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BEFORE THE STATE OF CALIFORNIA

STATE WATER RESOURCES CONTROL BOARD

In the Matter of:

CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD CENTRAL
COAST REGION CLEANUP AND
ABATEMENT ORDER NO. R3-2023-0070

Clean Up and Abatement No.: R3-2023-0070

**SANTA MARIA PUBLIC AIRPORT
DISTRICT'S PETITION FOR THE STATE
WATER RESOURCES CONTROL BOARD
REVIEW; REQUEST FOR IMMEDIATE
STAY**

Santa Maria Public Airport District ("Airport" or "Petitioner") hereby petitions the State Water Resources Control Board ("State Board") pursuant to California Water Code Section 13320 and California Code of Regulations Title 23, section 2050 et seq. for review of Regional Water Quality Control Board Central Coast ("Regional Board") Cleanup and Abatement Order No. R3-2023-0070 (the "CAO") issued by the Executive Officer on September 26, 2023 for the property located at 2936 Industrial Parkway ("and surrounding parcels"), Santa Maria, California (the "Site"). A copy of the CAO is attached hereto as Attachment "A."

As discussed below, the Regional Board acted improperly and inappropriately in naming Petitioner as a "Responsible Party" and "Discharger" in the CAO. As the State Board has recognized, when the Regional Board designates responsible parties for an environmental cleanup,

1 “there must be a reasonable basis on which to name each party.” *In re Exxon Company, U.S.A., et*
2 *al.*, Order No. WQ 85-7 at 17 (SWRCB 1985). Specifically, “[t]here must be substantial evidence
3 to support a finding of responsibility for each party named. This means credible and reasonable
4 evidence which indicates the named party has responsibility.” *Id.* Here, Petitioner is not a current
5 owner, operator, or lessee at the Site. In fact, Petitioner has not been an owner of the Site since
6 1968 (55 years ago). Further, and as detailed in numerous comments and communications with the
7 Regional Board, no evidence has been identified showing Petitioner discharged wastes to the soil
8 or groundwater at the Site.

9 In particular, the Regional Board has not identified any evidence that Petitioner discharged
10 to the soil or groundwater any of the volatile organic compounds (“VOCs”) to which the CAO is
11 directed. Based on the available evidence, Petitioner simply owned the Site from 1964 to 1968.
12 Because the Regional Board lacked substantial evidence to support a finding that Petitioner is a
13 responsible party or discharger under California Water Code Sections 13304 and 13267 with
14 respect to the Site, Petitioner respectfully requests that the State Board issue an order that the CAO
15 be amended to remove Petitioner from the CAO and that the CAO be rescinded as to Petitioner.

16 Petitioner requests a hearing on this matter and a stay of the CAO pursuant to California
17 Code of Regulations, Title 23, Section 2053. The request for stay is discussed in Section 9 of this
18 petition, below.

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1) **Petitioner**

Santa Maria Public Airport District

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2) **Specific Action for Which Review is Sought**

Petitioner seeks review of the Regional Board's issuance of Cleanup and Abatement Order No. R3-2023-0070. The CAO was issued to Petitioner even though the Regional Board does not have any evidence (let alone substantial evidence) that Petitioner has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, probably will be, discharged to the waters of the state and creates, or threatens to create, a condition of pollution or nuisance at the Site. As indicated in the CAO, the substances are trichloroethylene ("TCE"), petroleum hydrocarbons, 1,4-dioxane and other constituents that have been identified in soil, soil gas, and/or groundwater beneath the Site.

3) **Date of Action**

The Regional Board acted on September 26, 2023, when it issued the CAO.

1 **4) Statement of Reasons Why the Regional Board’s Action was Inappropriate or**
2 **Improper, and Points and Authorities in Support of Legal Issues**

3 **a. Background / Site History**

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5 Petitioner does not contest that TCE or other compounds are present in soil, soil gas, and
6 groundwater beneath the Site. The principal issue is whether, based on an independent review of
7 the evidence in the record, there is substantial evidence that Petitioner caused or permitted these
8 wastes to be discharged at the Site.

9 All of the following facts regarding the history of the Site have been presented to the
10 Regional Board for consideration and inclusion in the administrative record for the Site. See, e.g.,
11 Petitioner’s Comments to the Draft CAO, dated May 29, 2023 (attached as Attachment B.). The
12 following provides a summarized version of the Site History:

13 The Site, which is a former industrial property, is approximately seven acres, and was not
14 developed until 1942, when it began operation as the United States Santa Maria Army Air Base
15 (“DOD Air Base”) until 1946. The DOD Air Base’s operations at the Site are unclear, but historical
16 records indicate that the United States did service aircraft at this location throughout World War II,
17 including the Army’s most advanced fighter jets at that time. A detailed summary of the DOD’s
18 operations and extensive use of underground storage tanks (and related removal of such tanks) is
19 discussed in detail below.

20 In approximately 1949, Semco Twist Drill & Tool, Co., Inc. (“SEMCO”) appears to have
21 leased the Site for its operations.

22 From 1949 to approximately 2001, SEMCO manufactured drill bits and other cutting tools
23 on the property and used various organic solvents to degrease tools. Trichloroethylene (TCE) and
24 1,1,1-trichloroethane (“TCA”) were stored in above ground tanks (“AGT”) east of the Site shop
25 building. The use of TCE was discontinued in 1985 and TCA was used from approximately 1980
26 through at least 1986, though some reports indicate continued TCA use through at least 1989.
27 According to the Regional Board’s files, operations at the Site caused the release of: (1) solvents
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1 stored in AGTs; (2) cutting oil (stored in underground sumps); and, (3) other potential spills to the
2 environment.

3 From 1964 to 1968 (just four years), Petitioner owned the Site. However, unlike other
4 alleged dischargers named in the CAO, Petitioner has no other connection with Site at all. Since
5 1968, Petitioner has had no connection to or association with the Site, SEMCO or even any
6 knowledge of the VOC contamination. Petitioner only became aware of the VOC contamination
7 in 2021 when Petitioner was contacted by the Regional Board as part of the Regional Board's
8 decades long investigation of the Site.

9 In 1980, the Regional Board cited SEMCO for improper discharge of brines and although
10 the Regional Board performed a site inspection, made no note of solvent use or dischargers. It does
11 not appear that the Regional Board took any action to follow up with SEMCO after this 1980
12 citation. At this time, in 1980, the Petitioner was not contacted by the Regional Board in any way
13 to inform the Petitioner of the pollution at the Site.

14 In 1985, the Regional Board became aware of the VOC contamination at the Site.
15 Specifically, in May 1985, the City of Santa Maria ("City") discovered groundwater pollution when
16 the City shut off an important municipal supply well due to high TCE concentrations. The
17 municipal supply well had detections of TCE at 59 micrograms per liter (ug/L) and was located
18 adjacent to the Site. At this time, in 1985, the Petitioner was not contacted by the Regional Board
19 in any way to inform the Petitioner of the pollution at the Site.

20 In response, in August 1985, the Regional Board issued a Notice of Violation ("NOV") to
21 SEMCO. The NOV states, without ambiguity, that "Hazardous waste containing trichloroethene
22 originating from Semco, Inc. has been discharged onto the aforementioned property." Again, at
23 this time, the Regional Board did not inform the Petitioner of the discovery of VOCs in
24 groundwater.

25 From 1985 to 2023, the Regional Board (and other State agencies) led an inept and negligent
26 investigation of the contamination at the Site. This investigation included the issuance of numerous
27 other cleanup and abatement orders, notices of violation, stern letters of warning to SEMCO, and
28 other related bureaucratic activities. None of this resulted in any effective advancement of

1 investigation or remediation activities to address the VOCs at the Site. During this entire time, and
2 leading up to 2021, the Regional Board never contacted Petitioner in any way about its investigation
3 of the Site.

4 Now, four decades later, the Regional Board is still investigating the same release of
5 contamination. However, because of its seriously delayed investigation, the original owners and
6 operators of the SEMCO Site have not been held accountable for the contamination. Rather, in the
7 1980s and 1990s, the Regional Board was unable to successfully prosecute the matter. Only
8 recently in February 2022 did it hold a hearing to assess liability to entities and persons that appear
9 to be the subsequent owners and assigns of the Site.

10 Despite these most recent activities to hold land owners accountable (as Semco is no longer
11 a viable entity), in late July 2022, the Regional Board contacted the City of Santa Maria, the Airport
12 and the County of Santa Barbara stating: “You are receiving this email because the current
13 responsible parties may not be able to comply with [Regional Board] requirements and it is essential
14 that investigation is completed so we can move forward with remediation.”

15 Since this July 2022 correspondence, Petitioner has continued to request any evidence that
16 could tie it to the VOC contamination at the Site. To date, the Regional Board still yet to produce
17 any actual evidence of discharges of waste by Petitioner to the Site.

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1 **b. Standard of Review**

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3 Petitioner requests that the State Board review of the CAO issued by the Regional Board

4 and make a finding as to whether the Regional Board's action in issuing the CAO to Petitioner was

5 "inappropriate or improper." *See* California Water Code § 13320. Upon a Water Code Section

6 13320 Petition, the State Board must review the Regional Board record to determine if there is

7 sufficient evidence to ensure an appropriate and proper action by the Regional Board. *See* Water

8 Code § 13320. The State Board is required to make an independent review of the Regional Board's

9 action, and in order to uphold the action, the State Board must be able to find that the Regional

10 Board's action was based upon substantial evidence. *In re Exxon Company, U.S.A., et al.*, Order

11 No. WQ 85-7 at 14-17 (SWRCB 1985); *see also In re Stinnes-Western Chemical Corporation*,

12 Order No. WQ 86-16 at 16 (SWRCB 1986) ("in order to uphold a Regional Board action, we must

13 be able to find that the action was based on substantial evidence.") The State Board further stated

14 that "there must be a reasonable basis on which to name each party. There must be substantial

15 evidence to support a finding of responsibility for each party named. This means credible and

16 reasonable evidence which indicates the named party has responsibility." *See Exxon*, Order No.

17 WQ 85-7 at 17.

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1 **c. The Regional Board Improperly and Inappropriately Characterized Petitioner as**
2 **a “Discharger” at the Site**

3 **i. The Regional Board Provided No Evidence That Petitioner Ever**
4 **Discharged Wastes at the Site**

5 Pursuant to Water Code Section 13304, the Regional Board has the authority to issue
6 cleanup and abatement orders to “[a]ny person who has discharged or discharges waste into the
7 waters of this state ... or who has caused or permitted, causes to permit, or threatens to cause or
8 permit any waste to be discharged or deposited where it is ... discharged into the waters of the state
9 and creates ... a condition of pollution or nuisances.” Water Code § 13304(a). Upon such a finding,
10 the named discharger “shall upon order of the regional board, clean up the waste or abate the effects
11 of the waste...” *Id.*

12 The Regional Board does not have substantial evidence showing that Petitioner caused or
13 permitted a discharge of the substances found in soil, soil vapor, and groundwater at the Site. Not
14 only is there an absence of evidence that Petitioner has released or discharged VOCs or any other
15 waste at the Site, the Regional Board itself never even attempts to argue in the CAO that Petitioner
16 discharged wastes at the Site.

17 Based on the available evidence, therefore, it was inappropriate and improper for the
18 Regional Board to make the findings in Paragraph C(6) and elsewhere in the CAO that Petitioner
19 is a discharger under California Water Code Sections 13304 and 13267. See Water Code § 13304
20 (defining discharger as a person who has caused or permitted waste to be discharged into waters of
21 the state); Water Code § 13267 (authorizing regional board to require any person who has
22 discharged waste to furnish technical and monitoring reports).

23 Instead, the Regional Board attempts to circumvent the requirement that “[t]here must be
24 substantial evidence to support a finding of responsibility for each party named,” *see Exxon*, Order
25 No. WQ 85-7 at 17, by making a finding that anyone who ever owned the Site “were aware” of
26 activities that resulted in the discharges of waste at the Site, and “had the ability to control those
27 discharges.” *See, e.g., CAO*, p. 17.

1 Specifically, the Regional Board’s sole argument that Petitioner is responsible for the soil,
2 soil gas and groundwater contamination at the Site is because Petitioner owned the Site from 1964
3 to 1968. That is it – that is all the evidence. No actual evidence of discharges or knowledge of
4 discharges; just land ownership in the mid-1960s.

5 Petitioner addresses the Regional Board’s legal liability theory below:

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7 **ii. The Regional Board’s Reliance on State Case Law to Find that Petitioner is**
8 **a “Discharger” due Solely to property “Ownership” is Improper and**
9 **Inappropriate**

10 The Regional Board asserts in the Draft CAO that Petitioner has liability for the waste
11 discharges at the Site because it is a “discharger.” The Regional Board relies on scant evidence to
12 reach such a conclusion.

13 First, the Regional Board cites to the Petitioner’s ownership of property from 1964 through
14 1968, a time at which SEMCO allegedly operated on Petitioner’s property. The Board goes on to
15 state that Petitioner is liable as a discharger in this case because the Airport was “aware of the
16 activities that resulted in the discharges of waste and, as lessors of the Site, had the ability to control
17 those discharges.”

18 It is notable that the Regional Board staff and counsel provide no evidence to support this
19 conclusory statement and even during their own site inspection in 1980 said nothing about copious
20 solvent use by SEMCO at the Property. Rather, to support its claims against Petitioner, the Regional
21 Board’s CAO relies solely on *United Artists Theatre Circuit, Inc. v. California Regional Water*
22 *Quality Control Bd.* (2019) 42 Cal.App.5th 851, 887.) (hereafter referred to as “*United Artists*”).
23 *United Artists* provides a clear standard for discharger liability under the California Water Code,
24 holding, specifically: “[W]e conclude a prior owner may be named in a cleanup order as someone
25 who has ‘permitted’ a discharge if it knew or should have known that a lessee’s activity presented
26 a reasonable possibility of discharge into waters of the state of wastes that could create or threaten
27 to create a condition of pollution or nuisance.” See, *United Artists* at 864-865. [Emphasis added.]
28 The Court further states that “the term ‘permitted’ is expansive enough to encompass a situation

1 where a landlord let a discharge occur by allowing an activity to take place, where the landlord
2 knew or should have known the general activity created a reasonable possibility of discharge.”
3 *United Artists* at 888.

4 In coming to this conclusion, the Court found that a landowner of property in the 1970s,
5 1980s and 1990s, should have known that its dry cleaner tenant’s dry-cleaning activity created a
6 possibility of discharge. This makes sense, given that the discharges in the *United Artists* case
7 occurred from a highly regulated activity (dry cleaner using solvents) when the Water Quality
8 Control Act was in effect.

9 In contrast, here, the alleged discharge occurred from 1964 through 1968, a time when the
10 California Regional Water Quality Control Board did not exist. Not only did the Regional Board
11 not exist, there were no environmental statutes or regulations to establish standards, duties practices
12 as to what is expected under law and regulation. This includes standards and practices regarding
13 what a landlord could have known or should have known if its tenant’s activities created a
14 possibility of discharge.

15 The facts here must be evaluated based on the standards for landowners in the 1960s, and
16 not the standards used by modern and comprehensive environmental statutes. As to the facts, as
17 stated above, there is no evidence to suggest that Petitioner had any information that SEMCO’s
18 activities created the possibility of discharge. For example, in 1969, a document provided detail
19 about the City of Santa Maria Community Development Department process for allowing
20 expansion of SEMCO operations. The planning documents from the City of Santa Maria include
21 the following statement (emphasis added): “The applicant [SEMCO] states that the production does
22 not cause any waste that must be disposed of, nor does it produce any toxic fumes in the air.” (*See*,
23 Exhibit C.) These representations by SEMCO to the City of Santa Maria Development Department
24 in 1969, after Petitioner no longer owned the Property, indicate that a prior landowner with SEMCO
25 as a tenant, if having any understanding of the operations at the SEMCO Facility at all, would have
26 likely have been told the same thing regarding SEMCO’s operations (e.g., SEMCO’s operations
27 had no waste generation and/or the asserted benign nature of the operations).
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1 Even in 1980, when Regional Board staff inspected the SEMCO facility and found them
2 discharging brines, no mention was made of solvent use and/or dischargers by highly trained State-
3 inspection staff. If these staff in the 80s were unable to identify the Regional Board's later alleged
4 nefarious solvent operations by SEMCO, it is ludicrous to expect a land-owner to have done so in
5 the 1960s.

6 The facts in this case are not consistent with the facts in the *United Artists* case. The
7 Regional Board has improperly cited that case, and, pursuant the California Water Code, the
8 Regional Board must modify the Draft CAO and remove Petitioner as a potentially responsible
9 discharger party.

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11 **iii. State Law Demonstrates a Preference for Naming Parties Actually**
12 **Responsible for the Contamination**

13 In this case, the Regional Board should be focused on parties that actually caused and/or
14 knowingly contributed to the discharges at the Site. These parties include the United States
15 Department of Defense, SEMCO and the current owners of the Site (Oro Financial of California,
16 Inc.; Concha Investments, Inc.; Chris Mathys, and; Platino, LLC).

17 State Board opinions demonstrate a clear division of responsible parties into two categories:
18 those who are responsible because they actively caused the contamination as direct dischargers,
19 and those who are deemed responsible because of their status with respect to the subject property.
20 *See In re Wenwest, Inc.*, Order No. WQ 92-13 at 7-8 (SWRCB 1992); *In re Arthur Sptizer*, Order
21 No. WQ 89-8 (dry cleaning operators are responsible parties because they contributed to the
22 contamination; current owners and current lessee are responsible parties because they have
23 knowledge of the contamination and ability to obviate it). There is a strong preference for naming
24 the party responsible for the contamination in a CAO. *See In re Alvin Bacharach and Barbara*
25 *Bacharach*, Order No. WQ 91-07 (SWRCB 1991) (reversing an order naming a landowner who
26 did not contribute to the contamination as the sole responsible party where substantial evidence
27 existed to name the direct discharger); *see also Wenwest*, Order No. WQ 92-13 at 5 ("No order
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1 issued by this Board has held responsible for a cleanup a former landowner who had no part in the
2 activity which resulted in the discharge of the waste and whose ownership interest did not cover
3 the time during which that activity was taking place.”)

4 The State Board has affirmed CAO’s naming former landowners and lessees as responsible
5 parties where they contributed to the contamination as direct dischargers. *See Wenwest*, Order No.
6 WQ 92-13 at 4; *see also Spitzer*, Order No. WQ 89-8 at 9. A review of State Board opinions,
7 however, does not reveal an opinion where a former lessee or former owner has been named solely
8 because of its status as a former lessee/owner. See *In re Zoecon Corporation*, Order No. WQ 86-2,
9 10 (SWRCB 1986) (stressing the current landowner’s “exclusive control over access to the
10 property” as a crucial element in holding it liable). In fact, the State Board has reversed a Regional
11 Board’s order naming a former owner that did not contribute to the contamination. See *Wenwest*,
12 Order No. WQ 92-13 at 5-6 (stressing that “in previous orders in which we have upheld naming
13 prior owners, they have been involved in the activity which created the pollution problem”
14 (emphasis added)).

15 In addition to the State Board, California Courts have generally found that to be properly
16 considered a responsible party under Water Code Section 13304, a party must have actively
17 discharged waste or must have at least taken affirmative steps directly towards the improper
18 discharges of wastes. For example, in *City of Modesto Redevelopment Agency v. Superior Court*,
19 the court reviewed the legislative history of the Porter-Cologne Water Quality Control Act (“Porter-
20 Cologne Act”) and held that solvent manufacturers and distributors would not be liable under Water
21 Code Section 13304, stating “we see no indication that the Legislature intended the words ‘causes
22 or permits’ within the Porter-Cologne Act to encompass those whose involvement with a spill was
23 remote and passive.” 119 Cal. App. 4th 28, 44 (2004). Instead, only those parties who took
24 affirmative steps directed towards the improper discharge of wastes should be held liable. *Id.* at
25 43. Similarly, in *Redevelopment Agency of the City of Stockton v. BNSF Railway Co.*, the Ninth
26 Circuit followed the City of Modesto, favorably quoting the conclusion that “the words ‘causes or
27 permits’ within Section 13304 were not intended ‘to encompass those whose involvement with a
28 spill was remote and passive,” and holding that railroads were not liable for a petroleum spill that

1 occurred on other property and migrated through a French drain constructed by the railroads
2 because the railroads had not engaged in any active, affirmative, or knowing conduct with regard
3 to the passage of contamination through the drain and into the soil. 643 F.3d 668, 678 (9th Cir.
4 2011).

5 As has been clearly demonstrated by Petitioner in its Comments to the Draft CAO, as well
6 as the Regional Board's final CAO, the Regional Board has not provided any evidence that
7 Petitioner caused or permitted a discharge at the Site. Rather, the Regional Board has improperly
8 and inappropriately relied simply on the fact that the Airport owned the Site in the mid-1960s, and
9 was "aware" of activities that could have caused a discharge.

10 The Regional Board has, therefore, failed to provide substantial evidence in support of its
11 conclusion that Petitioner is a 'discharger,' as that term is defined by the California Water Code
12 (and as interpreted by the State Board and California courts).

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14 **5) The CAO Does Not Include Actual Dischargers – The CAO Must Be Amended To**
15 **Include All Dischargers**

16 Petitioner firmly asserts that it is not a "discharger" as that term is defined by the California
17 Water Code. Thus, Petitioner further asserts that the State Board must order that the CAO be
18 amended to remove Petitioner as a liable party. Notwithstanding Petitioner's points raised in this
19 appeal, and in order to protect the record, Petitioner is providing the State Board with the
20 information below so that the State Board can make a fully-informed decision regarding key parties
21 that have been left out of the CAO. Petitioner believes that the below parties actually contributed
22 to the contamination, and, therefore, the CAO should be amended to include these parties in the
23 revised CAO.

1 **a. The United States Department of Defense**

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3 The United States Department of Defense is a key discharger in this case. As stated in its
4 comments to the Draft CAO, Petitioner has demonstrated that the DOD conducted significant
5 operations at the Site from 1942 to 1949. The detailed nature of the DOD's operations at the Site
6 are set forth in Petitioner's environmental consultant's May 29, 2023 report, which was submitted
7 to the Regional Board as part of the public comment period for the Draft CAO. This report is
8 referred to as the "Roux Report," See report attached in Attachment B. The information in the
9 Roux Report about the DOD is hereby incorporated by reference into this Petition.

10 In regard to the DOD's operations at the Site, the Roux Report includes the following key
11 points:

- 12 • The DOD should be added as a party to the Draft CAO. The Draft CAO states
13 that there were two former Army Airfield USTs on the SEMCO Property, "One
14 1,500-gallon fuel oil UST, identified as T1242, was located beneath the Site in
15 an area that is now a parking lot north of the former Semco building. There are
16 no records indicating UST T1242 was removed or closed in place. As
17 documented in Santa Barbara County's file, there are records that USACE
18 removed one UST at the Site, identified as T1273, on December 17, 1990. UST
19 T1273 was allegedly located on a concrete slab north of a warehouse identified
20 as Building T1273 (Building T1273 is included on the Basic Layout Plan dated
21 1945). However, UST T1273 is not shown on the 1945 Basic Layout Plan."
- 22 • The Draft CAO generally corroborates the above in the Regional Board's own
23 words in stating, "Additionally, records indicate two USTs were located in the
24 northern portion of the Site and were not associated with areas where TCE and
25 VOC use was expected or documented by the USACE (such as the airport
26 hangers motor or sheet metal repair shops, etc.). Also, the locations of the
27 former USTs do not correlate with the Site's source area location, where the
28 highest concentrations of TCE and petroleum hydrocarbons have been reported
in soil, soil gas, or groundwater." However, the Draft CAO does not cite to the
more than eight feet of petroleum free product identified at the Property (as
discussed further in Item 4). In making these statements in the Draft CAO, the
RWQCB is citing that the United States Army Corps of Engineers (USACE)
and by extension the DOD were responsible for the USTs on the SEMCO
Property. Therefore regardless of the VOC issue, the DOD most certainly may
have played a role in the petroleum aspect of the Site conditions.
- Also, the Draft CAO states that prior to the County and City becoming owners
in 1947 the Army Airfield had substantial USTs and hazardous/flammable
liquids and the potential to have used trichlorethylene (TCE) and volatile

1 organic compounds (VOCs). Based on USACE/DOD documentation they also
2 concurred in being responsible for the Army Airfield USTs, where the 2014
3 DOD NDAI document stated, “A Findings and Determination of Eligibility
4 (FDE) signed in 1989 (see Atch 4) found that the Santa Maria Army Airfield
5 qualified as a FUDS. The associated Inventory Project Report (INPR) (see Atch
6 5) written in the early 1990s recommended the creation of a containerized
7 hazardous, toxic and radioactive waste (Con/HTRW) project to remove old
8 underground storage tanks. In 1994, a revision to the INPR was submitted and
9 in June 1995 both a Con/HTRW and an HTRW project were authorized.”
10 Although the location of the SEMCO Facility may not be where TCE and VOC
11 use in the RWQCB’s opinion, “was expected or documented by the USACE;”
12 the RWQCB overlooks that very little to no VOC analysis was conducted by
13 the USACE associated with the UST abandonment/investigation/remediation
14 effort, let alone evaluating past pipelines into and within buildings from the
15 tanks. In at least one instance when VOCs were analyzed for during the USACE
16 UST effort, VOCs were detected (Tank 1317 [Lube Oil Pump House]²¹, where
17 Tank 1317 was located approximately 1,200 feet south of the SEMCO Facility,
18 immediately adjacent to the Mafi Trench Site [See Attachment 2.1].²² Tank
19 1317 was not located in an area where “hangers, motor or sheet metal repair
20 shops” existed and samples collected on behalf of the USACE detected
21 halogenated compounds in sludge at 1,100 parts per million (ppm); and PCE in
22 liquid at 0.06 ppm (57.9 parts per billion).

- 23 • Despite all of this evidence, and known discharges of contaminants associated
24 with former Army operations at the Army Airfield, the RWQCB absolved the
25 DOD of any responsibility specific to SEMCO in 2014. Beyond the known
26 detection of VOCs associated with former Army Airfield operations, the
27 specific operations in World War II at this Army Airfield are very likely to have
28 used chlorinated solvents.
- The Army Airfield was home to both a critical training function for P-38
propellor powered airplane fighter pilots,^{25,26} and also was one of four bases
in California for the secret P-59 jet fighter airplanes during and after World War
II. In fact, leading up to the closure of the Santa Maria Army Airfield, the 412th
Fighter Group it housed was growing with addition of key additional squadrons
up to and into 1945 within the 412th Fighter Group.
- 1945 documentation from the US Army Air Corps/Air Force clearly indicates
TCE solvent use in maintenance degreasing operations. Given this, the Army
Airfield would have been prioritized to be performing the highest level of
aircraft maintenance (likely including chlorinated solvents for degreasing).³⁴
The 2014 DOD NDAI³⁵ declaration notably makes no mention of the jet-
fighter function of the Army Airfield and does not explicitly note the two tanks
on the SEMCO Facility.

1 As compared to the Petitioner, the evidence against the DOD in regard to liability as a
2 discharger under Water Code Section 13304 is overwhelming. The Regional Board improperly
3 released the DOD in 2014, and has since disregarded any evidence associated with the DOD's
4 operations at and near the Site during World War II. (Their record appears to show that the
5 Regional Board did not conduct its own independent investigation of the DOD. Rather, it appears
6 the Regional Board relied on the DOD's own assessment of its potential liability. There is no
7 indication the Regional Board interviewed any independent witnesses, or issued any subpoenas for
8 DOD business and environmental records.)

9 Simply put, the Regional Board's investigation of the DOD (and hundreds of underground
10 storage tanks used and operated by the DOD, with known VOC impacts in at least one case) was
11 inadequate. The State Board should order that the CAO be amended, and that the DOD be added
12 as a discharger, consistent with the California Water Code.

13
14 **b. The Mafi Trench Parties**

15
16 Like the DOD, the Mafi Trench Parties were left out of the CAO. As with the DOD, the
17 Petitioner provided the Regional Board with significant information about the Mafi Trench Parties
18 in the Roux Report. The information in the Roux Report about the Mafi Trench Parties is hereby
19 incorporated by reference into this Petition.

20 To summarize, the Roux Report provided the following details concerning the Mafi Trench
21 Parties to the Regional Board in the comments to the Draft CAO. Roux's key comments included,
22 but are not limited to, the following:

- 23
- 24 • The Mafi Trench Site is due south of the SEMCO Facility, where there is
25 uncertainty on the deeper groundwater flow directions, indicating an
26 incomplete understanding, or comingled contributions to the deeper
27 groundwater bearing zone:
 - 28 • In a recent RWQCB summary of the Mafi Trench site online it is quoted that,
"The groundwater flow direction within the perched groundwater zone is
toward the west to southwest. During the operation of the remediation system

the groundwater flow direction was reported to flow toward the northwest at times.” and “The regional aquifer groundwater flow direction is toward the west-northwest. Historical water well records indicate that groundwater within the regional aquifer fluctuates between approximate depths of 90 feet to 220 feet. Discontinuous zones of perched groundwater are known to exist within the Basin.”

- In a report prepared by a consultant for the Mafi Trench entity; in spite of their estimated shallow and regional groundwater flows being to west/southwest, northwest, or west-northwest, “Padre concluded that the trichloroethene (TCE)- impacted groundwater within the regional aquifer beneath the Project Site is likely associated with the former SEMCO facility located 255 feet northeast of the Project Site (Padre, 2019). Therefore, continued monitoring of well DW-1 (deep, regional aquifer well) is not proposed as part of the Updated MRP.”
- In a report by a consultant for Mafi Trench in 1991, boring B8, located east of the Mafi Trench site building detected 1,1,1-Trichloroethane (1,1,1-TCA), 1,1-dichloroethane (1,1-DCA) and Toluene, indicating impacts in a wide-spread area. The Mafi Trench Site also detected tetrachloroethylene (PCE) in groundwater.

Given this significant data, it is simply alarming that the Regional Board failed to acknowledge the location and likely connection of the Mafi Trench to the SEMCO Site. The Mafi Trench was a facility used for years by many different companies. The trench was a location where paint products, including solvents, were disposed of in a non-lined concrete trench. As the Roux Report makes clear, it is not known, but possible, that the Mafi Trench could be a source of the contamination at and/or near the Site. Thus, it is improper and inappropriate for the Regional Board to not include the Mafi Trench parties in the CAO.

c. SEMCO Insurance Policies

Based on the above, there are significant actual dischargers that the Regional Board neglected to include in the CAO. In addition to the failed identification and inclusion of dischargers, the Regional Board also failed in its obligations to preserve evidence and possible

1 funding sources. For example, after it became aware of the VOC contamination in 1985, the
2 Regional Board began normal procedures to hold SEMCO accountable for the pollution at the Site.
3 However, the record is clear that SEMCO almost immediately informed the Regional Board that it
4 did not have the financial resources to address the environmental issues at the Site. The Regional
5 Board actually was well aware of SEMCO's finances, as it conducted several financial audits of
6 the company, and allowed SEMCO to retain a qualified accountant to demonstrate its financial
7 inability to pay. With that information in hand, and knowing that SEMCO had operated at the Site
8 for many years, the Regional Board should have taken measures to identify SEMCO's insurance
9 coverage. For many of the years that SEMCO operated, there likely was not any pollution
10 exclusions in its general business insurance policies. A simple step to take would have been to
11 issue subpoenas to SEMCO for all of its business insurance, and to explore the potential insurance
12 coverage for the Site. However, this was never done.

13 Now, many decades later, the Petitioner has asked repeatedly if the Regional Board has
14 taken any efforts to identify SEMCO's insurance coverage, policies which may still exist today.
15 The Regional Board has been silent on this matter, and has instead elected to pursue non-
16 discharging former owners, including the Airport, which is a small public agency with limited
17 resources.

18 As such, the State Board should grant the stay of the CAO, and order the Regional Board
19 to conduct a complete investigation of the potential insurance coverage to address the pollution at
20 the Site.

21 22 **d. The State of California** 23

24 The State of California itself appears to be partially liable for the contamination at the Site.
25 Aside from its basic failure to comply with its obligations to conduct a proper investigation, the
26 State actually took control of the investigation and operated cleanup equipment in a failed effort to
27 control the plume. Specifically, in 1994, the California Department of Toxic Substances Control
28 ("DTSC") took control the Site investigation and implemented its own Interim Remedial

1 Measure/Removal Action. (See Attachment C.) By taking over and paying for the actual remedial
2 action activities at the Site, the State of California, through its agent DTSC, became sufficiently
3 involved to be considered an operator at the Site. It is unclear whether the DTSC-led removal and
4 remediation activities at the Site potentially contributed to the exacerbation of the contamination at
5 and near the Site. It is also unclear why the DTSC withdrew from these activities when it knew, or
6 should have known, the only other known discharger (SEMCO) was claiming financial inability to
7 pay. The State's role in the actual investigation of the Site, and its abrupt withdrawal from that
8 role, must be assessed by the State Board.

9
10 **6) The Regional Board's Delayed Investigation Has Unfairly Prejudiced Petitioner**

11
12 The amount of time the Regional Board has taken to investigate the Site is not in dispute.
13 By its own admission, the Regional Board became aware of SEMCO's improper disposal practices
14 in 1980 (43 years ago).

15 The Regional Board did not notify Petitioner about the Site until 2021, and took no formal
16 action against Petitioner until September 2023. Petitioner has had nothing to do with the Site since
17 1968 – **55 years ago**.

18 During these 43 years of investigations, witnesses have passed away, actual dischargers
19 have gone bankrupt or otherwise disappeared, insurance policies have expired and important
20 evidence of potential disposal at and near the Site has not been retained or has otherwise been lost
21 and destroyed.

22 Thus, the Regional Board's unnecessary and unjustified delay has resulted in severe
23 prejudice to Petitioner by denying Petitioner the ability to properly assess a groundwater
24 contamination plume that has been unattended for so many years. Petitioner has also been denied
25 the notice and opportunity to properly interview witnesses, review records and properly analyze
26 the matter. The Regional Board has fundamentally violated Petitioner's right to defend itself, and
27 the CAO must therefore be amended to remove Petitioner as a discharger.

1 **7) Manner in Which Petitioner is Aggrieved**

2
3 Petitioner has been cooperating with the Regional Board since 2021, when it first became
4 aware of SEMCO and the contamination issues at the Site. At the same time, in the face of minimal
5 investigative action by the Regional Board for the last four decades, Petitioner has developed and
6 given the Regional Board substantial information regarding the potential sources of contamination
7 at the Site. This includes extensive information about the DOD activities at the Site during World
8 War II, and the United States' efforts to remove over 200 underground storage tanks at and near
9 the Site. The Petitioner has also provided detailed information to the Regional Board about the
10 Mafi Trench site as a potential source, and other important information concerning potential
11 identifying sources of funding and responsible parties (e.g., insurance policies for SEMCO's
12 operations). Petitioner's cooperation has required the dedication of significant resources.

13 Based on all of the information that has been developed, it is now clear that the Regional
14 Board does not possess substantial evidence showing that Petitioner caused or permitted the
15 discharge of the VOCs at the Site. Nonetheless, the Regional Board has issued an enforceable CAO
16 that would impose further significant costs and burdens on Petitioner. A preliminary estimate by
17 Petitioner's environmental consultant indicates that the Required Actions in the CAO could end up
18 costing millions of dollars to implement. This would be overwhelming for a small public agency
19 like the Petitioner, especially when there are clear known prior operators and owners that
20 contributed to the contamination, or knowingly purchased the Site after the Regional Board had
21 begun its investigation activities. The Petitioner should not have been included as a discharger in
22 the CAO because the Regional Board lacks substantial evidence that Petitioner caused or permitted
23 a waste to be discharged at the Site.

24
25
26 ///

27 ///

1 **8) Specific Remedy Petitioner Requests**

2
3 For the reasons stated in this Petition, Petitioner requests that the State Board issue an
4 order that CAO be amended to remove Petitioner from the CAO and that the CAO is rescinded as
5 to Petitioner. As discussed in Section 9 below, Petitioner also requests that the State Board issue
6 a stay of the CAO as to Petitioner while it is considering this petition. Further, as stated below,
7 Petitioner requests a hearing on the matter before the State Board.

8
9 **9) Petition Sent to Regional Board and Other Interested Parties**

10
11 A copy of this petition has been sent via email and overnight Federal Express to the
12 Regional Board and via United States Mail to the other interested parties at the addresses listed
13 attached proof of service.

14
15 **10) Petitioner's Request for Stay**

16
17 Petitioner requests that the State Board issue a stay of the CAO as to Petitioner as of the
18 date of issuance pursuant to Title 23 of the California Code of Regulations, Section 2053, while the
19 State Board is considering the petition. As set forth in the Declaration of Martin Pehl, General
20 Manager of the Airport, in Attachment D, since the State Board has up to 270 days to review an
21 action upon a petition, there will be substantial harm to Petitioner from the costs of implementing
22 actions for which it is not liable. Petitioner will also experience substantial harm due to the
23 infeasible deadlines established in the CAO.

24 Granting a stay of the CAO as to Petitioner in this case will not cause substantial harm to
25 other interest persons or to the public interest, because other entities are already subject to other
26 investigative orders by the Regional Board, and there are ongoing monitoring activities of the
27 contamination at the Site. In addition, it has been 43 years since this contamination was discovered
28 by the Regional Board. The Regional Board has been in charge of this four-decade investigation,

1 and that passage of time makes it abundantly clear that the Regional Board does not view this Site
2 as presenting any near-term risks.

3 As detailed above in this Petition and its appendices, there are substantial questions of fact
4 and law regarding the Regional Board's issuance of the CAO to Petitioner and regarding certain
5 required actions in the CAO, fully justifying the issuance of a stay of the CAO as to Petitioner.
6

7 **11) Request for Hearing before the State Board**
8

9 In accordance with 23 C.C.R. § 2050.6(b), Petitioner respectfully requests that the State
10 Board hold a hearing to consider this Petition. Petitioner may present additional evidence that was
11 not available to the Regional Board at the time the CAO was issued or when this petition was
12 submitted. In addition, Petitioner requests permission at any hearing: (1) to present oral argument
13 on the legal and policy issues raised in this petition; and (2) to present to the State Board factual
14 and technical information in the Regional Board files which may have been overlooked by the
15 Regional Board.
16

17 **12) Request for Preparation of the Administrative Record**

18 By copy of this petition to the Executive Officer of the Regional Board, Petitioner hereby
19 requests the preparation of the administrative record herein.
20
21
22
23
24

25 ///

26 ///

27 ///

13) Conclusion

For the reasons described above, the Regional Board's findings that Petitioner is a discharger at the Site are not supported by substantial evidence, and it was improper and inappropriate for the Regional Board to issue the CAO to Petitioner.

The CAO would subject the Petitioner to significant costs without sufficient legal or factual basis in the record, and the issuance of the CAO to Petitioner constitutes an abuse of discretion by the Regional Board. Thus, Petitioner respectfully requests that the State Board issue an order that the CAO be amended to remove Petitioner from the CAO and that the CAO is rescinded as to Petitioner.

Dated: October 25, 2023

GROVEMAN | HIETE LLP

By: Ryan Hiete
Ryan Hiete
Attorneys for Santa Maria Public Airport District

PROOF OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action; my business address is 2625 Townsgate Road, Suite 330, Westlake Village, California, 91361.

On **October 25, 2023**, I served the document(s) described as **SANTA MARIA PUBLIC AIRPORT DISTRICT'S PETITION FOR THE STATE WATER RESOURCES CONTROL BOARD REVIEW; REQUEST FOR IMMEDIATE STAY** on the interested party(s) in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows and emailing to addressees as indicated below:

SEE ATTACHED SERVICE LIST

☒ **(BY MAIL)** I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Pasadena, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. *Note: Service made pursuant to this paragraph will, on motion of the party served, be presumed invalid if the postal cancellation or meter date is more than one day after the date of deposit for mailing stated in this declaration. (C.C.P. Section 1013a, subd. (3))*

☒ **(BY E-MAIL)** Based on an agreement of the parties to accept service by e-mail or electronic transmission, I caused the above document(s) to be sent to the person(s) at the e-mail addresses listed above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

☒ **(BY FEDERAL EXPRESS)** By placing a true and correct copy of the above document(s) in a sealed envelope addressed as indicated above and causing such envelope(s) to be delivered to the FEDERAL EXPRESS delivery service and to be delivered by the next business day to the address(s) designated.

☐ **(BY FAX)** I caused said document(s) to be transmitted by facsimile between the business hours of 9:00 a.m. and 5:00 p.m. to the addressee(s) whose facsimile number is listed above. The above-described transmission was reported as complete without error by a transmission report issued by the facsimile transmission machine upon which the said transmission was made immediately following the transmission. A true and correct copy of the said transmission report is attached hereto and incorporated herein by this reference.

☐ **(BY PERSONAL DELIVERY)** I caused the document(s) listed above to be personally delivered to the person(s) at the address(es) set forth above.

Executed on **October 25, 2023**, at Westlake Village, California.

☒ **(STATE)** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

SHANNON KEARSLEY
Print Name

/s/ Shannon Kearsley
Signature

SERVICE LIST

VIA FEDEX:

CALIFORNIA REGIONAL QUALITY CONTROL BOARD,
CENTRAL COAST WATER BOARD
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401

STATE WATER RESOURCES CONTROL BOARD
1001 I Street
Sacramento, CA 95814

VIA US MAIL:

Rhine, L.P.
Oro Financial of California, Inc.
Concha Investments, Inc.
Platino, LLC
Chris Mathys, an individual
c/o: Chris Mathys
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Fresno, CA 93711

Curry Parkway, L.P.
c/o Tom Miles
2304 West Shaw Avenue, Suite 102
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Fernando Figueroa Salas
340 W. Donovan Road
Santa Maria, CA 93458

Mark Powers, Inc.
c/o Mark Powers
4161 Lockford Street
Santa Maria, CA 93455-3313

City of Santa Maria
Clerk-Recorder
c/o Rhonda M. White, Deputy City Clerk
110 E. Cook Street
Santa Maria, CA 93454

County of Santa Barbara
Santa Barbara Clerk-Recorder

c/o Joseph E. Holland, County Clerk
1100 Anacapa Street
Santa Barbara, CA 93101

City of Santa Maria Public Airport District
c/o Steve Brown, Director
3217 Terminal Drive
Santa Maria, CA 93455

VIA EMAIL:

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1 Jimmy Wittrock, Office of District 37, State Assembly Gregg Hart, Jimmy.Wittrock@asm.ca.gov

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4 Shad Springer, Utilities Director, sspringer@cityofsantamaria.org

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23 Frank Ramirez, frankram3@gmail.com

24 **DTSC:**

25 Todd Sax, Deputy Director of Site Mitigation and Restoration, Todd.Sax@dtsc.ca.gov

Attachment A

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION
895 AEROVISTA PLACE, SUITE 101
SAN LUIS OBISPO, CALIFORNIA 93401-7906**

CLEANUP AND ABATEMENT ORDER NO. R3-2023-0070

**FORMER SEMCO TWIST DRILL AND TOOL COMPANY, INC. ET AL.
INDUSTRIAL PARKWAY, SANTA MARIA
SANTA BARBARA COUNTY**

This Cleanup and Abatement Order No. R3-2023-0070 (Order) is issued to County of Santa Barbara; City of Santa Maria; Santa Maria Public Airport District; SEMCO Twist Drill and Tool Company, Inc. (SEMCO);¹ Oro Financial of California, Inc.;² Concha Investments, Inc.;³ Chris Mathys, an individual; Platino, LLC;⁴ Rhine, LP;⁵ Fernando Figueroa Salas, an individual; Mark J Powers, Inc., and Curry Parkway, LP⁶ (collectively, "Dischargers") and is based on provisions of California Water Code (Water Code) sections 13304 and 13267, which authorize the California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) to issue this Order and require the submittal of technical and monitoring reports.

The Central Coast Water Board finds that:

A. BACKGROUND AND PURPOSE OF THE ORDER⁷

1. This Order addresses trichloroethylene (TCE) and associated volatile organic compounds (VOCs),⁸ petroleum hydrocarbons, and 1,4-dioxane discharged to soil, soil gas, and groundwater in the vicinity of 2936 Industrial Parkway and surrounding parcels in Santa Maria, California (Site) (Exhibit 1, Figure 1) by requiring the

¹ SEMCO was formed by the Stafford family and Henry A. Stafford served as a director.

² Chris Mathys serves as the Chief Executive Officer and Chief Financial Officer.

³ Chris Mathys served as the Chief Executive Officer and Chief Financial Officer.

⁴ Chris Mathys was the sole manager of Platino, LLC.

⁵ Platino, Inc. is the general partner of Rhine, LP. Chris Mathys is the Chief Executive Officer, Chief Financial Officer, Director, and sole shareholder of Platino, Inc.

⁶ Platino, Inc. is the general partner of Curry Parkway, LP. Chris Mathys is the Chief Executive Officer, Chief Financial Officer, Director, and sole shareholder of Platino, Inc.

⁷ The sources of the evidence summarized in this Order include, but are not limited to, reports and other documentation in Central Coast Water Board files, including meeting and telephone call documentation; email communication with dischargers, their attorneys, and consultants; and documented inspections of the Site. All files for this case are on the State Water Resources Control Board's (State Water Board) GeoTracker website: <http://geotracker.waterboards.ca.gov/?gid=SLT3S2411351>

⁸ VOCs detected in groundwater, soil, and/or soil gas beneath the Site are chlorinated solvents used as degreasers for tools and metal parts. These chlorinated VOCs include tetrachloroethylene (PCE), trichloroethylene (TCE), 1,1,1-trichloroethane (TCA), cis-1,2-dichloroethene (cis-1,2-DCE), 1,1-dichloroethene (1,1-DCE), 1,2-dichloroethane (1,2-DCA), and 1,1-dichloroethane (1,1-DCA).

Dischargers named in this Order to investigate and clean up the wastes or abate the effects of the wastes.

2. **Location:** The Site is located east of the Santa Maria Public Airport and west of the Santa Maria Country Club, in an area of high-density commercial and industrial land uses within the City of Santa Maria in Santa Barbara County. Moderate-density residential land use is located east of the Country Club. Residences and businesses in the vicinity of the Site rely on the City of Santa Maria's public water system for drinking water. The Site is located within an SB535-listed disadvantaged community.
3. The Site is currently comprised of six parcels,⁹ which were originally a portion of a single parcel.¹⁰ The original single parcel (approximately 9.9 acres) was divided into two parcels¹¹ on February 3, 1994, and subdivided again into nine parcels¹² on April 26, 2007. The nine parcels are identified in Exhibit 1, Figure 2 and Exhibit 1, Table 1.¹³ Former Site operations occurred on parcel 111-291-037 (2936 Industrial Parkway) and resulted in discharges of wastes that may have occurred as separate and/or commingled discharges resulting in impacts to all six parcels¹⁴ that compose the Site, and these wastes are discharging or threatening to discharge from the Site onto neighboring properties.
4. The 7.31-acre Site was once part of a much larger property (approximately 3,085-acres) formerly known as the Santa Maria Army Airfield.¹⁵ The U.S. government owned the Santa Maria Army Airfield from 1942-1949. The airfield was used to train military pilots during World War II. In 1942, approximately 100 buildings were constructed including barracks, officer quarters, aircraft maintenance facilities, warehouses, aircraft hangers, and other support buildings (e.g., administrative buildings, theater, chapel, etc.). As described in the U.S. Army Corps of Engineers' (USACE) 2021 Action Management Plan, and as described in other documents available in the GeoTracker file for the Santa Maria Army Airfield, there were over 200 underground storage tanks (USTs) originally constructed and installed at the approximately 3,085-acre airfield. Many of the 250-gallon, 500-gallon, and 1,500-gallon USTs stored heating oil used to heat buildings. There were also twenty USTs, greater than 10,000 gallons, that stored gasoline and/or lubrication oil on the former airfield property, but not in the vicinity of the Site. A majority of the USTs and pipelines were removed or closed in place in the 1980s and 1990s. The Site is located on the northern, central portion of the former Santa Maria Army Airfield, as shown on the Santa Maria Army Airfield Basic Layout Plan and Building Schedule

⁹ The Site includes six parcels identified as Santa Barbara County Assessor Parcel Numbers (APNs) 111-291-035, 111-291-036, 111-291-037, 111-291-038, 111-291-041, and 111-291-042.

¹⁰ Santa Barbara County Assessor Parcel Number (APN) 111-291-008.

¹¹ Santa Barbara County APNs 111-291-027 and 111-291-028.

¹² Santa Barbara County APNs 111-291-035 through 111-291-043.

¹³ Exhibits 1-5 are attachments to this Order and are incorporated into this Order by reference.

¹⁴ The six parcels subject to this Order are highlighted in Exhibit 1, Figure 2 and identified in Exhibit 1, Table 1.

¹⁵ More information about the Santa Maria Army Airfield and the documents referenced in these findings are available at: <http://geotracker.waterboards.ca.gov/?gid=T0608345324>

dated July 1945.¹⁶ Between 1942 and 1949, the former Santa Maria Army Airfield buildings, primarily used as living quarters for military personnel, located on the Site included: a sales commissary, a pump house for well 2AS, three warehouses, two barracks, and a day room. Additionally, records indicate two USTs¹⁷ were located in the northern portion of the Site and were not associated with areas where TCE and VOC use was expected or documented by the USACE (such as the airport hangers motor or sheet metal repair shops, etc.). Also, the locations of the aforementioned former USTs do not correlate with the Site's source area location, where the highest concentrations of TCE and petroleum hydrocarbons have been reported in soil, soil gas, or groundwater.

5. **Site Description and Activities:** The Site contains approximately three large industrial metal buildings and is zoned for commercial or industrial use. Current Site tenants include Santa Maria BBQ Outfitters (2936 Industrial Parkway, Santa Maria), who use the property for warehousing products and metal fabrication,¹⁸ and Hans Duus Blacksmith (2976 Industrial Parkway, Santa Maria) who uses the property for welding and metal working.¹⁹
6. **Operational and Ownership History:** The historical Site operations, ownership, and associated APNs are summarized in detail in Exhibit 2. In brief, ownership and operational history is as follows:

| Approximate Period | Name | Type |
|----------------------------|---|----------------|
| 1949-2001 | SEMCO | Operator |
| 1949-1964 | County of Santa Barbara | Property Owner |
| 1949-1964 | City of Santa Maria | Property Owner |
| 1964-1968 | Santa Maria Public Airport District | Property Owner |
| 1968-1975 | Henry A. Stafford and Rhea L. Stafford | Property Owner |
| 1975 - 2002 | Henry A. Stafford and Rhea Stafford Revocable Trust | Property Owner |
| August 2002 – October 2002 | Oro Financial of California, Inc. | Property Owner |
| 2002 - 2006 | Concha Investments, Inc. | Property Owner |

¹⁶ The Santa Maria Army Airfield Basic Layout Plan and Building Schedule dated July 1945 is available on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=yg2dk>

¹⁷ One 1,500-gallon fuel oil UST, identified as T1242, was located beneath the Site in an area that is now a parking lot north of the former Semco building. There are no records indicating UST T1242 was removed or closed in place. As documented in Santa Barbara County's file, there are records that USACE removed one UST at the Site, identified as T1273, on December 17, 1990. UST T1273 was allegedly located on a concrete slab north of a warehouse identified as Building T1273 (Building T1273 is included on the Basic Layout Plan dated 1945). However, UST T1273 is not shown on the 1945 Basic Layout Plan.

¹⁸ Santa Maria BBQ Outfitters produces hand-welded Santa Maria style BBQs (<https://www.santamariagrills.com>) and are tenants on APN 111-291-037.

¹⁹ Hans Duus Blacksmith produces forged ornamental iron products (<https://www.hansduusblacksmith.com/>) and are tenants on APN 111-291-041.

| Approximate Period | Name | Type |
|--------------------|-------------------------|--|
| 2006 - 2009 | Chris Mathys | Property Owner |
| 2009 - 2010 | Platino, LLC | Property Owner |
| 2010 - Current | Rhine, LP | Property Owner (APN 111-291-037) |
| 2010 - Current | Curry Parkway, LP | Property Owner (APNs 111-291-036, -041, -042) |
| 2019 - Current | Fernando Figueroa Salas | Property Owner (APN 111-291-038) |
| 2021 - Current | Mark J Powers, Inc. | Property Owner (APN 111-291-035) |

7. Chemical Usage:

- a. SEMCO operated a precision tool manufacturing business at the Site producing precision drilling bits and related cutting tools on or around July 1949, to approximately 2001. SEMCO used cutting oil (a petroleum hydrocarbon-based lubricant) in its operations and VOCs, such as TCE and 1,1,1-trichloroethane (TCA), as degreasers to clean tools and metal parts.²⁰
- b. SEMCO stored VOCs in aboveground storage tanks (ASTs) east of the SEMCO shop building. Additionally, cutting oil was stored in an onsite underground sump.²¹
- c. SEMCO utilized TCE until approximately 1985²² and TCA until approximately 1987, as degreasers for tools and metal parts. SEMCO's operations generated waste products containing these substances during that time. SEMCO stored VOC sludge in 55-gallon drums and maintained parts-cleaning tanks behind its main building. Sampling conducted in this area confirmed elevated concentrations of VOCs and petroleum hydrocarbons in soil and groundwater, indicating wastes were discharged behind the SEMCO facility.²³

8. **Waste Discharges and Site Investigation:** In May 1985, the Santa Barbara County Health Department notified the Central Coast Water Board that TCE had been detected in soil adjacent to the City of Santa Maria's municipal supply well 2AS (Well

²⁰ See March 31, 1988, submittal of purchase orders, invoices, and receipts for SEMCO Twist Drill and Tool Company, Inc.

²¹ See Exhibit 1, Figure 3 – Historical Facility Site Map. The historical SEMCO facility was on the current APN 111-291-037 of the Site.

²² Central Coast Water Board Staff Report dated October 13, 1989, on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=tugaz>. SEMCO submittal of purchase orders, invoices, and receipts related to TCE, on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=dw8h9>.

²³ See Exhibit 1, Figures 3, 5, 6, and 7 for source area investigation results.

2AS). Well 2AS is located adjacent to the former SEMCO shop building, specifically on parcel 111-291-035, toward the southeastern corner of the Site, on an easement.²⁴ TCE was also detected in well 2AS at 10 micrograms per liter (µg/L) in November 1984, 4 µg/L in February 1985, and 9.4 µg/L in April 1985. After the State Department of Health Services (now the State Water Board Division of Drinking Water) determined that the levels of TCE were above drinking water standards of 5 µg/L, the City of Santa Maria shut down well 2AS on May 10, 1985.

9. On August 26, 1985, Santa Barbara County Health Care Services²⁵ issued a notice of violation (NOV) to SEMCO for the discharge of hazardous waste containing TCE and a requirement to investigate the vertical and lateral extent of the contamination. SEMCO performed a site investigation in January 1986, drilling three soil borings in the vicinity of supply well 2AS; TCE was not detected in any of the soil samples collected. However, in July 1987, Central Coast Water Board staff observed discolored (stained) soil south of SEMCO's ASTs containing VOCs. Because the staining was indicative of a surface spill, Central Coast Water Board staff collected samples for analyses and reported concentrations of TCE in soil up to 140 parts per billion (ppb) at that location.
10. On September 25, 1987, the Central Coast Water Board issued Cleanup and Abatement Order (CAO) No. 87-188 ordering SEMCO to investigate and cleanup the degraded soil and groundwater beneath the Site. CAO No. 89-070 was issued to SEMCO on March 1, 1989, and CAO No. 90-88 was issued to SEMCO on May 11, 1990, and amended on September 13, 1991 (issued to SEMCO). CAO No. 90-88 was amended again on March 11, 1994, to include the property owner, the Henry A. and Rhea Stafford Revocable Trust, and Trustee Rhea Stafford as dischargers.
11. Site investigations conducted from 1987 to 2003, and from 2021 to 2022, indicated that soil, soil gas, and groundwater are degraded with VOCs, petroleum hydrocarbons²⁶, and 1,4-dioxane from discharges of waste at the Site. In 1990, maximum concentrations of TCE were reported up to 430,000 µg/L in groundwater (86,000 times greater than the maximum concentration level for TCE).
12. **Source Area:** For the purposes of this Order, the source area is defined as VOCs, petroleum hydrocarbon, and 1,4-dioxane impacted soil, soil gas, and groundwater beneath the historic AST pads located east of the former SEMCO shop building and the below-ground cutting oil sump located beneath the former SEMCO shop building.²⁷ Concentrations of VOCs, petroleum hydrocarbons, and 1,4-dioxane in

²⁴ The location of Well 2AS is illustrated in Exhibit 1, Figure 3.

²⁵ Santa Barbara County Health Care Services is now Santa Barbara County Environmental Health Services

²⁶ Discharger's consultants collected soil gas, soil, and groundwater samples in multiple locations at the Site. No petroleum hydrocarbons were detected in soil gas, soil, or groundwater samples collected in the vicinity of the former 1,500-gallon UST that stored fuel oil on the small portion of the former Santa Maria Airfield property.

²⁷ In 1973, a fire occurred at the SEMCO facility, which set off a sprinkler system that flushed approximately 6,000 gallons of cutting oils from a sump inside the building located at APN No. 111-291-037. See the July 9, 1993, Meeting Minutes at: <https://geotracker.waterboards.ca.gov/?url=ryyqa>

soil, soil gas, and groundwater are the highest in this area at the Site.²⁸ The historic AST pads and below-ground cutting oil sump were located on the current APN 111-291-037 of the Site.²⁹

13. Soil: The extent and severity of VOCs and petroleum hydrocarbon wastes in soil beneath the Site, in the source area and locations adjacent to the source area, were investigated from 1987 through 1991, and in 2021 through 2022. A general summary of the results from these investigations are as follows:

a. 1987-1991 Site Investigation:

- i. Shallow soil (2 to 11 feet below ground surface [bgs]) contained up to 7,400 milligrams per kilogram (mg/kg)³⁰ TCE, 0.48 mg/kg PCE, and 16,000 mg/kg of petroleum hydrocarbons.³¹
- ii. Deep soil (45 to 45.5 feet bgs) contained up to 430 mg/kg TCE and 66 mg/kg of cis-1,2-DCE.³²

b. 2021-2022 Site Investigation:

- i. Shallow and deep soil (5 to 50 feet bgs) beneath the Site contained up to 97 mg/kg TCE and 6 mg/kg of cis-1,2-DCE. 1,4-dioxane was also detected in one sample at 0.049 mg/kg.³³ See Exhibit 1, Figures 5 and 6 for soil investigation site map and cross section.

14. Groundwater: The extent and severity of groundwater degradation by VOCs, petroleum hydrocarbon, and 1,4-dioxane wastes were investigated from 1987 through 1991, from 1994 to 2001 during groundwater treatment operations, in 2003 during groundwater treatment operations and limited groundwater monitoring, and in a limited scope groundwater investigation implemented in 2021.

a. 1987-1991 Groundwater Investigation:

- i. Shallow groundwater (5 to 24 feet bgs) contained up to 430,000 µg/L TCE, 200 µg/L TCA, and 43,000 µg/L cis-1,2-DCE.
- ii. Deeper groundwater (180 to 200 feet bgs) contained up to 24 µg/L TCE, 3 µg/L TCA, and 3 µg/L cis-1,2-DCE.

b. 2003 Groundwater Monitoring:

- i. Shallow groundwater (9 to 34 feet bgs) contained up to 300 µg/L TCE, 58 µg/L 1,1-DCA, 69 µg/L 1,4-dioxane, and 290 µg/L TPH. Light non-aqueous phase liquid (product) was identified in shallow groundwater monitoring well MW-2, floating on groundwater at 0.31 feet thick.

²⁸ See Exhibit 1, Figures 3, 5, 6, and 7.

²⁹ See Exhibit 1, Figure 3 for locations of AST pads and cutting oil sump.

³⁰ Reported in the January 1989 Westec Services, Inc *Subsurface Investigation*:

<https://geotracker.waterboards.ca.gov/?surl=00bks>

³¹ Reported in the June 1, 1990, ERCE *Investigation of Cutting Oil Degraded Soil*:

<https://geotracker.waterboards.ca.gov/?surl=ss645>

³² Reported in the March 8, 1990, ERCE *Supplementary Subsurface Investigation*:

<https://geotracker.waterboards.ca.gov/?surl=m0t8q>

³³ Reported in the May 25, 2022, *Vadose Zone Soil Sampling Report*:

<https://geotracker.waterboards.ca.gov/?surl=vft0c>

- ii. Deeper groundwater contained up to 1,200 µg/L TCE, 97 µg/L cis-1,2-DCE, 5 µg/L 1,4-dioxane, and 230 µg/L TPH.
- c. 2021 – 2022 Limited Scope Shallow Groundwater Investigation:
 - i. Shallow groundwater (40 to 50 feet bgs) contained up to 350,000 µg/L TCE, 30,000 µg/L cis-1,2-DCE, and 670,000 µg/L TPH gasoline in a 2022 grab groundwater sample, which is located in the vicinity of the source area.³⁴

15. Soil Gas: The extent and severity of soil gas degradation by VOCs and petroleum hydrocarbon wastes were investigated in 1989 and 2021.

- a. September 1989:
 - i. TCE was detected in shallow soil gas north of the AST pad up to 5,300,000 micrograms per cubic meter (µg/m³), where wastes in both groundwater and soil have been detected during previous investigations, and as far as 500 feet to the southeast of the main SEMCO building.
- b. April 2021:
 - i. TCE was detected in shallow soil gas up to 11,000,000 µg/m³, PCE up to 13,000 µg/m³, and cis-1,2-DCE up to 4,000,000 µg/m³.
 - ii. The distribution of soil gas impacts overlies the source area where elevated concentrations of TCE have been identified in soil and groundwater.

16. Indoor Air: The extent and severity of indoor air degradation by VOCs and petroleum hydrocarbon wastes were investigated in 2021 and 2022. During both investigations, indoor air sampling was conducted at the Site, inside the former SEMCO facility building (currently occupied by Santa Maria BBQ Outfitters) and inside a small storage building northeast of the former SEMCO building. Indoor and outdoor air samples were collected over a 12-hour period during both sampling events.

- a. March 2021:
 - i. TCE was reported up to 0.39 µg/m³ in the storage building, below San Francisco Bay Regional Water Quality Control Board Environmental Screening Levels (ESLs)³⁵ for commercial operations. Carbon tetrachloride, chloroform, and 1,2-DCA were also detected but were reported below commercial ESLs.
 - ii. Detections of TCE and TCA were also reported in one outdoor air sample but were below commercial ESLs.
- b. January 2022:
 - i. TCE was reported up to 1.1 µg/m³ in both the storage building and the production area of the former SEMCO facility.
 - ii. TCE was also reported up to 4.1 µg/m³ in an outdoor sample located east of the former SEMCO building.

³⁴ See Exhibit 1: Figure 4 – Groundwater Monitoring Well Location Site Map.

³⁵ Information on ESLs is available at:

https://www.waterboards.ca.gov/sanfranciscobay/water_issues/programs/esl.html

- iii. Concentrations of PCE, chloroform, and 1,2-DCA were also detected but were reported below commercial ESLs.

17. The concentrations of VOCs, petroleum hydrocarbons, and 1,4-dioxane documented in Section A, Findings 13, 14, 15, and 16 of this Order exceed water quality objectives, specifically California maximum contaminant levels (MCLs)³⁶ for VOCs, which are incorporated by reference into the *Water Quality Control Plan for the Central Coastal Basin* (Basin Plan),³⁷ and ESLs. In addition, concentrations of petroleum hydrocarbons and 1,4-dioxane exceed ESLs, and concentrations of 1,4-dioxane exceed State Water Board drinking water notification levels. Increasing trends in groundwater waste concentrations suggest that polluted soils known to exist in shallow and deeper water-bearing zones are continuing to discharge wastes to groundwater, creating and/or threatening to create a condition of pollution or nuisance.

18. **Geology and Hydrogeology:** The Site overlies the Santa Maria River Valley groundwater basin (Department of Water Resources Bulletin 118 Basin No. 3-012.0112), which generally consists of unconsolidated gravel, sand, silt, and clay in undifferentiated alluvial, river channel, and dune sand deposits. Groundwater is found in at least two distinct saturated zones: a perched water-bearing zone (shallow water-bearing zone) approximately 40-50 feet bgs and 150-200 feet in lateral extent, and a deeper, regional water-bearing zone (deep water-bearing zone) approximately 180-250 feet bgs. Everest Services, Inc. reported site-specific groundwater data in a February 24, 2004, monitoring report,³⁸ and reported measured groundwater flow beneath the Site to the south to southeast in the shallow zone and south to southwest in the deep zone. Monitoring wells were completed in both zones; however, the groundwater monitoring well network is currently incomplete and in disrepair and needs to be evaluated and restored to determine current hydrogeologic conditions.

19. Source Elimination and Remediation Status:

- a. SEMCO and the Henry A. Stafford and Rhea Stafford Revocable Trust installed a groundwater extraction and treatment system to dewater and treat the pollutants in the shallow water-bearing zone. The treated water from the treatment system was originally designed to be discharged to the municipal storm drain in accordance with a Central Coast Water Board discharge permit. The groundwater extraction and treatment system operated for only one week before the carbon filter became saturated with pollutants, and the system needed to be shut down. Groundwater treatment system operations ceased due to financial constraints.

³⁶ Information on MCLs is available at:

https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/MCLsandPHGs.html

³⁷ The Basin Plan is available at:

https://www.waterboards.ca.gov/centralcoast/publications_forms/publications/basin_plan/

³⁸ 2003 Third Quarter Monitoring Report for SEMCO, dated February 24, 2004, on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=ntubt>.

- b. On June 13, 1994, the Department of Toxic Substances Control (DTSC) issued an Imminent and Substantial Endangerment Determination and placed the Site on its Hazardous Waste and Substances Site List (Cortese List). DTSC became the lead agency for remediation at the Site and contracted with a third-party consultant to redesign and repair the groundwater extraction and treatment system and bring it back into operation. The redesigned and repaired groundwater and extraction treatment system started operating on November 9, 1994. In December 1994, DTSC terminated their oversight of the Site's groundwater extraction and treatment system and referred the case back to the Central Coast Water Board.³⁹
- c. Operation of the Site's groundwater extraction and treatment system continued from 1994 through June 2000.⁴⁰ TCE was removed from groundwater by extracting polluted groundwater from the subsurface, passing it through granular activated carbon (GAC) canisters, and reinjecting treated groundwater back into the subsurface. Approximately 146,000 gallons of groundwater was extracted and treated from 1994 through 2000.⁴¹

20. Regulatory Status: A complete summary of regulatory actions regarding the Site is provided in attached Exhibit 5. The following brief summary provides a high-level overview of regulatory actions, in part, against former operators and/or owners of the Site since 1985:

- a. The Central Coast Water Board issued several CAOs between 1987 and 1994.⁴² In 1994, DTSC issued an Imminent and Substantial Endangerment Determination (see Section A, Finding 19.b) and began temporarily funding the groundwater extraction and treatment system.
- b. In December 2000, the Central Coast Water Board issued a letter⁴³ requesting Henry A. Stafford continue operation of the groundwater extraction and treatment system, but ownership of the Site changed shortly thereafter (see Section A, Finding 19.c and Exhibit 2).
- c. In 2001, under new ownership,⁴⁴ all Site investigation and remediation efforts stopped, with the exception of one groundwater monitoring event performed in 2003 as summarized in a report submitted in 2004.⁴⁵

³⁹ December 6, 1994, DTSC Site referral to Central Coast Water Board letter on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=5zpbm>

⁴⁰ DTSC's Envirostor database for the Site is available at:

https://www.envirostor.dtsc.ca.gov/public/profile_report?global_id=42340010

⁴¹ According to Tetra Tech, Inc.'s November 1, 2001 *Letter Report on the Status of the SEMCO*

Groundwater Treatment System on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=m02e8>

⁴² A complete list of CAOs and other orders the Central Coast Water Board issued to SEMCO and the Henry A. Stafford and Rhea Stafford Revocable Trust, from 1987 to 1994, is available on GeoTracker.

⁴³ December 1, 2000, letter from the Central Coast Water Board on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=7weqj>

⁴⁴ Property ownership details are included in Exhibit 2 of this Order.

⁴⁵ 2003 Third Quarter Monitoring Report on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=ntubt>

- d. On July 18, 2003, the Central Coast Water Board issued a Water Code section 13267 order (2003 Order) requiring the submittal of a groundwater monitoring report.
- e. From 2003 through 2014, Central Coast Water Board staff made numerous email and verbal inquiries⁴⁶ on project status.
- f. On October 20, 2015, the Central Coast Water Board issued a Water Code section 13267 order (2015 Order) requiring submittal of a workplan proposing additional investigations to evaluate the current extent of wastes discharged to soil, soil gas, and groundwater.
- g. On September 14, 2021, the Central Coast Water Board issued Administrative Civil Liability (ACL) Complaint No. R3-2021-0097 for violations of the 2015, which resulted in the imposition of administrative civil liability (see ACL Order No. R3-2022-0013).
- h. On July 28, 2022, the Central Coast Water Board again issued a Water Code section 13267 Order (2022 Order) related to investigations at the Site. To date, the 2022 Order has not been complied with.

B. LAW AND REGULATORY CONSIDERATIONS

1. **Water Code section 13304, subdivision (a), provides that:**

A person who has discharged or discharges waste into the waters of this state in violation of any waste discharge requirement 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 creates, 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. A cleanup and abatement order issued by the state board or a regional board may require the provision of, or payment for, uninterrupted replacement water service, which may include wellhead treatment, to each affected public water supplier or private well owner. Upon failure of a 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.

2. **Water Code section 13304, subdivision (c)(1), provides that:**

[P]erson or persons who discharged the waste, discharges the waste, or threatened to cause or permit the discharge of the waste within the meaning of subdivision (a), are liable to that governmental agency to the extent of the

⁴⁶ See October 21, 2010, Central Coast Water Board email on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=9hxgd>; see also January 6, 2014, Case Status Summary on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=3f5ex>

reasonable costs actually incurred in cleaning up the waste, abating the effects of the waste, supervising cleanup or abatement activities, or taking other remedial action. The amount of the costs is recoverable in a civil action by, and paid to, the governmental agency and the state board to the extent of the latter's contribution to the cleanup costs from the State Water Pollution Cleanup and Abatement Account or other available funds.

3. Water Code section 13050 provides, in part, the following definitions:

- (d) "Waste" includes 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.*
- (k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease.*
- (l)(1) "Pollution" means an alteration of water quality by waste to a degree that unreasonably affects either of the following:*
 - (A) The waters for beneficial uses.*
 - (B) Facilities which serve these beneficial uses.*
- (2) "Pollution" may include "contamination."*
- (m) "Nuisance" means anything which meets all of the following requirements:*
 - (1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.*
 - (2) Affects at the same time an entire community or neighborhood, or any considerable number of persons...*
 - (3) Occurs during, or as a result of, the treatment or disposal of wastes.*

4. The threat of vapor intrusion into buildings at and near the Site creates, or threatens to create, a condition of nuisance as defined in Water Code section 13050, subdivision (m). In particular, vapor intrusion is injurious to health. Breathing vapor-forming chemicals can affect a person's health. Health effects depend on the chemical, concentration, and duration of the exposure. High concentrations, even for a short time, can be harmful. Symptoms include headache, nausea, and shortness of breath. Breathing air with vapor-forming chemicals for extended periods can cause other health effects, including cancer and damage to liver, kidney, and other organs. For example, exposure to TCE during the first three months of pregnancy is of concern because of potential harm to the developing embryo or fetus. Vapor intrusion poses a potential threat to current and future tenants, and other persons who may frequent the site. Vapor intrusion occurs as a result of improper disposal of VOCs at the Site. Moreover, offsite and onsite soil gas concentrations exceed ESL residential screening levels for TCE and PCE of 16 µg/m³ and 15 µg/m³. ESLs are conservative risk-based calculations of pollutants and are used to distinguish which properties pose a significant threat to human health and those that pose

no threat. If a contaminant concentration is below a residential screening level, no further action or vapor intrusion studies are needed, and human health is protected. As long as the waste remains in the subsurface the risk for vapor intrusion continues to exist which poses a threat to human health.

5. Discharges of wastes (VOCs, 1,4-dioxane, and petroleum hydrocarbon) to soil and groundwater beneath the Site creates, or threatens to create, a condition of pollution as defined in the Water Code section 13050, subdivision (I). Historic investigations by former property owners and operators confirmed elevated concentrations of wastes in soil and groundwater. There are exceedances of water quality objectives in groundwater that negatively impact beneficial uses,⁴⁷ and the release of wastes beneath the Site is suspected to be the cause of the permanent shutdown of City of Santa Maria municipal supply well 2AS on May 10, 1985. Waste concentrations reported in the latest investigation reports (2021-2022) indicate an existing threat to public health and water quality. Wastes remain in soil, soil gas, and groundwater beneath the Site and are likely migrating offsite onto adjacent properties. The maximum TCE groundwater concentration reported in the 2022 Site Investigation Report (350,000 µg/L) is five orders of magnitude above the MCL of 5.0 µg/L for TCE. Additionally, based on the maximum concentration of TCE detected, it is likely that dense non-aqueous phase liquids are present in shallow groundwater. In 2003, the petroleum hydrocarbons in groundwater were reported as a light non-aqueous phase liquid observed floating on groundwater at 0.31 feet thick. In 2022, total petroleum hydrocarbons (TPH) were reported up to 670,000 µg/L, exceeding commercial and residential ESLs by three orders of magnitude. As set forth in Section B, Finding 8, the concentrations of VOCs (PCE, TCE, TCA, cis-1,2-DCE, 1,2-DCA, and 1,1-DCE) in groundwater at and/or downgradient of the Site exceed the water quality objectives applicable for the given pollutants. The concentrations of 1,4-dioxane exceed the State Water Board's drinking water notification level of 1 µg/L.⁴⁸ The exceedances of applicable narrative or numeric water quality objectives in the Basin Plan constitute pollution as defined in Water Code section 13050, subdivision (I)(1).

6. **Water Code section 13267, subdivision (b)(1), provides that:**

In conducting an investigation . . . , the regional board may require that any person who has discharged, discharges, or is suspected of having discharged or discharging, or who proposes to discharge waste within its region, ... shall furnish, under penalty of perjury, technical or monitoring program reports which the regional board requires. The burden, including costs, of these reports shall bear a reasonable relationship to the need for the report and the benefits to be obtained from the reports. In requiring those reports, the regional board shall provide the

⁴⁷ Beneficial Uses unreasonably affected by elevated concentrations of wastes in soil, soil gas, and groundwater beneath this Site are listed in Section B, Finding 14 of this Order.

⁴⁸ State Water Board drinking water notification level for 1,4-dioxane
https://www.waterboards.ca.gov/gama/docs/coc_1_4_dioxane.pdf

person with a written explanation with regard to the need for the reports, and shall identify the evidence that supports requiring that person to provide the reports.

7. This Order requires investigation and submittal of work plans and reports as well as ongoing monitoring and other tasks required pursuant to Water Code section 13267. The burden, including costs, of these reports bears a reasonable relationship to the need for the reports and the benefits to be obtained from the reports. Specifically, the reports are needed to adequately delineate the extent and amount of waste discharged, investigate the threat of continuing discharge and to facilitate compliance with implementing cleanup and abatement activities required by this Order, and ultimately, restoring water quality and protecting beneficial uses. The record contains extensive evidence of the benefits to be obtained, including protecting an entire community from TCE, which is classified by the Environmental Protection Agency (EPA) as a likely carcinogen to humans. Public health threats are not only in the form of impacts to drinking water supplies (which may be treated at the wellhead), but also include the potential for TCE vapors to volatilize up from the water table, potentially impacting the indoor air of residences and businesses overlying the groundwater plume. TCE vapors are odorless and, thus, not typically noticed, meaning that a person may inhale vapors for years without having any indication. The benefits to be obtained from the requirements for investigation include ensuring the protection of human health of local residents whose businesses and homes overlie the plume.
8. Additional benefits to be obtained include protection of the community's drinking water from threatened impacts that could occur in the future. Municipal supply wells have been impaired (TCE concentration detected above the MCL), impacted (TCE concentration detected below the MCL), or threatened (TCE has not been detected above the reporting limit but may become impacted or impaired in the future due to TCE plume migration) by the TCE plume.
9. Based upon Central Coast Water Board staff's experience with similar investigations, the approximate cost of the actions required pursuant to Water Code section 13267 is \$560,000 to 650,000. The burden, including costs of these reports bears a reasonable relationship to the need for the reports and the benefits to be obtained, as detailed in the above findings. The technical reports required by this Order are necessary to assure compliance with Water Code section 13304 and State Water Board Resolution No. 92-49, including to adequately investigate the extent and persistence of discharges, and intrinsic to cleanup of the Site to protect the beneficial uses of waters of the state, to protect against nuisance, and to protect human health and the environment.
10. **State Water Board Resolution 68-16:** The State Water Board adopted its *Statement of Policy with Respect to Maintaining High Quality of Water in California*, Resolution 68-16, on October 28, 1968 (Antidegradation Policy). The Antidegradation Policy states, in part:

- a. *Whenever the existing quality of water is better than the quality established in policies as of the date on which such policies become effective, such existing high quality will be maintained until it has been demonstrated to the State that any change will be consistent with maximum benefit to the people of the State, will not unreasonably affect present and anticipated beneficial use of such water and will not result in water quality less than that prescribed in the policies.*
- b. *Any activity which produces or may produce a waste or increased volume or concentration of waste and which discharges or proposes to discharge to existing high quality waters will be required to meet waste discharge requirements which will result in the best practicable treatment or control of the discharge necessary to assure that (a) a pollution or nuisance will not occur and (b) the highest water quality consistent with maximum benefit to the people of the State will be maintained.*

11. State Water Board Resolution No. 92-49: The State Water Board adopted Resolution No. 92-49, *Policies and Procedures for Investigation and Cleanup and Abatement of Discharges Under Water Code Section 13304*. Resolution No. 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 the Antidegradation Policy. Resolution No. 92-49 and the Basin Plan establish the cleanup levels to be achieved. Resolution No. 92-49 requires the waste(s) to be cleaned up to background or, if that is not reasonable, to an alternative level that is the most stringent level that is economically and technologically feasible in accordance with California Code of Regulations, title 23, section 2550.4. Any cleanup level alternative 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.

12. Central Coast Water Board Resolution No. 2017-0004: California Water Code section 106.3, subdivision (a) states that it is the policy of the State of California “that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitation purposes.” On January 26, 2017, the Central Coast Water Board adopted Resolution No. R3-2017-0004, which affirms the realization of the human right to water and the protection of human health as the Central Coast Water Board's top priorities.

13. Public Participation: The Central Coast Water Board may require the Dischargers to submit a public participation plan or engage in other activities to disseminate information and gather community input regarding the Site, as authorized or required by Water Code sections 13307.1, 13307.5, and 13307.6.

14. Water Quality Control Plan for the Central Coastal Basin (Basin Plan): The Basin Plan identifies beneficial uses and establishes water quality objectives to

protect those uses. The Site overlies groundwater within the Santa Maria River Valley Groundwater Basin, Department of Water Resources Bulletin 118 Basin Subbasin No. 3-012.0112. The designated beneficial uses of groundwater beneath the site are municipal supply (MUN), industrial (IND), and agricultural supply (AGR). The water quality objectives that protect these beneficial uses include the following:

- a. The median groundwater objectives for the Santa Maria sub-basin area where the Site is located are as follows: total dissolved solids (TDS) 1,000 milligrams per liter (mg/L); chlorine (Cl) 90 mg/L; sulfate (SO₄) 510 mg/L; boron (B) 0.2 mg/L; sodium (Na) 105 mg/L; and nitrogen (as N) 8 mg/L.⁴⁹
- b. Groundwaters shall not contain taste or odor producing substances in concentrations that adversely affect beneficial uses.⁵⁰
- c. Radionuclides shall not be present in concentrations that are deleterious to human, plant, animal, or aquatic life; or result in the accumulation of radionuclides in the food web to an extent which presents a hazard to human, plant, animal, or aquatic life.⁵¹
- d. Water quality objectives to protect the beneficial use of MUN that apply to the groundwater at the Site include "Organic Chemicals," which incorporates by reference state MCLs set forth in title 22 of the California Code of Regulations. The MCL for TCE and PCE is 5 µg/L, TCA is 2,000 µg/L, cis-1,2-DCE is 6 µg/L, 1,1-DCE is 6 µg/L, 1,2-DCA is 5 µg/L, and 1,1-DCA is 5 µg/L.⁵²

15. California Environmental Quality Act (CEQA): This Order is an enforcement action that is being taken for the protection of the environment and is exempt from the provisions of CEQA (Public Resources Code section 21000, et seq.) in accordance with California Code of Regulations, title 14, sections 15307 and 15308. The issuance of this Order is also an enforcement action taken by a regulatory agency and is exempt from the provisions of the CEQA (Public Resources Code, section 21000, et seq.), pursuant to California Code of Regulations, title 14, section 15321, subdivision (a)(2).

This Order generally requires the Dischargers to submit plans that include a proposed scope of work and schedule. After the Executive Officer concurs with the scope of work and schedule, the Dischargers are expected to implement the work and cleanup activities at the Site. Mere submittal of plans is exempt from CEQA as submittals 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 Dischargers' proposed remedial activities and possible associated environmental impacts.

⁴⁹ Median Water Quality Objectives: Basin Plan, Table 3-6, page 41.

⁵⁰ Tastes and Odors: Basin Plan, page 34.

⁵¹ Radioactivity: Basin Plan, page 34.

⁵² Exceedances of water quality objectives are discussed in detail in Section B, Finding 5 of this Order.

C. DISCHARGERS

1. Relevant facts and evidence indicate that the Dischargers are appropriately named in this Order because the Dischargers have caused or permitted, cause or permit, or threaten to cause or permit waste to be discharged into waters of the state, and create, or threaten to create, a condition of pollution or nuisance. In addition to the impacts and continued threat to groundwater, the wastes pose a potential human health threat to occupants of buildings on and near the Site through direct contact exposure to wastes in soil, groundwater, or soil gas.
2. VOCs, petroleum hydrocarbons, and 1,4-dioxane discharged at the Site constitute wastes as defined in Water Code section 13050, subdivision (d).
3. Decades of Central Coast Water Board staff experience with industries that use, store, and transfer chemicals such as petroleum products and chlorinated solvents (e.g., total petroleum hydrocarbons, VOCs, etc.), provide evidence that spills or small amounts of spilled chemicals discharged during routine operations, seep through concrete and other intended containment, leading to the type of contamination found at the Site. The State Water Board and the nine Regional Water Quality Control Boards are currently overseeing numerous cleanup operations resulting from improper and inadequate handling of hazardous materials. Standard chemical handling practices often result in adverse environmental impacts, like the ones observed at the Site, to occur. Central Coast Water Board files contain extensive evidence of publicly available information concerning the knowledge of the use of chlorinated solvents (including TCE) resulting in discharges and contamination of water supplies during the relevant timeframe. These factors and the facts alleged herein, taken as a whole, lead to the conclusion that the Dischargers have discharged chemicals of concern which must be cleaned up and abated to protect the environment and human health.⁵³

Former Site Operator

4. **SEMCO** is a discharger because its operations, including the use and storage of petroleum products and products containing chlorinated solvents (including TCE and other VOCs) at the Site, caused or permitted waste to be discharged or deposited where it has discharged to waters of the state and has created, and continues to threaten to create, a condition of pollution or nuisance.

Former Site Owners and Lessors to SEMCO

⁵³ State Board Order WQ 86-16 (*Stinnes-Western*) supports the use of evidence of chemical use, standard chemical handling practices, and detections of that chemical in the environment as reasonable bases supporting a cleanup and abatement order. "As we noted earlier, given the very low action levels for these chemicals, today we are concerned with any discharge." (*Ibid.* at n. 4.)

5. A prior owner may be named in a cleanup and abatement order if it knew or should have known that a lessee's activity created a reasonable possibility of discharge into waters of the state of wastes that could create or threaten to create a condition of pollution or nuisance. (*United Artists Theatre Circuit, Inc. v. California Regional Water Quality Control Bd.* (2019) 42 Cal.App.5th 851, 887.) Landowners leasing to entities using degreasers (many of which used TCE), knew or should have known by the 1940s that there was a reasonable possibility of discharge of wastes that could create, or threaten to create, a condition of pollution or nuisance.
6. **County of Santa Barbara, City of Santa Maria, and Santa Maria Public Airport District**, are dischargers because they were aware of the activities that resulted in the discharges of waste and, as lessors of the Site, had the ability to control those discharges.

Former Site Owners Following Cease of SEMCO Operations

7. **Oro Financial of California, Inc.; Concha Investments, Inc.; Chris Mathys**, and; **Platino, LLC** are dischargers because they were former property owners during a timeframe when discharges occurred,⁵⁴ knew or should have known that activities on the Site created a reasonable possibility of discharge into waters of the state of wastes that could create, or threaten to create, a condition of pollution or nuisance, and had the ability to control those discharges.
8. Chris Mathys controls⁵⁵ Oro Financial of California, Inc.; Concha Investments, Inc. and, Platino, LLC, as well as two of the three current Site owners. Chris Mathys' knowledge of the discharges and condition of pollution or nuisance is imputed to those entities.
9. By the time Oro Financial of California, Inc. acquired ownership of the Site, the discharges of waste and condition of pollution or nuisance at the Site were well documented as evidenced by the multiple regulatory orders in place. Oro Financial of California, Inc., thus, should have known of the discharges of waste and condition of pollution or nuisance.

⁵⁴ *Tesoro Refining & Marketing Company LLC v. Los Angeles Regional Water Quality Control Board*, 42 Cal.App.5th 453, 457 (2019), held "the term 'discharge' must be read to include not only the initial occurrence [of a discharge], but also the passive migration of the contamination into the soil." The Court affirmatively cited State Board precedent: "State Board held that a continuous and ongoing movement of contamination from a source through the soil and into the groundwater is a discharge to waters of the state and subject to regulation." (*Ibid.*, citing State Water Board Order WQ 86-2 (*Zoecon Corp.*), WQ74-13 (*Atchison, Topeka, et al*), and WQ 89-8 (*Spitzer*) ["[D]ischarge continues as long as pollutants are being emitted at the site"]. See also State Water Board Order WQ 89-1 (*Schmidl*).) Under California law, courts have historically held, and modern courts maintain, that possessors of land may be liable for a nuisance on that land even if the possessor did not create the nuisance. (See *Leslie Salt Co. v. San Francisco Bay Conservation and Dev. Comm'n* (1984) 153 Cal.App.3d 605, 619–620).

⁵⁵ See footnotes 2-6, Section A, Finding 6, and Exhibit 2.

10. In November 2002, Mr. Mathys, on behalf of Oro Financial of California, Inc., submitted a signed Acknowledgement of Willingness to Participate in Cleanup or Abatement Cost Recovery Program form. Thus, Concha Investments, Inc.; Chris Mathys, and; Platino, LLC had actual knowledge of Site conditions prior to acquiring the Site.⁵⁶

Current Site Owners

11. **Rhine, LP; Curry Parkway, LP; Fernando Figueroa Salas; and Mark J Powers, Inc.** are dischargers because, as the current owners of the property, they have caused or permitted waste to be discharged or deposited where it has discharged to waters of the state and have created, and continue to threaten to create, a condition of pollution or nuisance. As the current owners, they have the legal ability to control the discharge of wastes.
12. The Central Coast Water Board will consider whether additional dischargers caused or permitted the discharge of waste at the Site, and whether additional dischargers should be added to this Order. The Central Coast Water Board may amend this Order or issue a separate order or orders in the future as more information becomes available. The Central Coast Water Board is issuing this Order to avoid further delay of Site investigation and remediation, which only becomes more costly with the passage of time.
13. As discussed in this Order, the Central Coast Water Board issued previous orders to parties legally responsible for environmental investigation and cleanup at the Site. The previous orders required those parties to submit technical and monitoring reports and prepare a cleanup plan schedule. The obligations contained in this Order supersede and replace those contained in prior orders. However, the prior orders remain in effect for enforcement purposes; the Central Coast Water Board and the State Water Board may take enforcement actions, including, but not limited to, imposing administrative civil liability against dischargers that have not complied with directives contained in previously issued orders.

E. OTHER CONSIDERATIONS

1. The Central Coast Water Board has notified the Dischargers and interested agencies and persons of its intent to issue this Order pursuant to Water Code sections 13304 and 13267. The Central Coast Water Board has made every reasonable attempt to notify these individuals and has provided them with an opportunity to submit written comments. A draft of this Order was sent to

⁵⁶ In addition to the Acknowledgement of Willingness to Participate in Cleanup or Abatement Cost Recovery Program form, actual knowledge on the part of these dischargers is evidenced by the 2003 Order, issued to Oro Financial or California, Inc., the subsequent NOV, and the ongoing discussions with Chris Mathys regarding the need for remediation, discussed in Finding A.20.

interested persons on April 14, 2023. The Central Coast Water Board accepted public comments on the draft Order for at least 45 days.

2. Pursuant to Water Code section 13304, the Central Coast Water Board may seek reimbursement for all reasonable costs to oversee cleanup of wastes, abatement of the effects thereof, and other remedial action.
3. Dischargers have joint and several liability, and this Order does not apportion the degree of responsibility among Dischargers; however, the Dischargers are free to apportion responsibility and costs among themselves. If the Central Coast Water Board obtains additional information to identify additional dischargers, the Executive Officer may amend this Order or issue additional cleanup and abatement and investigation orders.
4. This Order does not prevent other parties or persons affected by VOCs, petroleum hydrocarbons, 1,4-dioxane or other wastes from taking an independent action. Water Code section 13002, subdivision (e), states that actions by the Central Coast Water Board such as this Order place no limits "[o]n the right of any person to maintain at any time any appropriate action for relief against any private nuisance as defined in the Civil Code or for relief against any contamination or pollution."
5. Any person aggrieved by this action of the Central 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, sections 2050 and following. The State Water Board must receive the petition by 5:00 p.m., 30 days after the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received by the State Water Board by 5:00 p.m. on the next business day. Copies of the law and regulations applicable to filing petitions will be provided upon request or may be found on the Internet.
Copies of the law and regulations applicable to filing petitions:
https://www.waterboards.ca.gov/public_notices/petitions/water_quality/

F. REQUIRED ACTIONS

THEREFORE, IT IS HEREBY ORDERED, pursuant to Water Code sections 13304 and 13267, that the Dischargers, their agents, and successors or assigns must investigate, clean up, and abate the effects of the wastes discharged and discharging at and from the Site.

The Dischargers must complete the following required actions no later than the deadline(s) identified for each required action as set forth in the attached Time Schedule (Exhibit 4):

1. Evaluate Condition of and Restore the Existing Groundwater Monitoring Network and Evaluate the Condition of the Onsite Groundwater Extraction and Treatment System:

Based on information in the Central Coast Water Board files, the groundwater monitoring network consists of 20 wells: 16 wells in the shallow water-bearing zone (MW1 through MW16) and four wells in the deep water-bearing zone (DMW1 through DMW-4). In addition, there was an onsite groundwater extraction and treatment system. Although recent Site investigations have included some evaluation of the existing monitoring well network and treatment system, the evaluation is not complete. The Dischargers are required to submit a workplan that includes a scope of work to identify, assess the integrity, and a proposal for restoring and replacing the onsite groundwater monitoring network. The Dischargers are also required to submit a workplan that includes a scope of work to assess the current condition of the onsite groundwater extraction and treatment system including the condition of groundwater extraction wells (EW-1 through EW-5)⁵⁷ and determine if the system is operable. The workplans can be submitted separately or in one workplan. The scope of work must, at a minimum, adequately address the following elements:

- a. Identify and locate all 20 groundwater monitoring wells and evaluate the integrity of each well and determine if each well can (or cannot) be used for groundwater monitoring.⁵⁸
- b. Identify and determine whether any of the onsite groundwater extraction and treatment system infrastructure remaining at the Site is operable (i.e., extraction wells, injection wells, filtration system) and provide a recommendation for either the proper disassembly and destruction of the system (i.e., proper destruction of the groundwater extraction wells, removal of infrastructure, etc.) or reconditioning of the system to make it operable.
- c. Upon Executive Officer concurrence of the scope of work and schedule included in the workplan or workplans, the Dischargers must implement the scope of work included in the workplan in accordance with the Time Schedule in Exhibit 4.
- d. After completion of the work, the Dischargers must submit a completion report summarizing the condition of the monitoring well network and groundwater treatment system infrastructure. The completion report must also include a monitoring well network restoration workplan for the reconditioning of existing accessible and functional wells that will be used to laterally and vertically delineate current impacts to groundwater, destruction of any existing wells that cannot be restored, and a proposal for the installation of any new wells necessary to replace wells recommended for destruction or for existing wells that cannot be located,

⁵⁷ Extraction well locations and permits can be reviewed on GeoTracker:

<https://geotracker.waterboards.ca.gov/?url=btg2b>

⁵⁸ In June of 2021, Analytical Consulting Group (ACG), on behalf of Oro Financial of California, Rhine LP, and Chris Mathys, investigated known and suspected well locations and reported that four of the sixteen shallow zone monitoring wells could not be located and two of the four deep water bearing zone monitoring wells could not be found.

and/or additional new wells that need to be installed in new locations to laterally and vertically delineate current impacts to groundwater.

- e. Upon Executive Officer concurrence of the scope of work and schedule included in the monitoring well network restoration workplan, the Dischargers must implement the scope of work in accordance with the Time Schedule in Exhibit 4.
 - f. After completion of the work, the Dischargers must submit a completion report summarizing the implementation of the restoration of existing accessible groundwater monitoring wells, destruction of existing wells that cannot be restored (in accordance with county permitting requirements), and installation of replacement wells (in accordance with county permitting requirements). The completion report must include well completion logs, an updated map showing the exact locations of the wells (all wells must be surveyed by a licensed land surveyor), well permits for the installation of replacement wells, and waste disposal records/manifolds if wells are destroyed. The Dischargers are also required to update the location of the wells in the GeoTracker database. The report must be submitted in accordance with the Time Schedule in Exhibit 4.
2. **Conduct Groundwater Monitoring:** Comply with Monitoring and Reporting Program (MRP) Order No. R3-2023-0071 (Exhibit 3), including any modifications or revisions the Central Coast Water Board Executive Officer makes to MRP Order No. R3-2023-0071.
3. **Complete Onsite and Offsite Investigation:** The Dischargers are required to submit a workplan to investigate the extent of all wastes in soil, soil gas, and groundwater onsite and offsite. At a minimum, the onsite and offsite investigation workplan must include the following elements:
- a. Scope of work and schedule for delineating the lateral and vertical extent of wastes in soil. The scope of work must include, at a minimum:
 - i. Method and procedures for delineating wastes in soil. Specify the United States Environmental Protection Agency (USEPA) or other analytical methods to analyze soil for VOCs, petroleum hydrocarbons, semi-volatile organic compounds, and total metals.
 - b. Scope of work and schedule for delineating the lateral and vertical extent of wastes in groundwater (both onsite and offsite). The scope of work must include, at a minimum:
 - i. Installation of monitoring wells in the shallow and deep water-bearing zones (onsite) in addition to the existing restored groundwater monitoring network, if necessary, to adequately delineate the lateral and vertical extent of wastes in groundwater.
 - ii. Installation of additional monitoring wells in the deep water-bearing zone (approximately 220-250 feet bgs) downgradient of the Site (offsite). Identify which borings will be continuously cored or otherwise logged to evaluate Site lithology and determine the depth of first encountered shallow groundwater.

- iii. Sampling method and procedures for collecting groundwater samples from existing, restored, and/or new groundwater monitoring wells.
 - iv. Specify the USEPA or other analytical methods and quality control quality assurance procedures to analyze groundwater for VOCs, petroleum hydrocarbons, semi-volatile organic compounds, and dissolved and total metals.
- c. Scope of work and schedule to collect additional soil gas samples to evaluate potential vapor intrusion risk from VOCs and petroleum hydrocarbons within and underneath the current buildings on the Site. The scope of work must include:
 - i. Identify where soil gas probes or other soil gas sampling locations will be located to properly delineate and monitor soil gas exceedances.
 - ii. Identify USEPA or other analytical methods to analyze soil gas for VOCs and petroleum hydrocarbons.
 - iii. Perform soil gas sampling in accordance with Department of Toxic Substances Control (DTSC) soil gas investigation guidance: [Vapor Intrusion | Department of Toxic Substances Control \(ca.gov\)](https://www.dtsc.ca.gov/Investigation/Investigation%20Guidance/Vapor%20Intrusion%20Investigation%20Guidance/Vapor%20Intrusion%20Investigation%20Guidance.htm)
- d. Upon Executive Officer concurrence of the scope of work and schedule included in the onsite and offsite investigation workplan(s), the Dischargers must implement the scope of work in accordance with the Time Schedule in Exhibit 4.
- e. After completion of the work, the Dischargers must submit a site investigation report. The site investigation report must include a summary of the investigation findings and include, at a minimum, the following:
 - i. A site conceptual model that includes a written presentation with graphic illustrations of discharge scenarios; geology and hydrogeology; waste fate and transport in soil, soil vapor, indoor air, and groundwater; distribution of wastes; exposure pathways; sensitive receptors; and other relevant information.
 - ii. Site location maps showing soil borings, groundwater monitoring wells, and soil gas sampling locations.
 - iii. Cross sections of sampling locations depicting Site geology and hydrogeology.
 - iv. Maps showing the distribution of wastes found in soil, soil gas, indoor air, and groundwater.
 - v. Description of soil, soil gas, and groundwater sampling results and potential exposure pathways.
 - vi. Boring logs from all sampling locations.
 - vii. Certified analytical laboratory results with chain of custody information.
 - viii. Identification of data gaps where further investigation is necessary onsite and/or offsite.
- f. If information presented in the Site Investigation Report identifies data gaps, Dischargers must submit additional workplans to address data gaps.

Completion of the onsite and offsite investigation may be conducted in a phased approach and may require multiple workplans and submittal of multiple investigation reports.

4. **Conduct Onsite and Offsite Remedial Actions:** Submit a Feasibility Study and Remedial Action Plan (RAP) to clean up wastes in soil, soil gas, and groundwater. The RAP must abate the effects of the waste discharges in all media posing a risk to human health and impairing groundwater beneficial uses, and reduce concentrations of wastes in soil, soil gas, and groundwater to background concentrations or, if that is not feasible, to an alternative level that is the most stringent level that is economically and technologically feasible in accordance with California Code of Regulations, title 23, section 2550.4 and Resolution No. 92-49.⁵⁹ The timeline for these submittals is provided in Exhibit 4. Specifically, the Dischargers must:
- a. Submit a Feasibility Study that evaluates alternatives for cleanup of VOCs, petroleum hydrocarbons, and 1,4-dioxane wastes in soil, soil gas, and groundwater at and near the Site. The Feasibility Study must consider the following:
 - i. Evaluation of several remedial alternatives that will be protective of current and future land uses for commercial and residential property.
 - ii. Identification of cleanup objectives, and an estimated time to reach the cleanup objectives.
 - iii. Estimation of relative total costs of the alternatives, and justification for the selected alternative over the others.
 - iv. If applicable, include a proposal of actions to prevent the off-site migration of VOCs, petroleum hydrocarbons, and 1,4-dioxane onto neighboring properties.
 - b. Submit a RAP for cleanup of wastes in soil, soil gas, and groundwater on and off the Site in accordance with the Time Schedule in Exhibit 4. The RAP must include the following:
 - i. Define the overall goal/objective of the cleanup technology selected and time estimate to reach cleanup objectives.
 - ii. Include an updated conceptual site model, detailed design plans, list of permits needed, and RAP implementation schedule.
 - iii. Include a performance monitoring plan for soil, soil gas, and groundwater to track remediation progress.
 - c. Upon Executive Officer concurrence of the scope of work and schedule included in the RAP, the Dischargers must implement the scope of work in accordance with the Time Schedule in Exhibit 4.

⁵⁹ Any cleanup level alternative 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.

- d. Submit quarterly remediation progress reports that document all remediation performance data and recommendations for any changes, if needed.
 - e. Revisions to the RAP or additional RAPs may be needed if the implemented remedial measure does not achieve cleanup goals. The Dischargers may propose to conduct cleanup in a phased approach.
- 5. **Site Access:** The Central Coast Water Board's authorized representatives must be allowed:
 - a. Entry upon premises where a regulated facility or activity is located or conducted, or where records are stored, under the conditions of this Order.
 - b. Access to copy any records that are stored under the conditions of this Order.
 - c. Access to inspect any facility, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Order.
 - d. The right to photograph, sample, and monitor the Site for the purpose of ensuring compliance with this Order, or as otherwise authorized by the Water Code.
- 6. **Contractor/Consultant Qualification:** As required by Business and Professions Code sections 6735, 7835, and 7835.1, all reports must be prepared by, or under the supervision of, a California licensed professional engineer or geologist and signed by the licensed professional. All technical reports submitted by the Dischargers must include a statement signed by the authorized representative certifying under penalty of law that the representative has examined and is familiar with the report and that to their knowledge, the report is true, complete, and accurate. All technical documents must be signed by and stamped with the seal of the above-mentioned qualified professionals that reflects a license expiration date.
- 7. This Order is not intended to permit or allow the Dischargers to cease any work required by any other Order issued by the Central Coast Water Board, nor shall it be used as a reason to stop or redirect any investigation, cleanup, or remediation programs ordered by the Central Coast Water Board or any other agency. Furthermore, this Order does not exempt the Dischargers from compliance with any other laws, regulations, or ordinances which may be applicable.
- 8. The Dischargers must submit a 30-day notice to the Central Coast Water Board of any planned changes in name, ownership, or control of the Site and must provide a 30-day advance notice of any planned physical changes to the Site that may affect compliance with this Order. In the event of a change in ownership, the Dischargers also must provide a 30-day advance notice, by letter, to the succeeding owner of the existence of this Order and must submit a copy of this advance notice to the Central Coast Water Board.

9. Destruction and/or installation of any groundwater wells must be permitted by Santa Barbara County Environmental Health Services as the permitting entity and reported to the Central Coast Water Board at least 30 days in advance of the work. Any groundwater wells removed must be replaced within a reasonable time at a location the Central Coast Water Board concurs with. With written justification, the Central Coast Water Board may concur with the destruction of groundwater wells without replacement. When a well is removed, all work must be completed in accordance with California Department of Water Resources Bulletin 74-90, "California Well Standards," Monitoring Well Standards Chapter, Part III, Sections 16-19, and local requirements.
10. **Due Date Amendments:** In the event compliance cannot be achieved within the terms of this Order, the Dischargers may request, in writing, an extension of the time specified for good cause. The extension request must include an explanation why the specified date could not or will not be met and justification for the requested period of extension. Any extension request must be submitted as soon as the need for an extension is recognized and no later than 10 business days before the compliance date. Extension requests not without concurrence, in writing, by the Executive Officer with reference to this Order are denied.
11. Reference herein to determinations and considerations to be made by the Central Coast Water Board regarding the terms of the Order may be made by the Executive Officer or the Executive Officer's designee. Decisions and directives made by the Executive Officer regarding this Order pursuant to the Central Coast Water Board's delegation(s) are considered actions of the Central Coast Water Board.
12. The Central Coast Water Board, through its Executive Officer, may revise this Order as additional information becomes available. Upon request by the Dischargers, and for good cause shown, the Executive Officer may defer, delete, or extend the date of compliance for any action required of the Dischargers under this Order. The authority of the Central Coast Water Board, as contained in the Water Code, to order investigation and cleanup, in addition to that described herein, is in no way limited by this Order.
13. The Dischargers must continue any remediation or monitoring activities until such time as the Executive Officer determines that sufficient cleanup has been accomplished and this Order has been terminated.
14. **Oversight Costs:** The Dischargers must reimburse the Central Coast Water Board for reasonable costs associated with oversight of the investigation and cleanup of the waste at or emanating from the Site. Provide the Central Coast Water Board with the name or names and contact information for the person to be provided billing statements from the State Water Board.

15. A public participation plan must be prepared and/or updated when directed by the Executive Officer as necessary to reflect the degree of public interest in the investigation and cleanup process.
16. As necessary to ensure compliance with the California Environmental Quality Act, provide information to the Central Coast Water Board as directed by the Executive Officer.
17. The Central Coast Water Board, under the authority given by Water Code section 13267, subdivision (b)(1), requires you to include a perjury statement in all reports submitted under this Order. The perjury statement must be signed by a senior authorized representative (not by a consultant). The perjury statement must be in the following format:

“I, [NAME], certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision, in accordance with a system designed to ensure that qualified personnel properly gathered and evaluated 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.”
18. **GeoTracker:** The State Water Board adopted regulations requiring the electronic submittals of information online using the State Water Board GeoTracker data management system. You are required to comply by uploading all reports required in this Order, correspondence, and soil, soil gas, and groundwater data in electronic deliverable format (EDF) on to the GeoTracker data management system. The State Water Board's Policy Statement-Electronic Reporting Requirements:
https://www.waterboards.ca.gov/water_issues/programs/ust/electronic_submittal/
19. Failure to comply with the terms or conditions of this Order may result in imposition of civil liabilities, imposed either administratively by the Central Coast Water Board or judicially by the Superior Court in accordance with Water Code sections 13268, 13304, and/or 13350 and/or referral to the Attorney General of the State of California.
20. None of the obligations imposed by this Order on the Dischargers are intended to constitute a debt, damage claim, penalty, or other civil action that should be limited or discharged in a bankruptcy proceeding. All obligations are imposed pursuant to the police powers of the State of California intended to protect the public health, safety, welfare, and environment.

21. **Exhibits:** Exhibits 1 through 5 attached hereto, are incorporated as part of this Order.

Exhibit 1: SITE MAPS

Exhibit 2: SITE OWNERSHIP AND OPERATIONAL HISTORY

Exhibit 3: MONITORING AND REPORTING PROGRAM ORDER NO. R3-2023-Proposed

Exhibit 4: TIME SCHEDULE

Exhibit 5: REGULATORY HISTORY OF SITE

Ordered by:

Matthew T. Keeling
Executive Officer

Figure 2 – Site Parcel Map



Figure 2. Satellite imagery from GeoTracker modified by Central Coast Water Board staff on January 11, 2023 (yellow shaded parcels make up the Site that is subject to this Order). Not to scale. Property Transfer History report for SEMCO on GeoTracker: <https://geotracker.waterboards.ca.gov/?url=9iu81>

Table 1 – Site Parcel Information

| Map Number | Parcel Address | APN | Parcel Owner | Ownership Transfer Date | Land-Use Description (Parcel Acres) | Parcel's Subject to this Order |
|-------------------|--------------------------------------|-------------|--------------------------|--------------------------------|--|---------------------------------------|
| 1 | 2916 Industrial Parkway, Santa Maria | 111-291-039 | Curry Parkway LP | 8/20/2010 | Industrial (1.00 acres) | No |
| 2 | 2926 Industrial Parkway, Santa Maria | 111-291-038 | Figueroa Salas, Fernando | 7/16/2019 | Industrial (1.40 acres) | Yes |
| 3 | 2936 Industrial Parkway, Santa Maria | 111-291-037 | Rhine LP | 8/17/2010 | Light Manufacturing (1.60 acres) | Yes |
| 4 | 2946 Industrial Parkway, Santa Maria | 111-291-036 | Curry Parkway LP | 8/20/2010 | Industrial (1.37 acres) | Yes |
| 5 | 2956 Industrial Parkway, Santa Maria | 111-291-035 | Mark J Powers, Inc. | 10/28/2021 | Industrial (1.33 acres) | Yes |
| 6 | 2996 Industrial Parkway, Santa Maria | 111-291-043 | Curry Parkway LP | 9/1/2011 | Light Manufacturing (0.76 acres) | No |
| 7 | 2986 Industrial Parkway, Santa Maria | 111-291-042 | Curry Parkway LP | 8/20/2010 | Light Manufacturing (0.78 acres) | Yes |
| 8 | 2976 Industrial Parkway, Santa Maria | 111-291-041 | Curry Parkway LP | 8/20/2010 | Light Manufacturing (0.83 acres) | Yes |
| 9 | 2966 Industrial Parkway, Santa Maria | 111-291-040 | Curry Parkway LP | 8/20/2010 | Light Manufacturing (0.83 acres) | No |

Figure 3 – Historic Facility Site Map (1989)

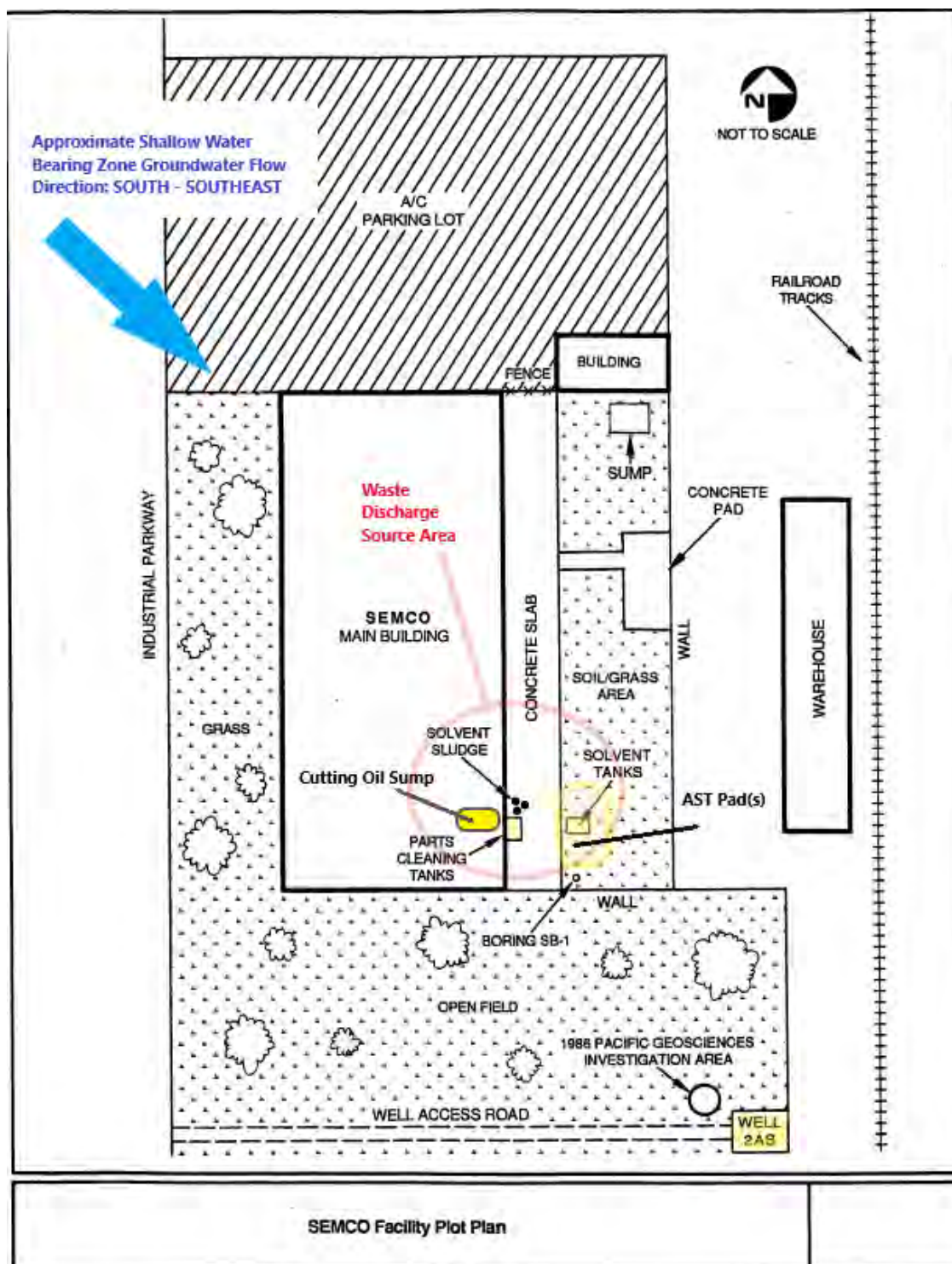


Figure 3. Modified by Central Coast Water Board on February 9, 2023. Original figure is from WESTEC Services, Inc January 1989 *Subsurface Investigation SEMCO Twist Drill and Tool Company Facility Santa Maria, California*.

Figure 4 – 2021 Groundwater Monitoring Well Location Site Map with Parcel Numbers and Addresses

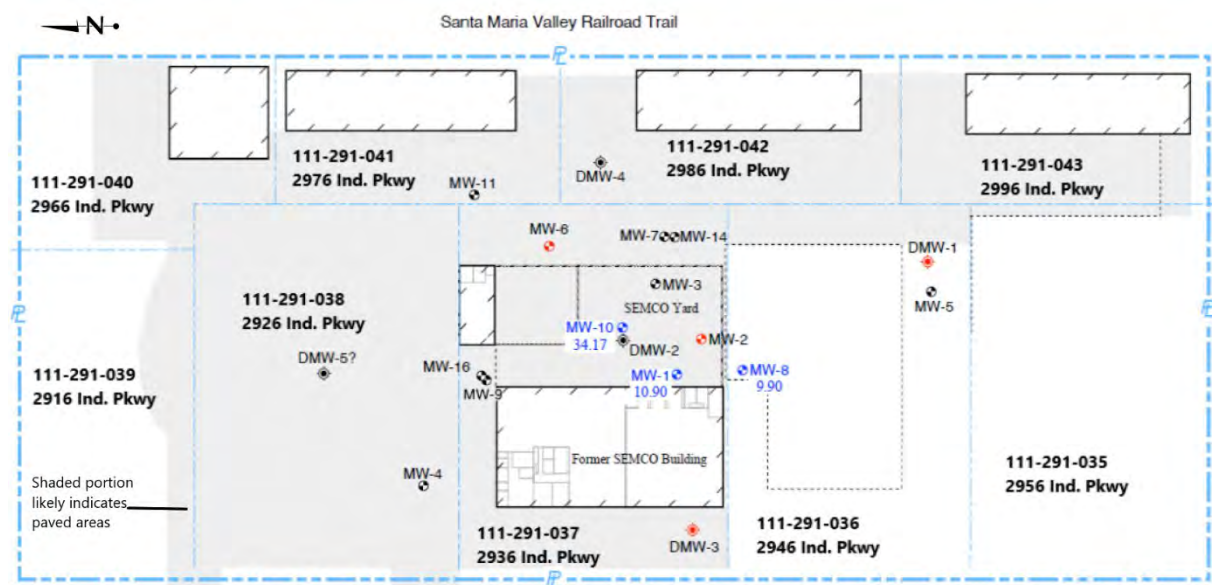


Figure 4. Modified by Central Coast Water Board on January 10, 2023. Original figure is from Analytical Consulting Group, Inc's *Monitoring Well Investigation Report* dated July 16, 2021, on GeoTracker.

Figure 5 – 2022 Soil Sampling Site Map

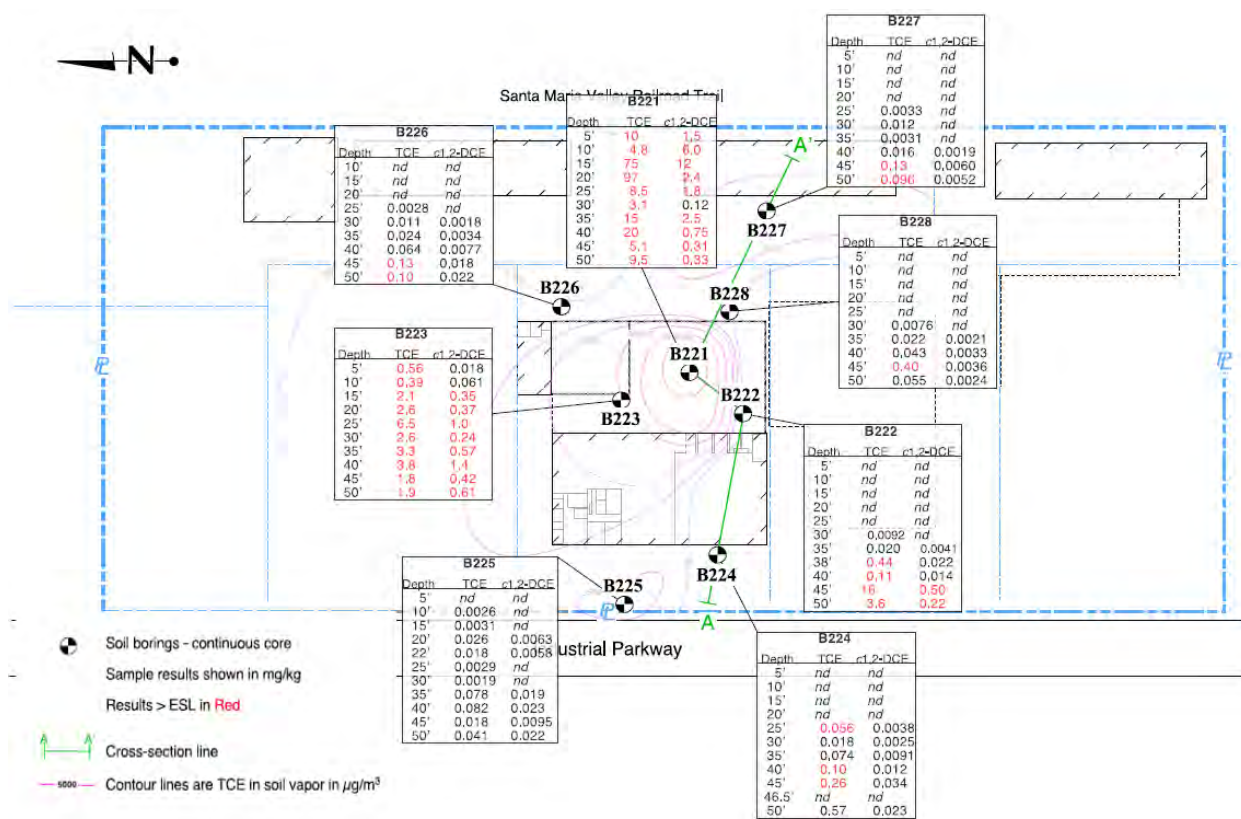


Figure 5. Modified by Central Coast Water Board on January 10, 2023. Original figure is from Analytical Consulting Group, Inc's *Site Assessment Report – Vadose Zone Soil Sampling* dated May 25, 2022.

Figure 6 – Cross Section (A-A' from Figure 5) Extent of TCE Impacts to Soil beneath the Source Area of the Site

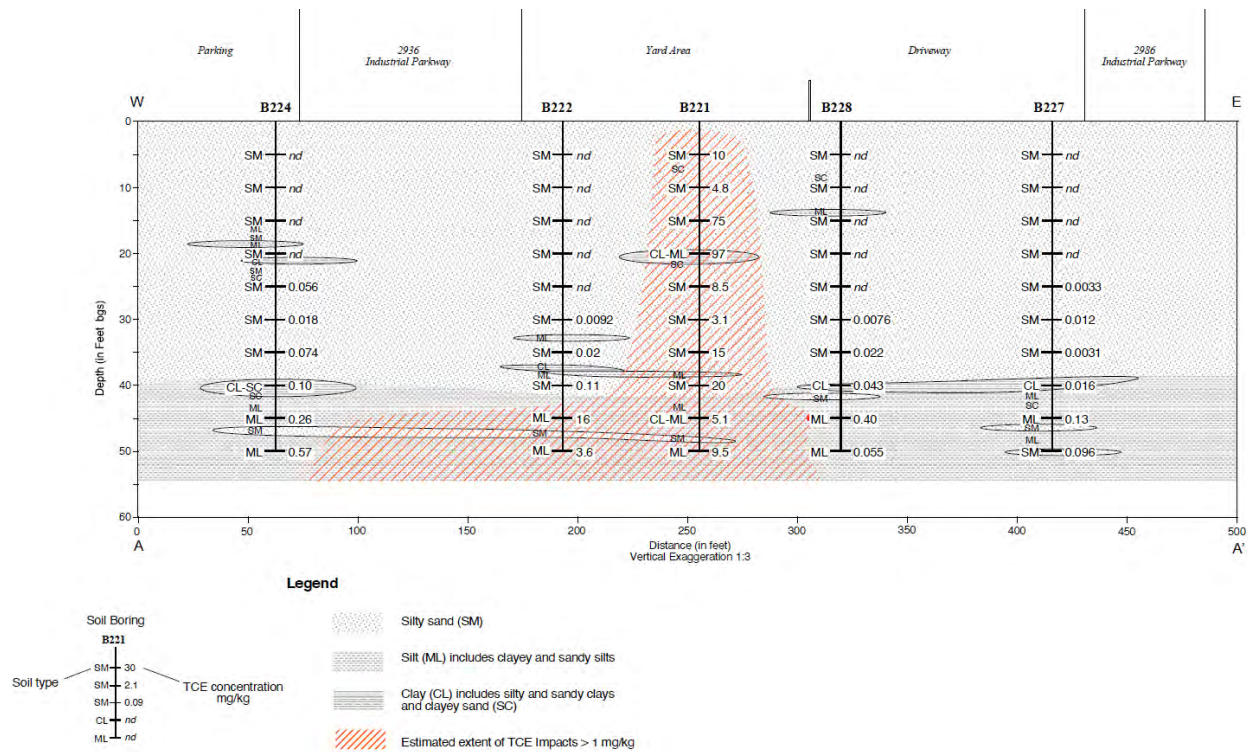


Figure 6. Modified by Central Coast Water Board on January 10, 2023. Original figure is from Analytical Consulting Group, Inc's *Site Assessment Report – Vadose Zone Soil Sampling* dated May 25, 2022.

Figure 7 – 2021 Soil Vapor Sampling Site Map

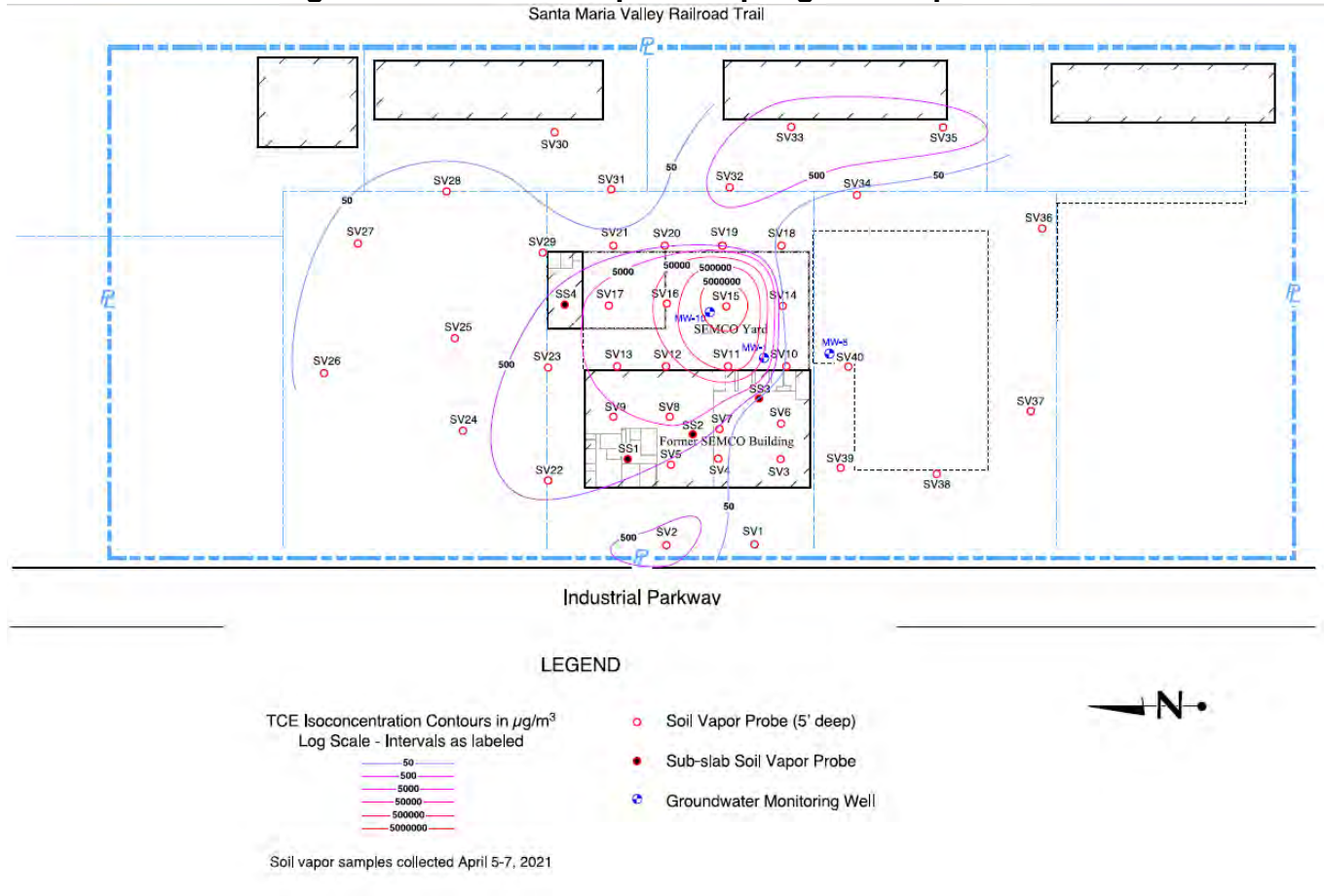


Figure 7. Modified by Central Coast Water Board on January 10, 2023. Original figure is from Analytical Consulting Group, Inc's *Soil Vapor Sampling Report* dated July 16, 2021, on GeoTracker.

EXHIBIT 2: SITE OWNERSHIP AND OPERATIONAL HISTORY

The Site ownership and operational history⁶⁰ for the Santa Barbara County Assessor Parcel Numbers (APNs) that compose the Site is as follows:

APN 111-291-008

1. July 10, 1942: The United States of America records a Decree of Declaration of Taking (eminent domain) for the establishment of the Santa Maria – Lompoc Air Base. Frank Vecente, et al. (grantor, former owner) to United States of America (grantee, new owner).
2. 1949 (approximate, exact date unknown): SEMCO Twist Drill & Tool Company, Inc. (SEMCO) begins operations at the Site.
3. June 9, 1949 (date recorded): United States of America quitclaims deeds to County of Santa Barbara. United States of America (grantor, former owner) to County of Santa Barbara (grantee, new owner).
4. October 6, 1949 (date recorded): The County of Santa Barbara deeds one-half interest of the property to the City of Santa Maria, as tenants in common. County of Santa Barbara (grantor, former owner) to County of Santa Barbara (1/2 interest) and City of Santa Maria (1/2/ interest) (grantees, new owners).
5. August 14, 1959 (date recorded): An Instrument of Release was issued, giving Santa Barbara County and the City of Santa Maria exclusive use of property in preparation of the land transfer to Santa Maria Public Airport District.
6. March 15, 1963 (date recorded): A record of survey of the property was filed with the Santa Barbara County Clerk-Recorder that defined the northern boundary of the Santa Maria Public Airport District (future Skyway Industrial Park).
7. March 9, 1964 (date of sale and date recorded): The County of Santa Barbara and the City of Santa Maria quitclaim deeds property to the Santa Maria Public Airport District. County of Santa Barbara (1/2 interest) and City of Santa Maria (1/2 interest) (grantor, former owner) to Santa Maria Public Airport District (grantee, new owner).
8. January 30, 1967 (date filed and certified): The Santa Maria Public Airport District filed a record of survey subdividing the northeasterly portion of the property (boundaries of Skyway Industrial Park).

⁶⁰ All Central Coast Water Board files for this case are on the State Water Board's GeoTracker website: <http://geotracker.waterboards.ca.gov/?gid=SLT3S2411351>

9. May 17, 1968 (date accepted and recorded by County Clerk-Recorder): A map of Skyway Industrial Park, Tract 5011, including this Site, was filed with the Santa Barbara County Assessor.
10. May 22, 1968, (date recorded): Santa Maria Public Airport District grant deeds the Site to Henry A. Stafford and Rhea L. Stafford as joint tenants in common. Santa Maria Public Airport District (grantor, former owner) to Henry A. Stafford and Rhea L. Stafford as community property (grantee, new owner).
11. May 18, 1971 (date recorded): Notice of Completion filed with the County of Santa Barbara for the removal of three buildings (T-1271, T-1272, and T-1273) on the property per the purchase agreement dated May 8, 1968.
12. June 25, 1975 (date recorded): Henry A. Stafford and Rhea L. Stafford transferred the Site into the Henry A. Stafford and Rhea Stafford Revocable Trust. Henry A. Stafford and Rhea L. Stafford as community property (grantor, former owner) to Henry A. Stafford and Rhea Stafford Revocable Trust (grantee, new owner).
13. November 15, 1976: Henry A. Stafford died, and Rhea L. Stafford became the sole Trustee of the Henry A. Stafford and Rhea Stafford Revocable Trust.

APN 111-291-027 and APN 111-291-028

1. February 3, 1994 (date County Clerk-Recorder's statement recorded): APN 111-291-008 (2936 Industrial Parkway) was split into two adjacent parcels (111-291-027 and 111-291-028).
2. August 22, 1996: Rhea L. Stafford died, and daughter Bonita Stafford became the surviving Trustee of the Henry A. Stafford and Rhea Stafford Revocable Trust. Bonita Stafford has since deceased.
3. November 21, 2001 (date recorded): A deed of trust with assignments of rents to Kitco Holdings, LLC was issued.
4. August 9, 2002 (date recorded) : Grant deed transferred property ownership from Henry A. Stafford and Rhea Stafford Revocable Trust dated June 25, 1975, to Oro Financial of California, Inc. Henry A. Stafford and Rhea Stafford Revocable Trust (grantor, former owner) to Oro Financial of California, Inc. (grantee, new owner).
5. December 20, 2002 (date recorded): Grant deed transferred property ownership from Oro Financial of California, Inc. (grantor, former owner) to Concha Investments, Inc. (grantee, new owner).
6. June 30, 2006 (date recorded): Grant deed transferred property ownership from Concha Investments, Inc. (grantor, former owner) to Chris Mathys (grantee, new owner) as an individual.

APNs 111-291-035 through 111-291-043

1. April 26, 2007 (date County Clerk-Recorder's Statement recorded): Parcels 111-291-027 and 111-291-028 were combined and split into parcels 111-291-035 through 111-291-043 (refer to Exhibit 1, Figure 2 for a spatial view of the splits). Parcel -039 is unique from -028; parcels sharing portions of -027 and -028 include -037, -038, -040, and -042; parcels unique from -027 include -035, -036, and -043.
2. May 5, 2009 (date recorded): Chris Mathys (seller) sold the properties at 2916, 2926, 2936, 2946, 2956, 2966, 2976, 2986, and 2996 Industrial Parkway (111-291-039, -038, -037, -036, -035, -040, -041, -042, and -043) to Platino, LLC (buyer)⁶¹ in grant deeds/deed of trust sales.
3. August 17, 2010 (date recorded): Platino LLC (seller) sold the property at 2936 Industrial Parkway (111-291-037) to Rhine LP (buyer)⁶² in a grant deed/deed of trust sale.
4. August 20, 2010 (date recorded): Platino, LLC (seller) sold the properties at 2916, 2926, 2946, 2956, 2986, and 2996 Industrial Parkway (111-291-039, -038, -036, -035, -042, and -043) to Curry Parkway LP (buyer)⁶³ in a grant deed/deed of trust sale.
5. July 26, 2010 (date of transaction): Platino, LLC (seller) sold the properties at 2966 and 2976 Industrial Parkway (111-291-040 and 111-291-041) to Curry Parkway LP (buyer) in a grant deed/deed of trust sale.
6. July 16, 2019 (date recorded): Curry Parkway LP (seller) sold the property at 2926 Industrial Parkway (APN 111-291-038) to Fernando Figueroa Salas, a married man, in a grant deed/deed of trust sale. Except as otherwise provided by statute, all property, real or personal, wherever situated, acquired by a married person during the marriage while domiciled in this state is community property in California (Stats. 1992, Ch. 162, Sec. 10. Operative January 1, 1994). Yolanda Salas, as the wife of Fernando Figueroa Salas, became a joint owner of 2926 Industrial Parkway.
7. July 16, 2019 (date recorded): In a quitclaim/deed of trust, Yolanda Salas transferred the property to Fernando Figueroa Salas, making him the sole property owner. Yolanda Salas is not named as a discharger in this Order because she quitclaimed the property on the same date that Fernando Figueroa Salas acquired ownership

⁶¹ Chris Mathys was the sole manager of Platino, LLC.

⁶² Platino, Inc. is the general partner of Rhine, LP. Chris Mathys is the Chief Executive Officer, Chief Financial Officer, Director, and sole shareholder of Platino, Inc.

⁶³ Platino, Inc. is the general partner of Curry Parkway, LP. Chris Mathys is the Chief Executive Officer, Chief Financial Officer, Director, and sole shareholder of Platino, Inc.

8. October 28, 2021 (date recorded): Curry Parkway LP (seller) sold the property at 2956 Industrial Parkway (APN 111-291-035) to Mark J Powers, Inc. (buyer) in a grant deed/deed of trust sale.

EXHIBIT 3:

MONITORING AND REPORTING PROGRAM ORDER NO. R3-2023-0071

CONCERNING

**Former SEMCO Twist Drill and Tool Company, Inc.
Industrial Parkway, Santa Maria
Santa Barbara County**

This monitoring and reporting program (MRP) is issued to the Dischargers and applies to groundwater monitoring and reporting for volatile organic compounds (VOC), petroleum hydrocarbons, and 1,4-dioxane waste discharges related to the former SEMCO at 2936 Industrial Parkway in Santa Maria (Site). The Site includes all subject subdivisions of the historic Santa Barbara County Assessor's Parcel Number (APN) 111-291-008 impacted by VOCs, petroleum hydrocarbons, and/or 1,4-dioxane, which include the following parcels:

1. APN 111-291-035, 2956 Industrial Parkway, Santa Maria
2. APN 111-291-036, 2946 Industrial Parkway, Santa Maria
3. APN 111-291-037, 2936 Industrial Parkway, Santa Maria
4. APN 111-291-038, 2926 Industrial Parkway, Santa Maria
5. APN 111-291-041, 2976 Industrial Parkway, Santa Maria
6. APN 111-291-042, 2986 Industrial Parkway, Santa Maria

The Dischargers specified in Cleanup and Abatement Order No. R3-2023-0070 are required to comply with the requirements of this MRP.

GROUNDWATER MONITORING

A qualified person trained in procedures for collecting samples for VOCs, petroleum hydrocarbons, and 1,4-dioxane wastes must collect representative samples of groundwater from the monitoring wells.

The Dischargers must monitor all existing groundwater monitoring wells (shallow groundwater wells MW1 through MW16 and deeper groundwater monitoring wells DMW1 through DMW4) and/or replacement wells on a quarterly basis. The Dischargers must submit requests for changes to monitoring frequency and analyte analysis in writing for Central Coast Water Board staff review and Central Coast Water Board Executive Officer concurrence. These requests must receive Executive Officer concurrence prior to implementation.

When new monitoring wells are installed, the Dischargers must incorporate newly installed monitoring wells immediately into the sampling schedule following well completion and development activities and then sample once every quarter for a minimum of one year. After one year, the Dischargers may propose an appropriate monitoring schedule for concurrence by the Executive Officer. The location and

reference point elevation for each monitoring well must be surveyed using a conventional survey method or global positioning satellite survey and uploaded to the GeoTracker website.

Monitoring Parameters: The Dischargers must measure depth to groundwater (to 0.01-foot accuracy) in each monitoring well prior to proper purging and sampling. Before sampling, the Dischargers must properly purge each well until measurements of the following parameters have stabilized: temperature, pH, specific conductance, turbidity, and dissolved oxygen. After purging and when the groundwater level in the well has recovered sufficiently, collect a representative sample. The Dischargers must collect a groundwater sample from each well. The Dischargers must analyze groundwater samples collected from all monitoring wells for the compounds listed in Table 1:

Table 1. Monitoring Parameters

| Compound | Units | Sample Type | USEPA Method | Detection Limit |
|--------------------------------------|-----------------------------|-------------|--|-----------------|
| Volatile Organic Compounds (VOCs) | Micrograms per liter (µg/L) | Grab | 8260B | 0.5 µg/L |
| 1,4-dioxane | (µg/L) | Grab | 8270 or 1625 | 1.0 µg/L |
| Petroleum hydrocarbons ⁶⁴ | (µg/L) | Grab | 8015-modified, total petroleum hydrocarbons (TPH) reported as gasoline ⁶⁵ , diesel, and motor oil | 100 µg/L |

A laboratory certified for analyses by the State Water Board's Division of Drinking Water or laboratories approved by the Executive Officer must conduct the analyses.

Unless otherwise noted, the Dischargers must perform all sampling, sample preservation, and analyses in accordance with the latest edition of Test Methods for Evaluating Solid Waste, SW-846, USEPA, and analyzed as specified herein by the above analytical methods.

Alternative laboratory methods may be used, with Executive Officer's prior concurrence, provided that the analysis produces data with detection limits, precision, and accuracy equal to or better than data produced by the referenced methods for identical sample matrices.

The Dischargers must measure groundwater elevations for all monitoring wells. Measurements for groundwater elevations are to be reported as both feet below top of casing and elevation above mean sea level.

⁶⁴ TPH in the carbon ranges are analyzed to demonstrate carbon chain breakdown.

⁶⁵ TPH carbon ranges are generally as follows: TPH as gasoline (C4-C12), TPH as diesel (C10-C23), and TPH as motor oil (C18-C35+).

SAMPLING FREQUENCY

The Dischargers must conduct groundwater monitoring on a quarterly basis and in accordance with Table 2 each calendar year:

Table 2. Monitoring Frequency

| Groundwater Monitoring Wells | Frequency |
|---|--|
| MW1 through MW16, and DMW1 through DMW4 | 1 st quarter (January through March) of each calendar year |
| MW1 through MW16, and DMW1 through DMW4 | 2 nd quarter (April through June) of each calendar year |
| MW1 through MW16, and DMW1 through DMW4 | 3 rd quarter (July through September) of each calendar year |
| MW1 through MW16, and DMW1 through DMW4 | 4 th quarter (October through December) of each calendar year |

REPORTING

The Dischargers must submit groundwater monitoring reports on a quarterly basis in accordance with Table 3:

Table 3. Reporting Submittals

| Sampling Event | Report Submittal |
|-------------------------|--|
| 1 st quarter | Due no later than April 30 of each calendar year |
| 2 nd quarter | Due no later than July 30 of each calendar year |
| 3 rd quarter | Due no later than October 30 each calendar year |
| 4 th quarter | Due no later than January 30 of each calendar year |

At a minimum, each monitoring report must include:

1. A table with well completion information, including top of well casing elevation, total depth, and screen interval with respect to both mean seal level and ground surface for all monitoring wells.
2. Results of field and laboratory sampling in tabular form.
3. Scaled maps showing the site and the locations of all monitoring wells.
4. Maps showing calculated potentiometric elevations at each monitoring well and interpreted potentiometric surfaces for each water-bearing zone.
5. Maps showing chlorinated VOCs and 1,4-dioxane concentrations and an interpretation of the chemical distribution.
6. An elevation and interpretations of all available data.
7. Recommendations for further work (i.e., identification of possible data gaps, interim corrective actions) as necessary to complete investigation and cleanup of the Site.

8. The signature or stamp of a registered professional with applicable experience attesting, under penalty of perjury, that the report is true and accurate.
9. Sampling protocols and field sampling logs.
10. Narrative description of sample collection protocols and summary of analytical results for any and all detected compounds; and
11. Certified laboratory analytical reports and chain of custody records for current monitoring data.
12. A perjury statement⁶⁶ signed by a senior authorized representative (not by a consultant). The perjury statement must be in the following format:

"I, [NAME], certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision, in accordance with a system designed to ensure that qualified personnel properly gathered and evaluated 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."

If the Dischargers conduct any monitoring or sampling more frequently than is required by this MRP, they must include results of such monitoring in the monitoring reports or via separate cover.

In accordance with title 23, division 3, chapter 30, articles 1 and 2, sections 3890 through 3895 of the California Code of Regulations, the Dischargers must submit monitoring reports and associated data in Portable Data Format and Electronic Deliverable Format to the State Water Board GeoTracker database over the internet. Please refer to the State Water Board web page Policy Statement-Electronic Reporting Requirements.

https://www.waterboards.ca.gov/water_issues/programs/ust/electronic_submittal/

LEGAL REQUIREMENTS

The groundwater monitoring reports and GeoTracker data submittals are required pursuant to section 13267 of the Water Code. Pursuant to section 13268 of the Water Code, a violation of a request made pursuant to section 13267 may subject you to civil liability assessment of up to \$1,000 per day in which the violation occurs.

The Central Coast Water Board needs the required information to evaluate the extent and trends of wastes, including VOCs (e.g., TCE, PCE, TCA), petroleum hydrocarbons, and 1,4-dioxane released from the Site into groundwater. Therefore, the burden of the reports, including costs, bears a reasonable relationship to the need for the reports and the benefits to be obtained from the reports. The cost to sample and prepare each

⁶⁶ The Central Coast Water Board, under the authority given by Water Code section 13267, subdivision (b)(1), requires you to include a perjury statement in all reports submitted under this Order.

quarterly monitoring report is estimated to be between approximately \$15,000 to \$20,000.⁶⁷ The Dischargers are required to submit quarterly monitoring reports because groundwater has been impacted by VOCs, petroleum hydrocarbons, and 1,4-dioxane and is potentially migrating off of the site and, based on the available data, they are responsible for the discharge. The evidence supporting this requirement is described herein and on GeoTracker at: <http://geotracker.waterboards.ca.gov/?gid=SLT3S2411351>

Any person affected by this action of the Central Coast Water Board may petition the State Water Board to review the action in accordance with section 13320 of the Water Code and title 23, California Code of Regulations, section 2050. The petition must be received by the State Water Board, Office of Chief Counsel, P. O. Box 100 Sacramento, 95812 within 30 days of the date of this order.

Copies of the law and regulations applicable to filing petitions:

https://www.waterboards.ca.gov/public_notices/petitions/water_quality/

The Executive Officer may rescind or revise this MRP at any time.

Ordered by:

Matthew T. Keeling
Executive Officer

⁶⁷ Estimate for quarterly monitoring report costs are part of the total estimated cost in Section B.9 of the Order. Estimated cost is based on using low-flow groundwater sampling techniques.

EXHIBIT 4: TIME SCHEDULE

| ACTION NUMBER | REQUIREMENT | DUE DATE |
|------------------|---|--|
| 1. | Evaluate Condition of and Restore the Existing Groundwater Monitoring Network and Evaluate the Condition of the Onsite Groundwater Extraction and Treatment System | |
| 1a-1b. | <p>Submit Workplan(s) A workplan and implementation schedule to assess the existing groundwater monitoring network and the current condition of the onsite groundwater extraction and treatment system (i.e., extraction wells, and filtration system).</p> <p>The Dischargers must locate all 20 groundwater monitoring wells including extraction wells associated with the groundwater extraction and treatment system and evaluate the integrity of each well and determine if these wells can be used (or not) for groundwater monitoring. In the event, monitoring wells can't be located, describe the efforts that were taken to find the wells.</p> | 90 days following the issuance of this Order |
| 1c. | Upon Executive Officer concurrence of the workplan, implement the workplan according to the approved implementation schedule. | As directed by the Executive Officer |
| 1d. | <p>Submit a Completion Report for the Evaluation of the Groundwater Monitoring Network and Treatment System and a Monitoring Well Network Restoration Workplan A completion report summarizing the findings of the monitoring well and groundwater treatment system evaluation.</p> <p>A groundwater monitoring well network restoration workplan and implementation schedule including a scope of work to restore, properly destroy and/or replace (install) groundwater monitoring wells in the existing monitoring network.</p> | 90 days following the approval of the workplan required in 1a-1b. |

| ACTION NUMBER | REQUIREMENT | DUE DATE |
|---------------|--|--|
| 1e | Upon Executive Officer concurrence of the scope of work and schedule included in the monitoring well network restoration workplan, implement the workplan according to the approved implementation schedule. | As directed by the Executive Officer |
| 1f. | Submit a Completion Report Summarizing the Implementation of the Groundwater Monitoring Well Restoration Workplan A completion report on the implementation of the groundwater monitoring well network restoration including destruction and installation activities, well completion logs, updated map(s) illustrating all of the monitoring well locations. | As directed by the Executive Officer |
| 2. | Groundwater Monitoring | |
| | The Dischargers must conduct groundwater monitoring according to MRP Order No. R3-2023-00071 (Exhibit 3 of this Order). | As directed by the Executive Officer |
| 3. | Complete Onsite and Offsite Investigation | |
| 3a-3c. | Submit an Onsite and Offsite Investigation Workplan An onsite and offsite investigation workplan including an implementation schedule to delineate the lateral and vertical extent of wastes in soil, groundwater, and soil gas onsite and offsite including a scope of work for the installation of additional groundwater monitoring wells onsite and offsite. | 90 days following the approval of the Completion Report required in 1f. |
| 3d. | Upon Executive Officer concurrence of the site investigation workplan, implement the workplan according to the approved implementation schedule. | As directed by the Executive Officer |
| 3e. | Submit a Site Investigation Report A summary of the investigation findings, including Site location and waste distribution maps, cross sections, summary of all historic and new sampling results for soil, soil gas, and groundwater, boring logs, and identification of data gaps for further investigation. | As directed by the Executive Officer |

| ACTION NUMBER | REQUIREMENT | DUE DATE |
|------------------|--|---|
| 3f. | Submit Additional Workplan(s) to Address Data Gaps Completion of the onsite and offsite investigation may be conducted in a phased approach if information in the site investigation report(s) identifies data gaps. | As directed by the Executive Officer |
| 4. | Conduct Onsite and Offsite Remedial Actions | |
| 4a. | Submit a Feasibility Study. A study that evaluates alternatives for cleanup of VOCs, petroleum hydrocarbons, and 1,4-dioxane wastes in soil, soil gas, and groundwater on and off the Site. | As directed by the Executive Officer |
| 4b. | Submit a remedial action plan (RAP) A RAP for cleaning up wastes in soil, soil gas, and groundwater on and off the site, including an implementation schedule and a performance monitoring plan to track remediation progress. | 90 days following the approval of the Feasibility Study required in 4a |
| 4c. | Upon Executive Officer concurrence of the RAP, implement the RAP according to the approved implementation schedule | As directed by the Executive Officer |
| 4d. | Submit Quarterly Remediation Progress Reports Reports summarizing remedial actions after RAP implementation. Remediation progress reports can be included in the groundwater monitoring reports required by the MRP. | As directed by the Executive Officer |
| 4e. | Submit revisions or additional RAPs as needed for additional cleanup activities or for a phased approach to cleanup. | As directed by the Executive Officer |

EXHIBIT 5: REGULATORY HISTORY OF SITE

1. On August 26, 1985, the County of Santa Barbara Health Care Services issued an NOV to SEMCO for the discharge of TCE polluting City of Santa Maria municipal supply well 2AS adjacent to the Site.
2. The Central Coast Water Board issued several CAOs between 1987 and 1994, all requiring SEMCO, and later SEMCO and the Henry A. Stafford and Rhea Stafford Revocable Trust,⁶⁸ to investigate and remediate wastes discharged to soil and groundwater beneath the Site. Failure to meet CAO time schedules and other requirements led the Central Coast Water Board to issue NOVs, non-compliance letters, and Stipulated Order No. 89-155 (dated November 17, 1989) requiring SEMCO to pay an administrative civil liability of \$50,000. SEMCO began claiming financial difficulties in 1992, and the Central Coast Water Board required a review of their financial status. In response to the financial investigation of SEMCO, CAO No. 90-88 was revised on March 11, 1994, and issued to SEMCO and Henry A. and Rhea Stafford Revocable Trust. On May 6, 1994, the Central Coast Water Board issued a letter to then landowner, Henry A. and Rhea Stafford Revocable Trust, requiring a financial review and the Central Coast Water Board records do not indicate whether the financial review was completed, but DTSC's issuance of an Imminent and Substantial Endangerment Determination in 1994 and their subsequent funding of the groundwater extraction and treatment system repairs and temporary operation occurred shortly thereafter.
3. In December 2000, the Central Coast Water Board issued a letter⁶⁹ requesting Henry A. Stafford continue operation of the groundwater extraction and treatment system and continue submitting the semiannual groundwater monitoring reports. Central Coast Water Board staff did not identify records in the file that indicate whether there was compliance from Henry A. Stafford related to the request, and ownership of the Site changed soon after the December 2000 letter was issued.
4. In 2001, the Site owner, Henry A. and Rhea Stafford Revocable Trust transferred ownership of the Site to another property owner (refer to Exhibit 2 for a detailed history on the Site's ownership changes). Subsequently, under the new ownership,⁷⁰ all Site investigation and remediation efforts stopped in 2001, with the exception of one groundwater monitoring event performed in 2003 as summarized in a report submitted in 2004.⁷¹
5. On July 18, 2003, the Central Coast Water Board issued a Water Code section 13267 order (2003 Order) to the then Site owner, Oro Financial of California, Inc.

⁶⁸ A complete list of CAOs and other orders the Central Coast Water Board issued to SEMCO and the Henry A. Stafford and Rhea Stafford Revocable Trust, from 1987 to 1994, is available on GeoTracker.

⁶⁹ December 1, 2000, letter from the Central Coast Water Board on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=7weqj>

⁷⁰ Property ownership details are included in Exhibit 2 of this Order.

⁷¹ 2003 Third Quarter Monitoring Report on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=ntubt>

(attention Chris Mathys), requiring the submittal of a groundwater monitoring report to determine the environmental threat from pollution remaining at the Site.

6. On December 3, 2003, the Central Coast Water Board issued an NOV for Oro Financial of California, Inc.'s failure to submit a final monitoring report as required in the 2003 Order.
7. From 2003 through 2014, the Site owners submitted correspondence in response to Central Coast Water Board's Annual Cost Recovery letters (2003 to 2011) and staff's numerous email and verbal inquiries⁷² on project status, claiming financial hardship and an inability to fund any additional expenses related to the Site⁷³. Due to an inability to charge cost recovery for staff oversight of this case and due to changes in staffing resources, it was considered an inactive case⁷⁴.
8. On October 20, 2015, the Central Coast Water Board issued a Water Code section 13267 order (2015 Order) to the Site owners Rhine, LP; Platino, LLC; Chris Mathys; Concha Investments Inc.; and Oro Financial of California, Inc. requiring them to submit a workplan proposing additional investigations to evaluate the current extent of wastes discharged to soil, soil gas, and groundwater. The 2015 Order also included information on applying for Site Cleanup Subaccount Program (SCAP) funding.⁷⁵
9. On November 19, 2015, Chris Mathys, on behalf of Site owner Rhine, LP, sent a certified letter to the State Water Board and Central Coast Water Board petitioning the 2015 Order, disputing "any and all charges of environmental waste and [to] give you [Central Coast Water Board] an accurate picture of our financial situation and capabilities."
10. On January 12, 2016, the State Water Board issued a notification of incomplete petition to Chris Mathys, requesting additional information to complete the petition filed in November 2015. Chris Mathys did not submit additional information, as requested by the State Water Board.
11. On June 17, 2019, the Central Coast Water Board issued a notice of violation to Rhine, LP; Platino, LLC; Chris Mathys; Concha Investments Inc.; and Oro Financial of California, Inc. for failing to submit a site investigation workplan as required in the 2015 Order and provided Rhine, LP; Platino, LLC; Chris Mathys; Concha

⁷² October 21, 2010, Central Coast Water Board email on GeoTracker:

<https://geotracker.waterboards.ca.gov/?surl=9hxgd> and the January 6, 2014, Case Status Summary on GeoTracker: <https://geotracker.waterboards.ca.gov/?surl=3f5ex>

⁷³ Referenced from the Dischargers' letters dated July 27, 2004, August 25, 2007, August 5, 2008, September 5, 2009, December 1, 2010, March 1, 2011, verbal communication on January 28, 2014, and petitions dated November 19, 2015, and June 19, 2019, available on GeoTracker.

⁷⁴ Between 2003 and 2011 cost recovery invoices billed to the responsible party (Oro Financial of California, Inc.) totaling \$22,953.30 went unpaid. The cost recovery account was closed in 2017, and discharged through the State Controller's Office as 'unable to collect.'

Investments Inc.; and Oro Financial of California, Inc. an opportunity to submit the workplan no later than July 15, 2019, before recommending enforcement action.

12. On June 19, 2019, Chris Mathys objected to the June 17, 2019, NOV in a letter to the State Water Board and Central Coast Water Board.
 13. On June 25, 2019, the State Water Board issued a response to Mr. Mathys's June 19, 2019, letter determining that the petition filed on November 19, 2015, was incomplete, that Chris Mathys had failed to submit required information by the deadline directed in its January 12, 2016, letter, and that it would not, therefore, take any further action on the incomplete petition.
 14. On September 14, 2021, the Central Coast Water Board issued Administrative Civil Liability Complaint No. R3-2021-0097 (2021 Complaint) to Chris Mathys, Rhine LP, and Oro Financial of California, Inc. The 2021 Complaint proposed an administrative civil liability of one hundred twenty-five thousand eight hundred and ninety-three dollars (\$125,893) for failure to submit monitoring and technical reports as required by the 2015 Order.
 15. On January 20, 2022, the Central Coast Water Board issued stipulated Administrative Civil Liability Order No. R3-2022-0013 to Chris Mathys, Rhine LP, and Oro Financial of California, Inc., adopting the settlement agreement to resolve the violation alleged in the 2021 Complaint and imposing an administrative civil liability of one hundred twenty-five thousand eight hundred and ninety-three dollars (\$125,893).
 16. On July 28, 2022, the Central Coast Water Board ordered Chris Mathys, Rhine LP, and Oro financial of California, Inc. to submit a Time Schedule and monthly progress reports related to investigations at the Site, pursuant to a Water Code section 13267 Order (2022 Order). The Central Coast Water Board required the submittal of the Time Schedule and progress reports to ensure that remaining Site characterization activities proposed in the Central Coast Water Board approved November 18, 2021, *Site Assessment Workplan*⁷⁶ were completed within a reasonable timeframe. To date, the 2022 Order has not been complied with.
 17. On November 1, 2022, the Central Coast Water Board issued an NOV (November NOV) to Chris Mathys, Rhine LP, and Oro Financial of California, Inc. for failing to submit a Time Schedule, or the monthly progress reports required for September and October 2022, as required in the 2022 Order.
 18. On January 12, 2023, the Central Coast Water Board issued an NOV to Chris Mathys, Rhine LP, and Oro Financial of California, Inc. for failing to submit a Time Schedule, or monthly progress reports for November and December 2022 as required in the 2022 Order.
-

Attachment B



Barry C. Groveman
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Direct: (818) 515-8038

May 29, 2023

VIA EMAIL ONLY

(via email to sarah.treadwell@waterboards.ca.gov)

Ms. Sarah Treadwell
REGIONAL WATER QUALITY CONTROL BOARD,
CENTRAL COAST ("REGIONAL BOARD")
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401

Re: *Comments on behalf of the Santa Maria Public Airport District on the SEMCO
Draft Cleanup and Abatement Order R3-2023 (Proposed)*

Ms. Treadwell:

I. INTRODUCTION

This firm represents the Santa Maria Public Airport District ("SMPAD" or "Airport") in connection with the above-referenced matter. The purpose of this letter is to provide comments in response to the Regional Board's proposed draft Cleanup and Abatement Order No. R2-2023, hereafter referred to as the Draft CAO.

For purposes of addressing environmental and technical issues raised in the Draft CAO, the Airport retained the professional engineering and consulting firm Roux & Associates ("Roux"). To this end, attached please find Roux's Technical Comment Letter to the Draft CAO ("Roux Report").

The Airport's legal response to the Draft CAO is set forth below.

II. LEGAL RESPONSE TO THE DRAFT CAO

A. Delays and the Passage of Time has Impeded the Airport's Ability to Respond to the Draft CAO

Before addressing the Draft CAO, it is important for the record to reflect passage of time and delays that have impacted this issue. The Regional Board should view naming the SMPAD as a responsible party through this lens.

The Regional Board's long held mission statement includes the following:

"To preserve, enhance, and restore the quality of California's water resources and drinking water for the protection of the environment, public health, and all beneficial uses, and to ensure proper water resource allocation and efficient use, for the benefit of present and future generations."

In order to complete this mission, the Regional Board is entrusted with extensive enforcement powers, including powers codified in the California Water Code. These enforcement mechanisms are intended to be used for a wide variety of activities, including the identification of parties responsible for groundwater contamination. The enforcement statutes are designed to give the Regional Board proper authority to identify responsible parties and then require those parties to implement a cleanup plan in a proper time frame so that the contamination does not spread unnecessarily, and that public health and beneficial uses are protected. Unfortunately, that did not occur in this case. As set forth briefly below, the Regional Board was unable to perform its duties to protect public health. The delays now risks exacerbating discharges into becoming plumes that, over time, become extensive, comingled and regional. Equally important, the delays have denied the alleged responsible parties an order of due process and fundamental fairness. This is because, in part, due to the passage of decades, the alleged responsible parties are now denied the ability to find and present evidence that will insulate them from liability.

The historical facts regarding these impacts are not in dispute. The SEMCO Site, which is defined in the Draft CAO, is not a new issue. In fact, the Regional Board became aware of potential groundwater contamination issues at the SEMCO Site in 1980. Five years later, there was even more evidence of a significant groundwater problem, when the Regional Board learned that one of the City of Santa Maria's ("City") drinking water wells had been impacted by releases at the SEMCO Site. Despite having substantial evidence of a potentially significant groundwater contamination problem, the matter was not addressed promptly.

Instead, efforts were focused on going back and forth with the owners of SEMCO. Even though a cleanup and abatement order had been issued to SEMCO, it did not effectively prosecute that case. For example, no subpoenas were issued to SEMCO for information about the company's finances and insurance policies. It is likely that SEMCO's standard business insurance policies did not have pollution exclusions, and those policies, which may still exist, would have triggered coverage for the groundwater pollution event. There was also a very limited review of SEMCO's finances. The record shows reliance on SEMCO's own statements concerning its ability to pay rather than use of an independent review. A more thorough audit of SEMCO would have provided quicker answers about the company's ability to handle a protracted and likely expensive groundwater investigation and cleanup. The delays eventually led to SEMCO's bankruptcy, and ultimately no real responsible party. These are just a few examples of the negative impacts on the parties not being added to the Draft CAO.

Now, literally five decades later, a small public agency – the Airport – which has no connection to the SEMCO Site groundwater contamination – is expected to participate in funding a cleanup that involves potentially millions in costs.

The Airport should be removed from the Draft CAO.

B. The Airport is Not a Discharger

The Regional Board asserts in the Draft CAO that the Airport has liability for the groundwater contamination because it is a “discharger.” The Regional Board relies on scant evidence to reach such a conclusion. First, the Regional Board cites to the Airport’s ownership of property from 1964 through 1968, a time at which SEMCO allegedly operated on the Airport’s property. The Board goes on to state that the Airport is liable as a discharger in this case because the Airport was “aware of the activities that resulted in the discharges of waste and, as lessors of the Site, had the ability to control those discharges.” It is notable that the Regional Board staff and counsel provide no **evidence** to support this conclusory statement.

Rather, to support its claims against the Airport, the Regional Board’s Draft CAO relies solely on *United Artists Theatre Circuit, Inc. v. California Regional Water Quality Control Bd.* (2019) 42 Cal.App.5th 851, 887.) (hereafter referred to as “*United Artists*”).

United Artists provides a clear standard for discharger liability under the California Water Code, holding, specifically:

“[W]e conclude a prior owner may be named in a cleanup order as someone who has ‘permitted’ a discharge if it knew or should have known that a lessee’s activity presented a reasonable possibility of discharge into waters of the state of wastes that could create or threaten to create a condition of pollution or nuisance.” See, *United Artists* at 864-865. [Emphasis added.]

The Court further states that “the term ‘permitted’ is expansive enough to encompass a situation where a landlord let a discharge occur by allowing an activity to take place, where the landlord knew or should have known the general activity created a reasonable possibility of discharge.” *United Artists* at 888.

In coming to this conclusion, the Court found that a landowner of property in the 1970s, 1980s and 1990s, should have known that its dry cleaner tenant’s dry-cleaning activity created a possibility of discharge. This makes sense, given that the discharges in the *United Artists* case occurred from a highly regulated activity (dry cleaner using solvents) when the California Water Act was in effect.

In stark contrast, here, the alleged discharge occurred from 1964 through 1968, a time when the California Regional Water Quality Control Board did not exist. As discussed in detail in the Roux Report, not only did the Regional Board not exist, there were no environmental statutes or

regulations to establish standards, duties practices as to what is expected under law and regulation. This includes standards and practices regarding what a landlord could have known or should have known if its tenant's activities created a possibility of discharge. The facts here must be evaluated based on the standards for landowners in the 1960s, and not the standards used by modern and comprehensive environmental statutes.

As to the facts, as stated above and as stated in the Roux Report, there is no evidence to suggest that the Airport had any information that SEMCO's activities created the possibility of discharge. For example, in 1969, a document provided detail about the City of Santa Maria Community Development Department process for expansion of SEMCO operations. The planning documents from the City of Santa Maria include the following statement (emphasis added):

"The applicant [SEMCO] states that the production does not cause any waste that must be disposed of, nor does it produce any toxic fumes in the air." (See the Roux Report for further details on this document.)

These representations by SEMCO to the City of Santa Maria Development Department in 1969, *after the Airport no longer owned the Property*, indicate that a prior landowner with SEMCO as a tenant, if having any understanding of the operations at the SEMCO Facility at all, would have likely have been told the same thing regarding SEMCO's operations (i.e.g, SEMCO's operations had no waste generation and/or the asserted benign nature of the operations).

The facts in this case are not consistent with the facts in the *United Artists* case. The Regional Board has improperly cited that case, and without any other evidence or legal standard, the Regional Board must modify the Draft CAO and remove the Airport as a potentially responsible discharger party.

III. CONCLUSION AND REQUEST

In sum, the Regional Board's Draft CAO did not demonstrate the necessary knowledge required to assign liability to the Airport. Rather, to the contrary, the Draft CAO was devoid of any facts to connect the Airport to the Groundwater Contamination, nor did it show that the Airport had any knowledge about the potential release of contaminants to the SEMCO Site. The mere passage of time cannot justify forcing innocent and small public agencies like the Airport to assume responsibility for this problem.

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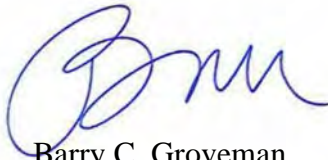
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GROVEMAN | HIETE LLP

Based on the foregoing and the attached Roux Report, we request that the Regional Board remove the Airport from the Draft CAO. Thank you.

Very truly yours,



Barry C. Groveman
GROVEMAN | HIETE LLP

Enclosures: Roux & Associates Technical Comment Letter to the Regional Board's Draft Cleanup and Abatement Order R2-2023 [Proposed]

Copies to: See Email Distribution List

May 29, 2023

Ms. Sarah Treadwell
Central Coast RWQCB
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401

(sent via email to sarah.treadwell@waterboards.ca.gov)

Re: Technical Comments on behalf of the Santa Maria Public Airport District on the
SEMCO Draft Cleanup and Abatement Order

Dear Ms. Treadwell:

On behalf of the Santa Maria Public Airport District (SMPAD), Roux Associates (Roux) is providing these historical and technical comments regarding the Draft Cleanup and Abatement Order (Draft CAO) for the Former Semco Twist Drill & Tool Company (SEMCO) Facility at 2926, 2936, 2946, 2956, 2976, and 2986 Industrial Parkway (the SEMCO Facility, or Property) in Santa Maria, CA.

Overall, the Draft CAO: 1) incorrectly determines the SMPAD as a “discharger,” as defined in the Water Code; 2) fails to consider the extensive history of the United States Department of Defense (DOD) and known chlorinated solvent impacts from the DOD’s past operations and use of the former Santa Maria Army Airfield (Army Airfield) as a critical training base for both propeller aircraft and top-secret fighter jets (which likely merited use of chlorinated solvents); and, 3) has other general technical shortcomings in describing the SEMCO Facility, past operations and other nearby potential comingling contributors.

Comments are provided in the general six areas noted below:

- 1) The SMPAD is not a discharger and only owned the Property for approximately four years. The Draft CAO claims that SMPAD, as a prior land-owner leasing to SEMCO from 1964 to 1968, *“knew or should have known that a lessee’s activity created a reasonable possibility of discharge into waters of the state of wastes that could create or threaten to create a condition of pollution or nuisance.... Landowners leasing to entities using degreasers (many of which used TCE), know or should have known by the 1940s that there was a reasonable possibility of discharge of wastes that could create, or threaten to create, a condition of pollution or nuisance.”* This claim is not based on any facts nor is it supported by what was considered standard business practices during the mid-1960s. Rather, a newly formed public Airport district (SMPAD) as a landowner in the 1960s given environmental laws/regulations (none of which substantially existed) at the time would not have had direct or specific knowledge of discharges by a tenant, let alone awareness of the possibility for waste discharges related to degreasing operations. This includes but is not limited to the following supporting facts:
 - In 1980, the RWQCB conducted an enforcement inspection of SEMCO. After that investigation, the RWQCB made no note or comment on the degreasing, or solvent storage/disposal operations, which are alleged to have caused the issues that are the subject of the Draft CAO.¹ (Attachment 1.1). If the RWQCB in an enforcement site inspection capacity relating to allegations of illegal discharges did not note the potential for discharges of hundreds of gallons of degreasing solvents^{2,3,4,5,6} specifically at the SEMCO Facility in 1980, it is unreasonable to assert that a landowner in the 1960s would have had knowledge of the possibility of waste discharge and/or creation of pollution, or nuisance at this specific Facility.

¹ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/4504290521/STAFF-LTR_CA-REQ_20AUG1980.pdf
² Draft CAO, Item A7 “Chemical Usage”

³ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7727129876/PURCHASE-CREDITS_SUMMARY_02AUG1988.pdf

⁴ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7054533243/LEGAL_CORRESP_RECEIPTS_31MAR1988.pdf

⁵ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7728365838/STAFF-LTR_SUBMITTAL_12MAY1988.pdf

⁶ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7528414666/STAFF-LTR_FTS_05JULY1988.pdf

Later, in 1989 the RWQCB in assessing the SEMCO Property stated, *“it is likely waste products were disposed to ground surface **as was commonly done in past times**”* (emphasis added)⁷. This statement about waste products “commonly” being discharged to the ground indicates that this general issue was commonplace and part of regular historical industrial practices.

- In 1969, after SEMCO became owner of the Property, a document detailing a City of Santa Maria Community Development Department process for expansion of SEMCO operations included the following statement (emphasis added), *“The applicant states that the production **does not cause any waste that must be disposed of, nor does it produce any toxic fumes** in the air.”* (emphasis added; Attachment 1.2). These representations by SEMCO to the City of Santa Maria Community Development Department indicate that SEMCO was informing the City that it “did not cause any waste.” There is little doubt that any prior owner who leased the Property to SEMCO would have been told the same thing regarding SEMCO’s operations, (i.e. lack of waste generation and/or the asserted benign nature of the operations).
- Based on a public records act response from the Santa Barbara County Air Pollution Control District (APCD), there were not any air-associated solvent/degreasing permits for the SEMCO Facility.⁸ If the key air-quality regulator did not require permits, or was unaware of the scope/details of SEMCO’s operation (storage and use of 1000’s of gallons of regulated solvent in the 1980s)⁹, this is further support that a landowner in the 1960s would not have been aware of the degreasing, or the RWQCB’s wholly unsupported allegation of the SMPAD’s “knowledge” of possible discharges claimed in the Draft CAO.
- The well-understood insurance practice of issuing a “pollution exclusion” which generally represents common knowledge of potential industrial polluting activities only came to be as early as the 1970s.¹⁰ This has been acknowledged by the State Water Resources Control Board (SWRCB) in other matters.¹¹
- In both 1962 and 1976 versions of the American Society for Testing and Materials standard for vapor degreasing it is stated that, *“If there are no regulations forbidding it, the sludge may be poured on dry ground at a safe distance from buildings and allowed to evaporate. If the sludge is free flowing and can soak into the ground before the solvent evaporates, it may be poured into shallow containers to permit the solvent to evaporate before dumping.”*
- In 1964, the American Society of Metals recommended that: *“in the absence of any clearly defined ordinances, the sludge [from vapor degreasing] is usually poured on dry ground well away from buildings, and the solvents are allowed to evaporate. If the sludge is free flowing, it is placed in shallow open containers and allowed to evaporate before the solids are dumped on the ground”*.¹²
- In 1967, the American Insurance Association’s Chemical Hazards Bulletin stated that chlorinated hydrocarbon wastes should be, *“moved to a safe location (away from inhabited areas, highways, buildings or combustible structures) and poured onto dry sand, earth or ashes, then cautiously ignited,”* and in other instances the chlorinated hydrocarbon wastes, *“may be placed in an isolated area as before and simply allowed the liquid waste to evaporate”*.¹³

⁷ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/6005554020/LTR_REVIEW_01MAR1989.pdf

⁸ SBAPCD, Email Response to Public Records Act Request, 5/11/2023

⁹ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7727129876/PURCHASE-CREDITS_SUMMARY_02AUG1988.pdf

¹⁰ <https://dsc.duq.edu/cgi/viewcontent.cgi?article=3068&context=djr>

¹¹ https://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/1998/wqo98-05.shtml

¹² American Society for Metals, Metals Handbook Volume 2 Heat Treating, Cleaning and Finishing (8th Edition) (1964), 340.

¹³ American Insurance Association, Chemical Hazards Bulletin (issued October 1967 and revised March 1972), 41

- The California Porter Cologne Water Act was enacted in 1970¹⁴, as was the legal requirement for registration of liquid waste haulers¹⁵. Irrespective of the failure of the RWQCB to identify the potential for possible solvent discharges in 1980, the first RWQCB water quality control/Basin Plan did not even exist until 1971¹⁶, pointing to a general lack of understanding at the State and regional level of a need for regional water boards to oversee activities such as potential waste-discharges from degreasing operations like at the SEMCO Facility.
- In 1972, California passed the Hazardous Waste Control Act (Attachment 1.3), where prior to this, *“Certain volatile substances are, however, being disposed in open air dumps with insufficient supervision and control to prevent the possibility of creating serious risk of injury or disease to human health and animal life.”* (Attachment 1.4).
- In 1975 the Santa Barbara APCD passed their first iteration of Rule 321, “RE Solvent Cleaning Machines and Solvent Cleaning” <https://www.ourair.org/wp-content/uploads/R321BP-05-2009.pdf>
- The Federal Resource Conservation and Recovery Act (RCRA) was signed into law in 1976 and provided a framework for the management of hazardous and non-hazardous solid wastes. However, it was not until 1980 that the first regulations were promulgated under RCRA.¹⁷
- In 1977 the County of Santa Barbara issued a Santa Maria Basin Report which only noted water quality concerns about salts and Nitrates.

Given all of the instances above where the RWQCB itself did not flag degreasing/solvent use during a SEMCO Facility inspection in 1980; where industrial-standards/practices were evolving; and/or either a State, regional or local entity had not specifically identified the SEMCO Facility and/or in general did not have specific laws or regulations even into the 1970s clearly applying to degreasing/solvent waste disposal, it is not expected that the SMPAD as a landowner from 1964 to 1968 would have known about SEMCO's specific operations; or, have had awareness or any knowledge of the possibility of discharges creating a condition of nuisance or pollution.

- 2) The DOD should be added as a party to the Draft CAO. The Draft CAO states that there were two former Army Airfield USTs on the SEMCO Property,¹⁸ *“One 1,500-gallon fuel oil UST, identified as T1242, was located beneath the Site in an area that is now a parking lot north of the former Semco building. There are no records indicating UST T1242 was removed or closed in place. As documented in Santa Barbara County's file, there are records that USACE removed one UST at the Site, identified as T1273, on December 17, 1990. UST T1273 was allegedly located on a concrete slab north of a warehouse identified as Building T1273 (Building T1273 is included on the Basic Layout Plan dated 1945). However, UST T1273 is not shown on the 1945 Basic Layout Plan.”* The Draft CAO also states,¹⁹ *“Additionally, records indicate two USTs¹⁷ were located in the northern portion of the Site and were not associated with areas where TCE and VOC use was expected or documented by the USACE (such as the airport hangers motor or sheet metal repair shops, etc.). Also, the locations of the aforementioned former USTs do not correlate with the Site's source area location, where the highest concentrations of TCE and petroleum hydrocarbons have been reported in soil, soil gas, or groundwater.”* However, the Draft CAO does not cite to the more than eight feet of petroleum free product identified at the Property (as discussed further in Item 4).

¹⁴ 1971, RWQCB Central Coast Region 3 Water Quality Control Plan (WQCP)

¹⁵ <https://babel.hathitrust.org/cgi/pt?id=uc1.c109116127&view=1up&seq=473> and Sacramento Bee, 9/20/1970

¹⁶ 1971 and 1975, RWQCB Central Coast Region 3, WQCPs

¹⁷ 45 FR 33084:33133 (May 19, 1980).

¹⁸ Draft CAO, Item A6, Footnote 17

¹⁹ Draft CAO, Item A4

In making these statements in the Draft CAO, the RWQCB is citing that the United States Army Corps of Engineers (USACE) and by extension the DOD were responsible for the USTs on the SEMCO Property. Also, the Draft CAO states that prior to the County and City becoming owners in 1947 the Army Airfield had substantial USTs and hazardous/flammable liquids and the potential to have used trichlorethylene (TCE) and volatile organic compounds (VOCs). Based on USACE/DOD documentation they also concurred in being responsible for the Army Airfield USTs, where the 2014 DOD NDAI document stated, “A Findings and Determination of Eligibility (FDE) signed in 1989 (see Atch 4) found that the Santa Maria Army Airfield qualified as a FUDS. The associated Inventory Project Report (INPR) (see Atch 5) written in the early 1990s recommended the creation of a containerized hazardous, toxic and radioactive waste (Con/HTRW) project to remove old underground storage tanks. In 1994, a revision to the INPR was submitted and in June 1995 both a Con/HTRW and an HTRW project were authorized.”²⁰

Although the location of the SEMCO Facility may not be where TCE and VOC use in the RWQCB's opinion, “was expected or documented by the USACE,” the RWQCB overlooks that very little to no VOC analysis was conducted by the USACE associated with the UST abandonment/investigation/remediation effort, let alone evaluating past pipelines into and within buildings from the tanks. In at least one instance when VOCs were analyzed for during the USACE UST effort, VOCs were detected (Tank 1317 [Lube Oil Pump House]²¹, where Tank 1317 was located approximately 1,200 feet south of the SEMCO Facility, immediately adjacent to the Mafi Trench Site [See Attachment 2.1]).²² Tank 1317 was not located in an area where “hangers, motor or sheet metal repair shops” existed and samples collected on behalf of the USACE detected halogenated compounds in sludge at 1,100 parts per million (ppm); and PCE in liquid at 0.06 ppm (57.9 parts per billion). A Mr. Frank DeMargo (sic) from the RWQCB was reportedly consulted by the USACE regarding the detections.²³ Despite all of this evidence, and known discharges of contaminants associated with former Army operations at the Army Airfield, the RWQCB absolved the DOD of any responsibility specific to SEMCO in 2014.²⁴

Beyond the known detection of VOCs associated with former Army Airfield operations, the specific operations in World War II at this Army Airfield are very likely to have used chlorinated solvents.

- The Army Airfield was home to both a critical training function for P-38 propeller powered airplane fighter pilots,^{25,26} and also was one of four bases in California for the secret P-59 jet fighter airplanes during and after World War II (See inset below, with full 1945 Santa Maria Times article in Attachment 2.2 and 412th Fighter Group jet images in Attachment 2.3).^{27,28,29}

²⁰ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/8907376945/Master_SMAF_14_NDAI.pdf

²¹ https://geotracker.waterboards.ca.gov/view_documents?global_id=T0608300505&enforcement_id=6268016

²² https://documents.geotracker.waterboards.ca.gov/esr/uploads/geo_report/1974251806/SLT3S0301290.PDF

²³ 3/22/91 Memo by USACE, PDF Page 33-34 within

https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/3843307316/41317_SECTION%203%20&%204-OCR.pdf

²⁴ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/1984756946/SEMCO-NDAI_email-granthimebaugh.pdf

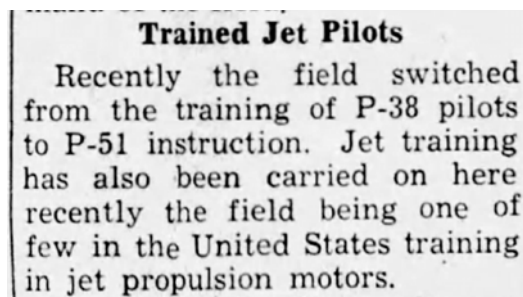
²⁵ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/1984756946/SEMCO-NDAI_email-granthimebaugh.pdf

²⁶ https://santamariatimes.com/shirley-contreras-when-the-p-38-lightning-flew-above-santa-maria/article_7d1788cd-3570-587a-8ee6-e6160628e129.html

²⁷ <https://www.historynet.com/how-the-bell-p-59-aeracomet-became-americas-first-jet-fighter/>

²⁸ <https://archive.org/details/jetpropulsionpro00nevi/page/n127/mode/2up?q=%22P-59A%22>

²⁹ 2000, Pace, S. Bell P-59 Aeracomet Book.



- In fact, leading up to the closure of the Santa Maria Army Airfield, the 412th Fighter Group it housed was growing with addition of key additional squadrons up to and into 1945 within the 412th Fighter Group, as noted here:³⁰

"412 FG was established at Muroc AAF on 30 November 1943 as the USAAF's - in fact, America's - premier jet airplane equipped fighter unit. As part of the 4th Air Force, the 412 FG formed three squadrons: the 29th Fighter Squadron (FS) - "Gamecocks"; 31st FS - "Foxes"; and the 445th FS. Respectively, these three squadrons would go on to operate P-59As and P-59Bs. ...

It was during the late 1944-to-late 1945 time period that several additional squadrons were attached to the 412 FG. These were comprised of the 361st FS, 615th Air Engineering Squadron (AES), and the 624th Air Material Squadron (AMS). Another lesser-known P-59 unit - the 440th Army Air force Base Unit, a training squadron - was in operation at Santa Maria by late June 1945."

- 1945 documentation from the US Army Air Corps/Air Force clearly indicates TCE solvent use in maintenance degreasing operations.^{31,32,33}

Given this, the Army Airfield would have been prioritized to be performing the highest level of aircraft maintenance (likely including chlorinated solvents for degreasing).³⁴ The 2014 DOD NDAI³⁵ declaration notably makes no mention of the jet-fighter function of the Army Airfield and does not explicitly note the two tanks on the SEMCO Facility.

Based upon all of the above, if past owners of the Property are considered dischargers by the RWQCB, the DOD/US Army former Airfield operations should not be overlooked, in that the Army Airfield both used chlorinated solvents and likely discharged them and was both an owner and operator at the SEMCO Property (in addition to potential petroleum/heating fuel comingling discussed below). The dismissal by the RWQCB of any Army Airfield UST/and or operational area for chlorinated solvent use/discharge, without further evaluation is not merited.

³⁰ <http://usafunithistory.com/PDF/0400/412%20TEST%20WG.pdf>

³¹ 1945, Industrial Medicine in AAF: <https://hdl.handle.net/2027/osu.32436001888922?urlappend=%3Bseq=126%3Bownerid=115275249-130>

³² 1945, Trichloroethylene Degreasing: <https://hdl.handle.net/2027/mdp.39015072234597?urlappend=%3Bseq=360%3Bownerid=13510798889134683-416>

³³ 1945, Industrial Solvents in the AAF: <https://hdl.handle.net/2027/osu.32436001888922?urlappend=%3Bseq=203%3Bownerid=115275249-207>

³⁴ Doherty, 2012. The Manufacture, Use, and Supply of Chlorinated Solvents in the United States During World War II, Environmental Forensics, 13:1, 7-26

³⁵ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/8907376945/Master_SMAF_14_NDAI.pdf

- 3) The Draft CAO oversimplifies the historical SEMCO data, and does not include some key applicable facts.
- As noted above in Comment 2, the Draft CAO does not adequately consider past solvent use, operations and liability for USTs related to the DOD and past Army Airfield operations and presence of hydrocarbon free product.
 - Draft CAO Item A17 references, *"increasing trends in groundwater waste concentrations"* to suggest that soil contamination is continuing to impact groundwater.; and Draft CAO Item A14 references shallow and deep groundwater results from three separate investigation phases over 45 years (1987 to 2022), each approximately 20 years apart with varying concentrations, sampling methods (developed wells vs possible grab samples), and depths ranging from 5 feet to 50 feet below ground surface (bgs). For example the Draft CAO reports TCE in shallow groundwater at 430,000 micrograms per liter (ug/L) from 1987 to 1991, 300 ug/L in 2003, and 350,000 ug/L in 2021/2022. Although there may be substantial variability in the groundwater data, given the sporadic nature of the past investigations and data availability an "increasing trend" may or may not be observed.
 - Draft CAO Item A18 states, *"Groundwater has historically flowed south to southeast in the shallow zone and south to southwest in the deep zone."* In the 1991 ERCE Report documenting installation of the deeper "DMW" monitoring wells, uncertainty was expressed about the deeper groundwater flow direction, which at the time was indicated as being towards the north.³⁶ A 2004 report by Everest Services Inc. prepared for Concha Investment for the SEMCO Facility indicates that deep monitoring well DMW-1 was abandoned and that all wells were re-surveyed, and the resurvey resulted in a change in reported top of casing elevations for wells DMW-2 through DMW-4 of between 2.24 and 2.29 feet relative to earlier elevations.³⁷ The 2021 most recent groundwater report for the SEMCO Facility³⁸ indicates that well DMW-3 could not be located and also that a previously undocumented well "DMW-5?" may exist.
 - In 2003, the RWQCB sent a letter to Chris Mathys of ORO Financial (owner of the SEMCO Property at the time), and indicated that, *"We were also reviewing the nearby Mafi-Trench site file and found that it was difficult to see any correlation between the groundwater potentiometric surface at the two nearby sites."*³⁹
 - Given the sporadic nature of the deeper groundwater level information, the substantial change in reference point elevations and the uncertainty over how many deep monitoring wells have existed/do exist at the SEMCO Facility, it is speculative as to what the applicable deeper groundwater flow directions have been.
- 4) Although the SEMCO Facility is a source of impacts to the subsurface, there is a potential co-mingling of different constituents; and, given the uncertain groundwater flow directions, the potential co-mingling of impacts from multiple sources.
- In 1990, the RWQCB documented the discovery by SEMCO's consultant of approximately 8.5 feet of free product on the water table at the SEMCO Facility.⁴⁰ Although at the time, the petroleum hydrocarbon fluids were attributed to being cutting oil intermixed with VOCs, there is no definitive documentation whether the petroleum hydrocarbons might have been from cutting oils, or other oil (possibly related to former

³⁶ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/8375035166/GW_INVEST_DEEP-AUQ_PH2_APR1991.pdf

³⁷ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/2973249673/2003%20third%20quarter%20monitoring%20report%20semco.pdf

³⁸ https://documents.geotracker.waterboards.ca.gov/esl/uploads/geo_report/1012124121/SLT3S2411351.PDF

³⁹ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/2057216823/04-30-2004_LTR.pdf

⁴⁰ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/1143435418/MEMO_INTERNAL_CAO89-070_18JAN1990.pdf

DOD/Army Airfield operations). The consultant for SEMCO in 1989 noted, *“A vertical chemical variation within this free product plume appeared to be present during sampling. The portion of the free product located just above the water table in both wells appeared less viscous than the overlying portions of the free product found in SMW2, perhaps suggesting a difference in composition over the length of the free product column. In addition, the basal portion of the free product appeared to contain halocarbons.”*⁴¹

- There is a clear factual change in SEMCO Facility operations^{42,43} where in numerous documents a transition from TCE to 1,1,1-TCA used for degreasing is noted in the 1980s. The presence of 1,4-dioxane associated with 1,1,1-TCA may present an important date/time indicator as to timing of discharges/masses released. The presence of 1,4-dioxane generally indicates some contribution/co-mingling with more recent solvent use/discharges/releases.
- Consultants for the Mafi Trench Site have asserted that the SEMCO Facility is the source of TCE detected in the on-Mafi Trench deep monitoring well; however, the Mafi Trench Site is due south of the SEMCO Facility, where as noted above, there is uncertainty on the deeper groundwater flow directions, indicating an incomplete understanding, or comingled contributions to the deeper groundwater bearing zone:
 - In a recent RWQCB summary of the Mafi Trench site online it is quoted that, *“The groundwater flow direction within the perched groundwater zone is toward the west to southwest. During the operation of the remediation system the groundwater flow direction was reported to flow toward the northwest at times.”* and *“The regional aquifer groundwater flow direction is toward the west-northwest. Historical water well records indicate that groundwater within the regional aquifer fluctuates between approximate depths of 90 feet to 220 feet. Discontinuous zones of perched groundwater are known to exist within the Basin.”*⁴⁴
 - In a report prepared by a consultant for the Mafi Trench entity; in spite of their estimated shallow and regional groundwater flows being to west/southwest, northwest, or west-northwest, *“Padre concluded that the trichloroethene (TCE)-impacted groundwater within the regional aquifer beneath the Project Site is likely associated with the former SEMCO facility located 255 feet northeast of the Project Site (Padre, 2019). Therefore, continued monitoring of well DW-1 (deep, regional aquifer well) is not proposed as part of the Updated MRP.”*⁴⁵
 - In a report by a consultant for Mafi Trench in 1991, boring B8, located east of the Mafi Trench site building detected 1,1,1-Trichloroethane (1,1,1-TCA), 1,1-dichloroethane (1,1-DCA) and Toluene, indicating impacts in a wide-spread area. The Mafi Trench Site also detected tetrachloroethylene (PCE) in groundwater.

⁴¹ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/5084904551/REPORT_SUBSURFACE-INVEST_PHASE2_DEC1989.pdf

⁴² https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7727129876/PURCHASE-CREDITS_SUMMARY_02AUG1988.pdf

⁴³ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7054533243/LEGAL_CORRESP_RECEIPTS_31MAR1988.pdf

⁴⁴ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7181836783/Mafi%20Groundwater%20Information%20-%20Case%20Information.pdf

⁴⁵ https://documents.geotracker.waterboards.ca.gov/esi/uploads/geo_report/2047083973/SLT3S0301290.PDF

- 5) As indicated in the two timelines below, the DOD and SEMCO both were owners and operators of the SEMCO Property and the challenges faced by the RWQCB in driving any meaningful remediation/investigation has resulted in current day greater costs and scope than if effective investigation/remediation had been realized in the 1980s/1990s.

○ **OWNERSHIP:**⁴⁶

- <1942: Approximately 3,100 acres of land is acquired for the Army Airfield. Prior to the development of the airfield in 1942 the land was undeveloped and covered with brush and eucalyptus trees.
- 1942–1946: The Army Airfield was commissioned in 1942.
- 1946: The Army Airfield was placed on surplus property list.
- 1947: the County of Santa Barbara acquired the property by means of an interim permit issued by the War Assets Administration.
- February 1949: The Army Airfield was quitclaim deeded to the County of Santa Barbara and the City of Santa Maria, each with a one-half interest. Use of the former Army Airfield was restricted by deed to public airport purposes with a recapture clause, which was later removed.
- 1949-1964: The Santa Maria Public Airport was managed jointly by the City of Santa Maria and County of Santa Barbara.
- 1964: The City of Santa Maria and the County of Santa Barbara formed a district for the joint management of the former Army Airfield. The former Army Airfield was transferred to SMPAD in March 1964.
- 1947>1968, the SEMCO Property was leased to SEMCO for operations.
- May 1968: the SEMCO Property was sold by SMPAD to the Staffords. The Staffords owned the Property until 2001.
- 2001: The Staffords defaulted on their loan.
- August 2002: Ownership of the SEMCO Property was transferred to Oro Financial of California, Inc. as a partial payment of debts.
- December 2002: Ownership of the SEMCO Property was transferred to Concha Investments, Inc.
- June 2006: Ownership of the Property was transferred to Chris Mathys.
- May 2009: Ownership of the Property was transferred to Platino, LLC.
- August 2010: Ownership of the Property was transferred to Rhine L.P.⁴⁷

⁴⁶ Santa Maria Airport SMX, History (<http://www.santamariaairport.com/about-the-airport/history/>); Ruhge, J., Historic California Posts, Camps, Stations and Airfields – Santa Maria Army Air Field, (<https://www.militarymuseum.org/SantaMariaAAF.html>); Draft CAO: April 14, 2023; Department of the Army, No Department of Defense Actions Indicated (“NDAI”) at Former Santa Maria Army Airfield FUDS No. J09CA061901 (January 17, 2014).

⁴⁷ Email from Ana Melendez (State Water Resources Control Board) to Nicholas Mirman (Assemblymember) regarding November 10, 2022 letter (November 11, 2022).

○ **Post 1980-Environmental Timeline**

- 1980, threat of impacts to the subsurface from SEMCO operations identified by the RWQCB, with no mention of degreasing or potential VOC discharges/impacts (Attachment 1.1).⁴⁸
- 1985, RWQCB first involvement with SEMCO associated with solvents/VOCs.⁴⁹
- 1987, first RWQCB CAO.⁵⁰
- 1988, RWQCB concerns are expressed as, “contamination found at the Semco site is not minor” ... “[t]hese high concentrations pose a significant threat to water quality”.⁵¹
- 1989, second RWQCB CAO,⁵² with subsequent letter by the RWQCB stating, “Continued delays in cleanup will only allow the organic contaminant plumes to spread, and the cost of cleanup to increase.”⁵³
- 1993, a staff report for a RWQCB Board meeting stated,⁵⁴ “It is apparent from review of the files there has been a great deal of “foot dragging” and denial of responsibility by SEMCO. Apparently, SEMCO is still denying its responsibility in spite of the overwhelming evidence they are the source.

Basically, six years have been spent assessing the extent of contamination at this site. It has been eight years since the problem was first discovered. The shallow ground water zone dewatering system was constructed and operated for one month, June 1992.

The treatment system's carbon canister fouled (with what, is unknown at this time) and the system was shut down.” ...

“Semco missed a unique opportunity (toward the end of a drought) to dewater the shallow perched ground water zone and remove the solvents and cutting oil. The winter rains have likely increased the amount of water in the shallow zone to be removed and caused more vertical migration of solvents and lateral spreading of cutting oil (leading to more expense for Semco to assess and remediate)”.

- In 1994, the California Department of Toxic Substances Control (DTSC) issued an Imminent and Substantial Endangerment Determination.⁵⁵
- In 2010, a RWQCB review of the SEMCO file the RWQCB stated,⁵⁶ “The SEMCO case has been active for 20-25 years, yet site soil, shallow groundwater and deeper supply aquifer groundwater remain significantly impacted primarily by hundreds ppb (and higher) solvents and TPH (and most recently, free product), the full spatial extent of pollution is unknown, the pollution appears to be worsening in some respects, Board orders are not being complied with, and there has been no environmental progress, or activity, on the case since 2003.” and “Therefore, pursuant to existing Board orders, this case must be advanced to complete plume definition and remediation. Before commencing additional plume definition and

⁴⁸ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/4504290521/STAFF-LTR_CA-REQ_20AUG1980.pdf

⁴⁹ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/4504272282/PHONE_LOGS_RB3_1985-1988.pdf and https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/9924794077/MEMO_TCE_27AUG1985.pdf

⁵⁰ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/7741810679/CAO_87-188_25SEPT1987.pdf

⁵¹ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/3204609513/NOV_WP-INCOMPLETE_03AUG1988.pdf

⁵² https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/6005554020/LTR_REVIEW_01MAR1989.pdf

⁵³ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/1251357853/LTR_CLEANUP_26JULY1989.pdf

⁵⁴ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/6184140861/1993_feb12_Item5_BoardMinutes.pdf

⁵⁵ https://www.envirostor.dtsc.ca.gov/getfile?filename=/public%2Fdeliverable_documents%2F1906339883%2FSemco%20Twist%20and%20Drill%20IS%26E.pdf

⁵⁶ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/5560470402/10-10%20Case%20Summary.pdf

remediation, all existing monitoring devices should be monitored and sampled to indicate current conditions.”

- In 2014, a subsequent RWQCB review stated,⁵⁷ *“The SEMCO case has been active for 20-25 years, yet site soil, shallow groundwater and deeper supply aquifer groundwater remain significantly impacted primarily by hundreds ppb (and higher) solvents and TPH (and most recently, free product), the full spatial extent of pollution is unknown, the pollution appears to be worsening in some respects, Board orders are not being complied with, and there has been no environmental progress, or activity, on the case since 2003.”*
- 6) As a summary of the timelines, in terms of the ownership of and operations at the former SEMCO Property and the SMPAD:
- As noted throughout this letter, the SMPAD is not a discharger.
 - Semco was an operator from 1947>>2001 (for 54 years), and owner/operator from 1968>2001 (33 years)
 - The DOD was an operator and owner from ~1942>1947 (Owner & Operator [~5 years]), and accepted responsibility for their old tanks in the 1980s/1990s, including VOC wastes.
 - The City/County owned and/or controlled the Property from 1947>1964 (17 years)
 - Other entities owned and/or operated between 2001>2023 (22 years)

Please let us, or the SMPAD know if you would like to discuss these comments on the Draft CAO.

Sincerely,



Jon Rohrer, P.G., C.Hg.
Principal Hydrogeologist



Peter Shimer, P.G.
Senior Geologist

Attachments:

cc:

Joshua George
Groverman Hiete

⁵⁷ https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/8230578362/CASE_STATUS_JAN2014.pdf

ATTACHMENTS (in addition to in-text citations)

1. Supporting Documentation that SMPAD is not a Discharger
 - 1.1: 1980 RWQCB Inspection of SEMCO, with notation of illegal brine disposal/percolation AND potential threat to groundwater, with **NO** mention of degreasing and/or solvents
 - 1.2: 1969 City of Santa Maria Community Development Department Record of SEMCO development proposal
 - 1.3: 1972, Hazardous Waste Control Act (HWCA) Article
 - 1.4: 1971, HWCA Article
2. Supporting Information RE DOD Impacts and the Army Airfield Operations
 - 2.1: 2019 Mafi Trench Site Diagram (Padre, Plate 3, showing “Former Air Base Lube Oil Pump House”)
 - 2.2: 1945 Santa Maria Times Article RE Santa Maria Army Airfield Closing and Jet Training
 - 2.3: Excerpts from Bell P-59 Aeracomet book illustrating 1945 jet operations at the Santa Maria Army Airfield (Citation: Pace, photos by Lionel Paul)

Technical Comments on Behalf of the Santa Maria Public Airport District on the SEMCO Draft Cleanup and Abatement Order

ATTACHMENTS

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**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 1.1

1980 RWQCB Inspection of SEMCO, with notation of illegal brine disposal/percolation AND potential threat to groundwater, with NO mention of degreasing and/or solvents

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD—
CENTRAL COAST REGION1102 A LAUREL LANE
SAN LUIS OBISPO, CALIFORNIA 93401
(805) 549-3147

August 20, 1980

Semco Twist Drill & Tool Co., Inc.

2936 Industrial Parkway
Santa Maria, CA 93454Attention: Mr. Art Johnson,
Chief Metallurgist

Gentlemen:

On August 11, 1980, Mr. Ron Sherer of my staff inspected your facilities in Santa Maria, California. It was found that you were illegally discharging salt brines to the ground where it was allowed to percolate. This letter will confirm the discussion that took place between Mr. Sherer and Mr. Art Johnson of Semco Inc. during the inspection.

The Porter-Cologne Water Quality Control Act gives this Board the responsibility and the authority to protect ground and surface water quality of the Central Coast Region. Discharges of the type noted during the August 11, 1980 inspection is or threatens to degrade the ground water located below the site. Therefore, according to section 13304 of the Porter-Cologne Act, you are directed to immediately cease discharging wastes that may adversely affect state waters.

Mr. Johnson stated that sealed evaporation ponds or some other type of containment structures would be constructed to control the waste. You are requested to submit a report outlining the corrective action taken and, if appropriate, a timetable for implementing any additional work that may be needed to bring your facilities into compliance with state law. The report should be received in this office by September 9, 1980.

As discussed during the inspection, the salt residue in the existing percolation pit has to be removed and properly disposed of at a Class I disposal site.

If you have any questions concerning the authority of this Board or this letter, please contact Ron Sherer or William Meece at this office.

Very truly yours,

KENNETH R. JONES
Executive Officer

RHS:bf

bcc: City of Santa Maria, Ben Middleton

**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 1.2

1969 City of Santa Maria Community Development Department
Record of SEMCO development proposal

Santa Maria

Z-69-10 S.E.M. CO., INC.

Manufacturing plant in PC District,
2936 Industrial Parkway

November 19, 1969

EXHIBIT A

This proposal is to allow an amendment to the development plan for a PC (Planned Community) District which was originally approved under Z-68-22 for property located at the Santa Maria Public Airport, including portions of Skyway Industrial Park, Tract No. 5011.

The City Code sets forth that the PC Land Use District is designed to accommodate various types of development, including industrial development, providing the development is accomplished in such a manner as to be made compatible and appropriately a part of a planned unit development, and having consideration for the existing and proposed land uses in the area.

The Planned Community zoning of this airport property will allow the proposed industrial use to be conducted upon the property, providing it has the ability to meet City standards relative to vibration, smoke emission, air pollution, sound, odor, etc. The City's performance standards appear in Division 5 of Article V of Chapter 10 of the City Code.

S.E.M. CO. is a light industrial concern engaged in the manufacture of cutting tools which are shipped out of town to large firms. No products are sold locally.

The tools are light in relation to their cost, and therefore are shipped mainly by truck or airplane. Shipments are made once daily in the afternoon.

The tools are completely manufactured in the plant. No outside storage is proposed. The only new material used is steel, which is received from steel mills monthly. Incoming freight is minimal. If a change in the method of operation were proposed in the future to provide for outside storage or any other outside activity, it would be required to be screened from view from public streets and other public ways by the construction of a durable screening fence of cyclone steel with slats or a concrete block wall at least six feet in height.

The applicant states that the production does not cause any waste that must be disposed of, nor does it produce any toxic fumes in the air. If there is to be any discharge of waste into the city sewer system in the future, said discharge shall be in accordance with the requirements of the Public Works Department.

The manufacturing plant employs approximately 125 persons at the present time. It is anticipated that the number of employees will increase to approximately 300 persons within the next five years.

After occupying the new facilities, the present buildings will be demolished. This demolition is scheduled to take place during the summer of 1971.

RECEIVED
NOV 26 1969
SANTA MARIA PUBLIC
AIRPORT

The industrial development of this portion of the airport is in conformance with the adopted elements of the General Plan. The public facilities have been required under the subdivision procedure to accommodate industrial development. A railroad spur borders the rear property line.

The specific development proposed under this application is described on the following exhibits:

Exhibit B - Vicinity Map

This exhibit shows the location of the parcel which is to contain the proposed manufacturing plant on the east side of Industrial Parkway.

Exhibit C - Plot Plan

This exhibit shows the location of the building on the property. The building will contain 40,032 square feet and set back approximately 35 feet from Industrial Parkway. A utility vault is shown in front of the building. The size of the vault enclosure is approximately 20 feet in length by 6 feet in width. It is recognized that the size may be slightly different from this precise measurement, and in this event, the final size of the vault enclosure shall be approved by the Community Development Department.

The utility vault enclosure is set back approximately 9 feet from Industrial Parkway. The vault is designed also to serve as a base for the company's identification sign.

The original Planned Community development plan for this property requires that front yard setbacks shall be commensurate with the existing and established setbacks of the development in the area, but in no case shall a structure be built so as to encroach closer than 25 feet to the front property line.

The pad mounted transformer, the gas service meter, and the sign are items that would be permitted within the front setback area. Since this development proposes to locate both of the service meters within the slumpstone utility vault enclosure, and proposes this enclosure to serve as a base for the sign, it is felt that the proposal meets the requirements of the original development plan.

The rear portion of the lot as well as a part of the frontage on each side of the lot, is shown as being undeveloped. Buildings which are existing on the rear will be demolished by a date in 1971 specified in the developer's agreement with the Santa Maria Public Airport District. The present facility, which is located in one of these buildings, will remain in operation during the construction period, and then will be moved gradually into the new building. The remainder of the lot will be held for future expansion, although there are no present plans.

Any future expansion or other development of the property will be required to be approved by the Airport-City Development Committee and by the City and will be considered to be an amendment to this development plan.

The off-street parking area is located on the north side of the building, with additional spaces provided for visitors and executive parking along the west side of the building in the front.

The PC zoning states that parking will be required based on whichever one of the following formulas results in the greater number of off-street parking spaces:

(a) One space for each 2,000 square feet of gross building area, plus one space for each 2,000 square feet of area outside a building used for the processing or manufacturing associated with the proposed use, plus adequate spaces for visitor parking and for company and service vehicles; OR

(b) Two spaces for each three employees, based on the maximum number of employees working on any one shift, plus adequate spaces for visitor parking and for company and service vehicles.

Formula (b) would be used in this instance, as it is the formula that results in the greater number of parking spaces. Based on this formula, and the applicant's statement that 65 is the maximum number of employees working on any one shift, the total of 90 parking spaces shown on the plan will meet the parking requirement.

At the time of any future development, the parking situation would again be reviewed, and parking would be required for the total development based on the formulas given above or any amendment thereto.

The parking spaces and access areas shall be blacktopped, double striped and bumpered in accordance with city parking standards.

The plot plan now submitted is in too small a scale to precisely check the measurements of the individual parking spaces; therefore, a plan in a larger scale will be required. This plan shall show the dimension of all parking spaces, and the placement of the bumpers and the double striping, and shall be submitted to the Community Development Department prior to the issuance of the building permit. This plan may be accomplished in connection with the landscape plan, if desired.

The parking plan shall be implemented substantially as approved prior to occupancy, or a bond shall be posted to guarantee the implementation of the parking plan immediately after occupancy.

This exhibit also shows the areas on the site that are proposed to be landscaped. A precise landscape plan, showing the size and species of plants and the facilities for irrigation, will be required to be submitted to and approved by the Planning Commission prior to the issuance of the building permit. This plan shall show the location of the existing street trees. The landscaping shall be implemented substantially as approved prior to occupancy, or a bond shall be posted to guarantee the implementation of the landscape plan immediately after occupancy.

All public and private landscaping areas shall meet the requirements of the Recreation and Parks Department, and shall be permanently maintained with healthy, growing plant material, relatively free from weeds. All landscaped areas which are located within or adjacent to parking or vehicular traffic areas shall be protected from vehicular traffic by the installation of portland cement concrete or plant-mix asphaltic concrete curbing.

Exhibit D - Elevation Plans

This exhibit shows the architectural features of the building.

The over-all height of the building is shown to be 20 feet. The exterior of the building will be steel in varying shades of gold, for the north, east and south elevations, and a portion of the west elevation. The projecting office portion of the west elevation will be blue. The north and south elevations each contain a single overhead door; the east elevation contains five overhead doors.

The utility vault enclosure is proposed to be slumpstone on three sides, and open to the rear with screening, and will have a metal cover. The total height of the structure is shown to be 7 feet. This height may be increased slightly, and in this event, the final height of the vault enclosure shall be approved by the Community Development Department.

The utility vault and enclosure shall be constructed in accordance with the specifications and meeting the requirements of the Pacific Gas and Electric Company and the Southern Counties Gas Company.

The applicant states that construction is scheduled to begin in March of 1970, with completion scheduled for March of 1971.

The location of the trash container area shall be surfaced in concrete and shall be approved by the Public Works Department.

Any signs shall meet the requirements of the City Sign Code, and a sign permit is required.

Public improvements, where lacking, shall be accomplished under the subdivision requirements of Skyway Industrial Park, Tract No. 5011.

All surface drainage shall be handled in accordance with the requirements of the Public Works Department; any drainage discharged into Industrial Parkway shall be directed to one or more sumps upon the property and then drain through pipes through the curb to the public right-of-way in accordance with specifications of the Public Works Department.

A grading and drainage plan for the lot shall be submitted to and approved by the Public Works Department.

All public utility services, including electrical, telephone and community television antenna services, shall be placed underground in accordance with city requirements.

A drainage fee of \$500 per acre will be required to be paid in accordance with the requirements of the Santa Barbara County Flood Control District prior to the issuance of the building permit. If the fee has been paid, a letter from the Flood Control District stating this fact shall be submitted.

The storage of oil and any other flammable materials shall meet the requirements of the Fire Department.



CITY OF
SANTA MARIA

LaVonne McGee

COMMUNITY DEVELOPMENT DEPARTMENT

even

J. W. ABRAHAM, DIRECTOR

P. O. Box 1189
WALNUT 5-0951

Mr Berry -

Tacked is Exhibit A for
demo which contains the
amended page 3 re parking.

lm

**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 1.3

1972, Hazardous Waste Control Act (HWCA) Article

Industrial Waste Bill Is Now Law

SACRAMENTO (UPI) — Gov. Ronald Reagan has signed a bill requiring the state Department of Public Health to adopt regulations for handling and disposing of hazardous industrial waste.

The bill by Assemblyman John F. Dunlap, D-Napa, also requires the department to prepare a list of hazardous waste substances generated in the state.

By placing new controls on industry's handling of waste, Dunlap said, he hopes "it will become more advantageous to recycle rather than to simply abandon such substances in the nearest dump where the volatile substances are apt to spread into the community."

**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 1.4

1971, HWCA Article

Assembly Okays Bill Controlling Toxic Wastes

SACRAMENTO — Legislation prohibiting the release of wastes hazardous to human health was approved overwhelmingly by the Assembly this week. Assembly Bill 2914 by Assemblyman John F. Dunlap (D-Napa, Solano) is designed to encourage recycling of industrial waste material.

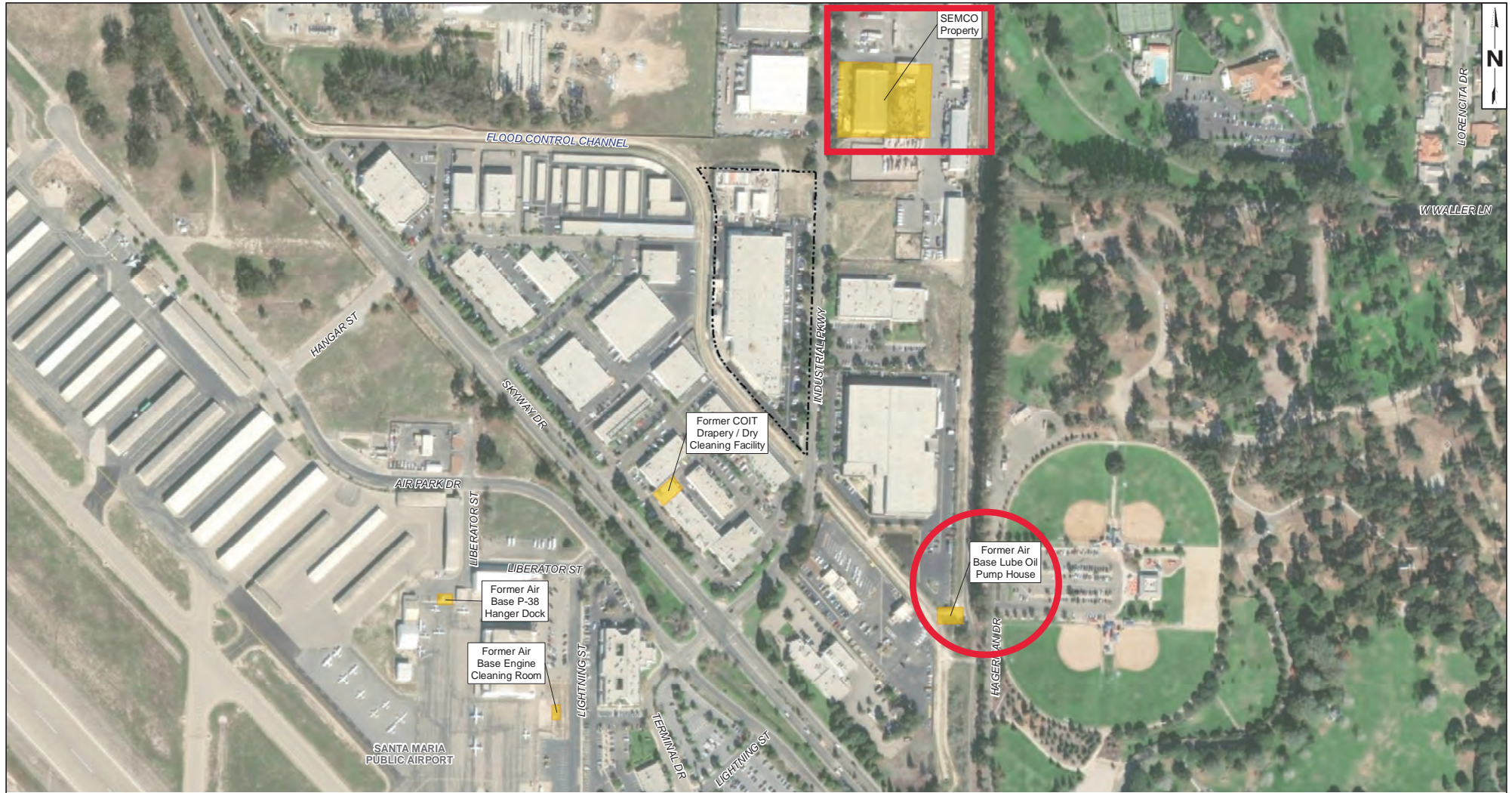
Dunlap said, "The major purpose of this bill is to prevent the spread of certain hazardous wastes through the atmosphere. The state Regional Quality Control Boards are basically doing a good job of preventing contamination of water. Certain volatile substances are, however, being disposed in open air dumps with insufficient supervision and control to prevent the possibility of creating serious risks of injury or disease to human and animal life."

The bill amends the Health and Safety Code to require that such toxics be stored in closed containers or be recycled. It further requires that manufacturers and transporters of industrial waste file a report describing the effluents stored or transported.

**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 2.1

2019 Mafi Trench Site Diagram (Padres, Plate 3, showing “Former Air
Base Lube Oil Pump House”)



LEGEND

- PROPERTY BOUNDARY LINE
- POTENTIAL SOURCES OF CHLORINATED VOCs

NOTES:

1. DATA SOURCES: SANTA BARBARA COUNTY ASSESSOR, ESRI ONLINE BASEMAP (DIGITALGLOBE 11/2016)
2. COORDINATE SYSTEM: NAD 1983 STATEPLANE CALIFORNIA V FIPS 0405 FEET
3. VOCs = VOLATILE ORGANIC COMPOUNDS
4. THIS MAP WAS CREATED FOR INFORMATIONAL AND DISPLAY PURPOSES ONLY.



padre
associates, inc.
ENGINEERS, GEOLOGISTS &
ENVIRONMENTAL SCIENTISTS

PROJECT NAME: EFT Enterprises, L.P.
3037 Industrial Park Way
City of Santa Maria,
Santa Barbara County, CA
PROJECT NUMBER: 1801-3361
DATE: December 2018

SITE PLAN SHOWING
POTENTIAL SOURCES OF
CHLORINATED VOCs

PLATE
3

SITE CONCEPTUAL MODEL

**3037 INDUSTRIAL PARKWAY
SANTA MARIA, SANTA BARBARA COUNTY, CALIFORNIA
(GLOBAL ID NO. SLT3S0301290)**

Prepared for:
EFT Enterprises, L.P.

January 2019

**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 2.2

1945 Santa Maria Times, Article RE Santa Maria Army Airfield Closing
and Jet Training

POWERED BY
NewspapersTM



Col. Russell immediately issued the following statement:

"Public relations has received an announcement of deactivation of Santa Maria Army Air Field as of Dec. 31, 1945.

"No immediate announcements have been made as to plans for deactivation or as to date that sections on the field may discontinue operations.

"It is desired that all employees cooperate with this command by continuing at their jobs until such time and details and plans are announced, as announcement of such plans may affect continued employment of a number of people."

Mark Cocuzzi, meteorologist on the air field, said this morning that the Department of Commerce will continue a permanent weather station in Santa Maria but that plans have not been completed for an exact location. "We have an important station here in the Pacific weather program," he said, "and arrangements are underway to continue activities."

Activated in 1942

The field was originally acti

ties.

Activated in 1942

The field was originally activated in the Spring of 1942, being under construction at that time. It was first under the Fourth Air Force and then the Second Air Force.

On Dec. 16, 1942, Lieut. Col. Adrien Cote came to the field from San Bernardino to assume command for the Air Service Command and to activate and train service groups. The field was under his command until April 28, 1943 when Col. Haynie McCormick became commander.

Col. McCormick remained here until Sept. 16, 1943 when the Fourth Air Force once again took over the field and Col. LeRoy Walthall was sent here as commanding officer for the training of P-38 pilots.

The latter part of March, 1944, Col. Ralph A. Snavely became commanding officer, remaining here two days at which time, on April 1, 1944, Col. Richard Grussendorf replaced him. Col. Grussendorf served until the latter part of December 1944 when Col.

of 100 photos.

The latter part of March, 1944, Col. Ralph A. Snavely became commanding officer, remaining here two days at which time, on April 1, 1944, Col. Richard Grussendorf replaced him. Col. Grussendorf served until the latter part of December 1944 when Col. Barton Russell, the present commanding officer, assumed command of the field.

Trained Jet Pilots

Recently the field switched from the training of P-38 pilots to P-51 instruction. Jet training has also been carried on here recently the field being one of few in the United States training in jet propulsion motors.

Col. John S. Chennault, son of Maj. Gen. Claire Chennault, former commander of the 14th

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Continued on Page 8, Col. 3

Air Field Closing Set For Year's End

Continued from Page 1

Air Force and of the Flying Tigers, was at one time stationed on the field.

The first contingent of Wacs arrived on the field the final week of August, 1944, commanded by Lieut Mary E. Linton.

The first wedding performed in the Air Field Chapel was that of Miss Lee Porter and Lieut. Edward Roed, postal officer and theater officer, on April 10, 1943. Latter he became field public relations officer.

**Technical Comments on Behalf of the Santa Maria Public Airport District on
the SEMCO Draft Cleanup and Abatement Order**

ATTACHMENT 2.3

Excerpts from Bell P-59 Aeracomet book illustrating 1945 jet operations at
the Santa Maria Army Airfield (Citation: Pace, photos by Lionel Paul)



Above, the 13th P-59B 44-22641 runs up the left engine at twilight, making it look like it had an afterburner, at Santa Maria, California, on 28 May 1945. The exhaust flame, looking like a comet's tail, led to the aircraft's official name - Airacomet. (AFFTC/HO) **Below,** P-59B-1-BE 44-22637 at Santa Maria in 1945. (via Lionel Paul)



were all gone - the 412th having completed its transition to P-80s Shooting Stars.

The plane's drawbacks could not be minimized, however. Not only had the Airacomet proved sluggish in performance – contemporary piston-powered and propeller-driven fighters literally flew circles around it – it was also unstable at high yaw angles, which required vigorous rudder correction. The aircraft had a tendency to snake, another characteristic of early jets. It therefore was not suited for combat. Being too slow and too

Attachment C

1 Department determines that there may be an imminent or substantial
2 endangerment to the public health or welfare or to the environment
3 because of a release or threatened release of a hazardous
4 substance.

5 6 II. FINDINGS OF FACT

7 The Department hereby finds:

8 2.1. Physical Description of the Site The SEMCO site
9 consists of approximately 7 acres of land in an industrial area of
10 Santa Maria. Four structures stand on the Site, including an
11 office structure, North and South buildings. The Site is bounded
12 on the east by a rail track.

13 2.2. Site History SEMCO Twist Drill and Tool Company
14 had operated as a machine shop producing oilfield related equipment
15 since 1949. The City of Santa Maria well No.2AS located 350 feet
16 south of the SEMCO office building, was shut down on May 10, 1985
17 due to Trichloroethylene, detected at 59 parts per billion
18 (drinking water standard is 5 ppb). Initially it appeared that the
19 contamination was due to illegal dumping of solvents next to the
20 well (surface staining was observed next to the well). The County
21 of Santa Barbara Environmental Health Services Department assessed
22 the illegal dumping and determined that the staining was merely
23 surficial. Attention was then directed towards SEMCO, located
24 immediately adjacent to the well. The Regional Water Quality
25 Control Board (RWQCB) inspected SEMCO in August 1987 and
26 subsequently issued Cleanup and Abatement Order CAO No. 87-188.
27 Soil and shallow ground water was investigated by the RWQCB and a

1 ground water extraction system was installed. SEMCO went out of
2 Compliance with CAO No.87-188 before the ground water extraction
3 system was fully operational. The Site was subsequently referred to
4 the Department of Toxic Substances on March 1, 1994.
5

6 2.3. Substances Found at the Site SEMCO used solvents
7 and cutting oils to manufacture drill bits and related cutting
8 tools. While operating, SEMCO caused (by poor house keeping,
9 accidents, fires, and/or deliberate dumping) Trichloroethylene
10 (TCE), cis-1,2-Dichloroethylene (DCE), 1,1,1 Trichloroethane
11 (TCA), and cutting oil contamination of soil and ground water.
12 Contamination levels detected in the shallow ground water and their
13 respective Maximum Contaminant Level (MCL) in parts per billion
14 includes TCE 270,000 (MCL 5), DCE 43,000 (MCL 6), TCA 5000 (MCL
15 200). The contaminants detected in the drinking water well are TCE
16 59, DCE 1.4, TCA 3.

17 2.4. Population at Risk There are eight municipal wells
18 within a one mile radius of SEMCO which service all 67,360
19 residents of the city of Santa Maria.

20 2.5. Health Effects Exposure to Trichloroethylene can
21 cause dermatitis, central nervous system effects, headaches, nausea
22 liver and kidney damage, paresthesia, and is a suspect carcinogen.
23 Dichloroethylene can cause liver, kidney and lung damage, central
24 nervous system effects, and is a potential human carcinogen.
25 Trichloroethane is noted for its narcotic effects, eye irritation,
26 conjunctivitis, central nervous system depression, cardiac
27 arrhythmias and dermatitis.

1
2 2.6. Routes of Exposure The routes of exposure are air,
3 dermal contact, ground water or ingestion.

4 **III. CONCLUSIONS OF LAW**

5 3.1. Trichloroethylene, 1,1,1 Trichloroethane, and 1,2
6 Dichloroethylene are "hazardous substances" as defined by Health
7 and Safety Code, Section 25316, and have been found in the soil and
8 ground water at the Site.


9 3.2. A "release" or threatened release of the hazardous
10 substance(s) has occurred at the Site, as defined by Health and
11 Safety Code, Section 25320.

12 3.3. The actual and/or threatened release of the
13 hazardous substance(s) at the Site may present an imminent and
14 substantial endangerment to the public health or welfare or to the
15 environment.

16 **IV. DETERMINATION**

17 4.1. Based on the foregoing findings of fact and
18 conclusions of law, the Department determines that removal or
19 remedial action is necessary at the Site because there may be an
20 imminent and substantial endangerment to the public health or to
21 the environment.

22
23 DATED: 6/13/94



Hamid T. Saebfar, Chief
Site Mitigation Branch
Regions 3 and 4

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cc: Vicki Vandergriff, Chief
Planning and Policy Unit
Site Mitigation Program
Department of Toxic Substances Control
8950 Cal Center Drive, Bldg. 3, Suite 101
Sacramento, CA 95826

Steve Koyasako
Staff Attorney
Office of Legal Counsel
Department of Toxic Substances Control
P.O. Box 806
Sacramento, CA 9512-0806

1 SEMC Twist Drill and Tool Company
2 2936 Industrial Parkway
3 Santa Maria, California 93454

4 Imminent and Substantial Endangerment Determination

5 The undersigned have reviewed the attached Imminent and Substantial
6 Endangerment. Determination regarding SEMCO and recommend that it
7 be approved and issued by the Department.

8 
9 _____
10 Signature of Project Officer

6-13-94

Date

11 
12 _____
13 Signature of Senior Regional Specialist

6/13/94

Date

14
15
16 _____
17 Signature of Attorney, Office of Legal Counsel

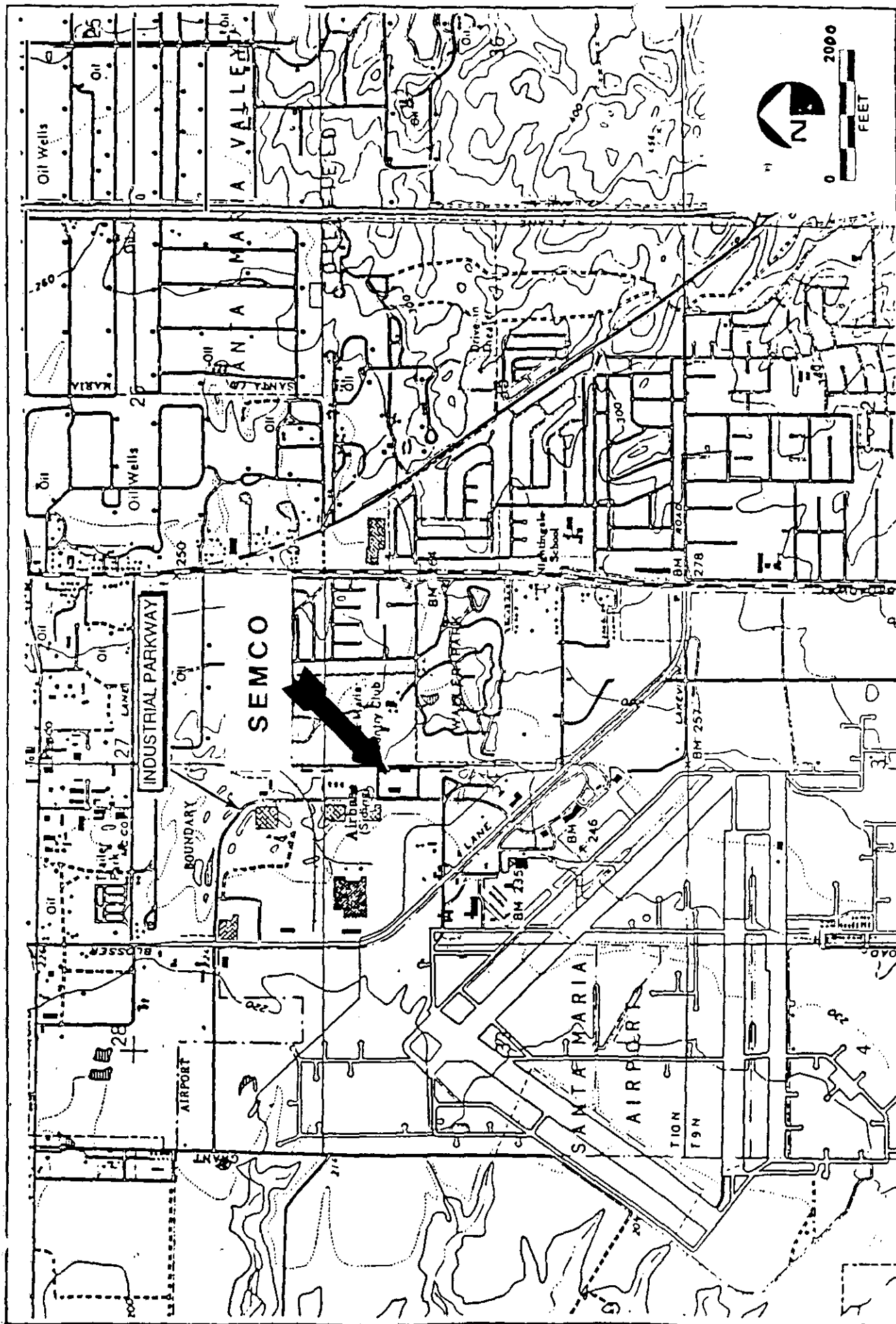
Date

18
19 
20 _____
21 Signature of Chief, Site Mitigation Branch

6/13/94

Date

EXHIBIT 1



FIGURE

1-1

Location of Project Area

From: TSPECTER--HW1
To: DSTUCK --HW1

Date and time 03/31/94 16:49:33

FROM: Trudy Specter
DTSC/Region 3 (Glendale)
(818) 551-2867 or CalNet 8-667-2867
Subject: site code

o.k.

*** Forwarding note from DSTUCK --HW1 03/31/94 16:48 ***
To: TSPECTER--HW1

FROM: Dave Stuck
Subject: site code

I will need a site code for SEMCO Twist Drill Co.. I'll be in on Friday after noon. I'm just letting you know while I have it on my mind.

E N D O F N O T E

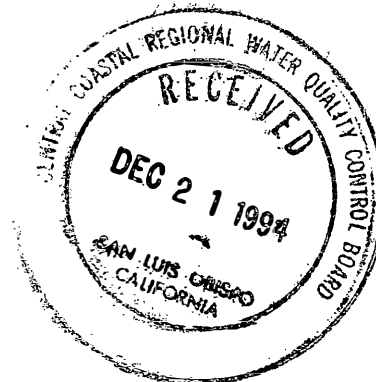
PF1 Alternate PFs PF2 Copy to PF3 Keep PF4 Erase PF5 Forward Note
PF6 Reply PF7 Resend PF8 Print PF9 Help PF10 Next PF11 Previous PF12 Return

DEPARTMENT OF TOXIC SUBSTANCES CONTROL

1011 N. GRANDVIEW AVENUE
GLENDALE, CA 91201
(818) 551-2800



December 16, 1994



Mr. Roger Briggs
Executive Director
California Regional Water Quality
Control Board - Central Coast Region
81 Higuera Street, Suite 200
San Luis Obispo, CA 93401-5414

Dear Mr. Briggs:

**SEMCO TWIST DRILL AND TOOL COMPANY GROUNDWATER TREATMENT SYSTEM
ACTIVATION**

The Department of Toxic Substances Control (Department) has completed the redesign, redevelopment and activation of the groundwater extraction and treatment system at the SEMCO Twist Drill and Tool Company (SEMCO) site. Pursuant to our December 14, 1994, telephone conference with Mr. Robert Baldridge and Mr. Frank Demarco, the Department is referring the SEMCO site to the Regional Water Quality Control Board (RWQCB).

The Department has completed the following actions: recharged the spent filter canisters, replumbed faulty piping and valves, redeveloped the extraction wells, prepared a water balance study, and prepared an Operation and Maintenance Plan for the system. Monitoring of the effluent has been conducted for the past three months. Average influent TCE concentrations were 55,000 ppb while the effluent has been non-detect to date. Effective December 31, 1994, the Department will terminate ongoing activities at the SEMCO site. The Department has been sampling on a monthly basis during the system start-up phase. The final sampling activity is being completed December 16, 1994.

The Department is recommending that SEMCO implement a quarterly sampling regimen. We also recommend that an asphalt or chip seal cap be installed to prevent recharge of the perched aquifer. Copies of the reports that were generated during the project will be provided by the Department.

SLIC/116

Mr. Roger Briggs
December 16, 1994
Page 2

If you have any questions regarding this letter, please
contact David Stuck at (818) 551-2863.

Sincerely,

A handwritten signature in dark ink, appearing to read 'H. Saebfar', with a horizontal line extending to the right.

Hamid Saebfar, Chief
Site Mitigation Branch
Regions 3 & 4

Attachment D

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Telephone: (808) 543-0990

Attorneys for Santa Maria Public Airport District

BEFORE THE STATE OF CALIFORNIA

STATE WATER RESOURCES CONTROL BOARD

In the Matter of:

CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD CENTRAL
COAST REGION CLEANUP AND
ABATEMENT ORDER NO. R3-2023-0070

Clean Up and Abatement No.: R3-2023-0070

**DECLARATION OF MARTIN PEHL IN
SUPPORT OF SANTA MARIA PUBLIC
AIRPORT DISTRICT'S PETITION TO
STAY CLEAN UP AND ABATEMENT
ORDER**

I, Martin Pehl, declare:

1. I have personal knowledge of the facts stated in this declaration and, if called as a witness, could and would testify competently to those facts.
2. I am an employee of the Santa Maria Public Airport District ("SMPAD"), the Petitioner in the Matter.
3. I am the General Manager for SMPAD and my primary responsibilities as General Manager are overseeing the day to day operations of the airport, including overseeing the finances of the airport.
4. I have worked in this capacity for SMPAD since April 3, 2023.

1 5. According to historical records, and my review of those records, SMPAD owned
2 the former SEMCO industrial site (the “Site”) located at 2936 Industrial Parkway, Santa Maria,
3 California from 1964 until 1968.

4 6. On or around August 1985, the Regional Board issued a Notice of Violation
5 (“NOV”) to SEMCO, stating SEMCO was a discharger of waste contamination from the Site
6 SMPAD. The Regional Board has been investigating the Site from 1985 through to the present
7 day, which is approximately 43 years.

8 7. Prior to 2021, SMPAD was never notified of the Regional Board investigations of
9 the Site, especially that the Regional Board may consider the SMPAD as a potential discharger.

10 8. On or around September 26, 2023, SMPAD received the Regional Board’s Clean
11 Up and Abatement Order No. R3-2023-0070 (“CAO”), naming SMPAD as a Responsible Party
12 and Discharger in the contamination of the SEMCO Site.

13 9. The CAO includes a Monitoring and Reporting Program related to the Site
14 (“Investigation Activities”). These Investigation Activities will require parties to retain a
15 professional consulting and engineering firm to comply with the various requirements. It appears
16 based on my experience and knowledge of such investigation, that the Investigation Activities
17 likely will be extremely costly. Further, there will likely be some type of remediation program that
18 follows from the Investigation Activities. Again, it is likely that such activities will be extremely
19 expensive.

20 10. SMPAD is a small public agency with extremely limited funding. There is no current
21 budget for such costs and it is unlikely to have any such budget for these types of expenditures in
22 the future.

23 11. It is my opinion that the anticipated substantial costs and burden of implementing
24 CAO to complete the required actions would overwhelm SMPAD and will cause substantial harm
25 to the public agency’s finances.

1 I declare under penalty of perjury under the laws of the State of California that the foregoing
2 is true and correct. This Declaration is executed on October 24, 2023, at Santa Maria, California.

3 
4 MARTIN PEHL