report is a technical report that is necessary to demonstrate that the Discharger has successfully implemented and completed cleanup and abatement activities in accordance with the implementation schedule set forth in this Order. The benefit derived from a Completion Report is documented evidence that remedial activities (as well as best management practices) were implemented to ensure that cleanup, abatement, and stabilization activities adequately prevent potential discharges to waters of the state. The scope of preparing two individual Completion Reports (i.e., field inspection and report preparation) is comparable to that of preparing two Cleanup Progress Report or Site Assessment Reports as described in the 2018 Cost Guidelines Update, which are estimated to cost between \$5,364 and \$13,988, in total. The burden, including costs, of preparing and submitting two Completion Reports bears a reasonable relationship to the need for the reports as assurance to demonstrate remedial actions are accomplished as proposed in the CAO CAP, Groundwater Monitoring and Subsurface Investigation plan and demonstrate Facility conditions ensure the protection of water quality.

California Environmental Quality Act

14. Issuance of this Order is being taken for the protection of the environment and to enforce the laws and regulations administered by the Regional Water Board and, as such, is exempt from provisions of the California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et seq.) in accordance with California Code of Regulations, title 14, sections 15061, subdivision (b)(3), 15306, 15307, 15308, and 15321. This Order generally requires the Discharger to submit plans for approval prior to implementation of cleanup, abatement, and restoration activities at the Facility. Mere submittal of plans is exempt from CEQA as submittal will not cause a direct or indirect physical change in the environment and/or is an activity that cannot possibly have a significant effect on the environment. CEQA review at this time would be premature and speculative, as there is simply not enough information concerning the Discharger's proposed cleanup, abatement or restoration activities and possible associated environmental impacts. If the Regional Water Board determines that implementation of any plan required by this Order will have a significant effect on the environment that is not otherwise exempt from CEQA, the Regional Water Board will conduct the necessary and appropriate environmental review prior to implementation of the applicable plan. The Discharger will bear the costs, including the Regional Water Board's costs, of determining whether implementation of any plan required by this Order will have a significant effect on the environment and, if so, in preparing any documents necessary for the Regional Water Board to satisfy its environmental review obligations under CEQA. If necessary, the Discharger and a consultant acceptable to the Regional Water Board shall enter into a memorandum of understanding with the Regional Water Board regarding such costs prior to undertaking any environmental review.

REQUIRED ACTIONS

IT IS HEREBY ORDERED, pursuant to Water Code sections 13304 and 13267, the Discharger shall clean up any wastes and abate the threatened impacts to water quality in accordance with the scope and schedule set forth below and provide the technical reports as required below.

1. Groundwater Monitoring and Subsurface Investigation:

a. **By February 1, 2026**, The Discharger shall submit, for Staff review and concurrence, a work plan including a schedule of implementation to investigate and evaluate groundwater elevation, flow direction and quality, including potential impacts to sensitive receptors from constituents of concern as described in the WBFP WDR appendix c.vi, Groundwater, and associated with the process wastewater. Constituents of concern described in the WBFP WDR Appendix C.VI include pH, Nitrate (as N), Total Dissolved Solids, Chloride, and Sodium. The work plan should assess the full lateral and vertical extent of process wastewater impacts to groundwater and the potential connectivity and influence of the process wastewater to the

stormwater conveyance system, the stormwater retention pond, and waters of the state and United States. The purpose of the investigation is to assess any potential degradation of water quality and the assimilative capacity of groundwater (receiving waters) beneath the Facility as compared to water quality objectives from all potential sources of salts and nutrients including the process wastewater systems and the onsite domestic wastewater systems.

- b. Following approval of the work plan by the Regional Water Board Executive Officer, begin implementing the work plan per the approved schedule of implementation by no later than **June 1, 2026**.
- c. An initial report containing results of the monitoring and sampling events shall be submitted to the Regional Water Board by **September 1, 2026**. Additional monitoring and sampling reports are then to be submitted on a quarterly basis from **February 1, 2027**, to **February 1, 2029**, reflecting information from the preceding quarter. Quarterly reports shall be submitted on February 1, May 1, August 1, November 1 during this period. A minimum of two years of sampling is required to allow for the collection of seasonal data. The quarterly monitoring reports shall include, but are not limited to:

 - i. Description of the monitoring and sampling activities.
 - ii. Maps showing all Facility sampling locations.
 - iii. Maps showing quarterly groundwater elevation contours for groundwater zones.
 - iv. Tabulated current measured depth to groundwater.
 - v. Tabulated sampling analytical results.
 - vi. Copy of sampling field logs that document, as appropriate, measured depth to water, water quality parameters, date and time, volume of water removed, and sample conditions.

- d. A final report containing additional recommendations and evaluation of the monitoring and sampling events shall be submitted to the Regional Water Board by **April 1, 2029**. The final report shall include, but not be limited to:

 - i. Recommendations for any additional assessment or testing needed to characterize groundwater, wastewater, and stormwater constituents.
 - ii. Evaluation of the connectivity and influence of the process wastewater, domestic wastewater, stormwater conveyance

systems, and the stormwater retention basin to groundwater elevation, flow direction, and water quality.

- iii. Evaluation of chemical concentration trends, supported with appropriate graphs.

2. Enhanced Stormwater Monitoring Plan:

- a. **The Discharger shall submit a statement that they either concur with previously submitted Enhanced Stormwater Monitoring Plan (Attachment A) submitted by VWE, on September 3, 2024, pursuant to Water Code Section 13267 Investigative Order No. R1-2024-0028 Directive No.2 or provide new plan for Regional Water Board approval by February 1, 2026.**
- b. **By March 1, 2026**, the Discharger shall begin implementation of the approved Enhanced Stormwater Monitoring Plan.

3. Corrective Action Plan (CAO CAP)

- a. **By March 1, 2026**, the Discharger shall provide a report of completion of all cleanup, abatement, and remediation measures at Pond 1 to the Regional Water Board. This report shall include a summary and photographs of the completed cleanup and abatement measures. Include photographs of all areas where corrective action has taken place, clearly keyed to site map(s).
- b. **By June 1, 2026**, the Discharger shall begin implementation of the Pond 2 Liner Plan submitted by VWE, and approved by the Regional Water Board Executive Officer on August 1, 2024, pursuant to Cleanup and Abatement Order No. R1-2024-0039 Directive No. 4.
- c. Submit quarterly progress reports beginning **January 15, 2026**, throughout completion of the CAO CAP, to the Regional Water Board. The progress reports shall evaluate the effectiveness of cleanup measures and corrective actions, identify needed improvements, provide an update on all major cleanup and abatement related events and activities, including but not limited to completion of identified cleanup and abatement actions to demonstrate that tasks are implemented as planned.
- d. **By November 1, 2026**, the Discharger shall provide a report of completion of all cleanup, abatement, and remediation measures at Pond 2 to the Regional Water Board. This report shall include a summary and photographs of the completed cleanup and abatement measures. Include

photographs of all areas where corrective action has taken place, clearly keyed to site map(s)

GENERAL REQUIREMENTS AND NOTICES

- Notification:** Regional Water Board staff notified the Discharger of its intent to issue this Order during a virtual meeting on May 9, 2025, discussing current conditions and the Discharger's plan to address ongoing conditions at the Facility. Due to the ongoing need to address threats to waters of the state, waters of the United States, the environment, and public health, this Order has been issued as expeditiously as possible. The Discharger can seek changes or comment on this Order once it is issued. Moreover, under Water Code section 13320, it can petition the State Water Resources Control Board for review as explained in Required Action, paragraph 11, below.
- Duty to Use Qualified Professionals:** The Discharger shall provide technical and monitoring reports prepared under the direction of appropriately qualified professionals. In preparing the technical reports, any engineering or geologic evaluations and judgments shall be performed by or under the direction of registered professionals pursuant to California Business and Professions Code sections 6735, 7835, and 7835.1. Reports submitted by or on behalf of the Discharger shall include a statement of qualifications and registration numbers of the responsible lead professional. The lead professional shall sign and affix their registration stamp to the report.
- Signatory Requirements:** All reports submitted by the Discharger shall include a cover letter signed by the Discharger, or a duly authorized representative, certifying under penalty of law that the signer has examined and is familiar with the report and that to his/her knowledge, the report is true, complete, and accurate. The Discharger shall also state in the cover letter whether he/she will implement the recommendations/proposals provided in the report and the schedule for implementation. Any person signing a document submitted under this Order shall make the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

- Notice of Change in Ownership or Occupancy:** The Discharger shall file a written report on any changes in the Facility's ownership or occupancy. This report shall be

filed with the Regional Water Board no later than 30 days prior to a planned change and shall reference the number of this Order.

5. **Reasonable Access:** The Discharger shall allow the Regional Water Board, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to enter at reasonable times to inspect the Facility and any records that must be kept under the conditions of this Order for the purposes of assuring compliance with this Order or as otherwise authorized by the Water Code.
6. **Cost Recovery:** Pursuant to Water Code section 13304, the State or Regional Water Board is entitled to all reasonable costs it actually incurs to investigate and abate the effects of unauthorized discharges of waste and to oversee/supervise the cleanup of such waste, or other restoration action, required by this Order.
7. **Delayed Compliance:** If for any reason, the Discharger is unable to perform any activity or submit any document in compliance with the schedule set forth herein, or in compliance with any work schedule submitted pursuant to this Order and approved by the Regional Water Board Executive Officer or their designee, the Discharger may request, in writing, an extension of the time specified. The extension request shall include justification for the delay. Any extension request shall be submitted as soon as a delay is recognized but no later than 10 days prior to the compliance date. An extension may only be granted by modification of this Order or by a letter from the Executive Officer or their designee.
8. **Potential Liability:** If the Discharger fails to comply with the requirements of this Order, this matter may be referred to the Attorney General for judicial enforcement or a complaint for administrative civil liability may be issued by the Regional Water Board. Failure to comply with this Order may result in the assessment of an administrative civil liability of up to \$5,000 per day of violation cleanup and abatement requirements under Water Code section 13304 and up to \$1,000 per day of violation of technical reporting requirements under Water Code section 13267. (Wat. Code, §§ 13350, 13268.) The Regional Water Board reserves the right to take any enforcement actions authorized by law, including, but not limited to, violation of the terms and conditions of this Order.
9. **No Limitation of Water Board Authority:** This Order in no way limits the authority of the Regional Water Board to institute additional enforcement actions or to require additional investigation and cleanup of the Facility consistent with the Water Code. This Order may be revised as additional information becomes available.
10. **Modifications:** Any modification to this Order shall be in writing and approved by the Regional Water Board or its delegated officer.
11. **Requesting Review by the State Water Board:** Any person aggrieved by this, or any final action of the Regional Water Board may petition the State Water Board to

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review the action in accordance with Water Code section 13320 and California Code of Regulations, title 23, section 2050 et al. The State Water Board must receive the petition no later than 5:00 p.m., 30 days following the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received on the next business day. Copies of the law and regulations applicable to filing petitions may be found on the Internet at: [Filing Petition](http://www.waterboards.ca.gov/public_notices/petitions/water_quality) (http://www.waterboards.ca.gov/public_notices/petitions/water_quality) or will be provided upon request.

This Order is effective upon the date of signature.

Valerie Quinto
Executive Officer

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Attachments: Attachment A – Enhanced Stormwater Monitoring Plan