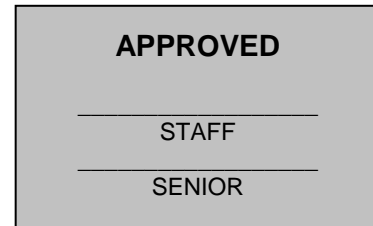


Central Valley Regional Water Quality Control Board

14 December 2016

Michael M. Miller
President
Original Sixteen to One Mine, Inc.
P.O. Box 909
Alleghany, CA 95910



SELF-MONITORING REPORT REVIEW AND NOTICE OF VIOLATION, ORIGINAL SIXTEEN TO ONE MINE, INC, SIXTEEN TO ONE MINE, SIERRA COUNTY

The Original Sixteen to One Mine (Facility) is owned by Original Sixteen to One Mine, Inc. (Discharger) and is regulated by Waste Discharge Requirements (WDRs) Order R5-2015-0002 and Time Schedule Order (TSO) R5-2015-0035. The Monitoring and Reporting Program (MRP) of the WDRs requires monitoring for constituents and other parameters and specifies the location and frequency of monitoring. Central Valley Water Board staff has reviewed the self-monitoring reports (SMRs) submitted by the Discharger for the **Third Quarter 2016** monitoring period.

Submitting SMRs to the Central Valley Water Board

The Discharger submitted the Third Quarter 2016 SMR electronically via the California Integrated Water Quality System (CIWQS) database as an electronic SMR. However, Central Valley Water Board staff identified several shortcomings in the electronic submittal and has concerns with the Discharger's ability to submit the required information in CIWQS at this time. While we strongly prefer to receive electronic SMRs, and the WDRs require that monitoring reports be submitted electronically, a Discharger must go through training before Board staff can authorize the submittal of electronic SMRs. Until such time that the Discharger, including the legally responsible officer (LRO) authorized to certify reports, is able to come into the Central Valley Water Board and receive comprehensive CIWQS training, ***please continue to submit all SMRs through the centralized general email box at the following address: centralvalleysacramento@waterboards.ca.gov***. Please contact Board staff to arrange a time for the training.

Because a hard copy SMR was not submitted, Board staff has utilized the electronic Third Quarter 2016 SMR to determine compliance with the WDRs and TSO. The cover letter submitted with the electronic SMR contains laboratory sheets that include monitoring results for the Third Quarter 2016 monitoring period. The review of the laboratory results identified the following violations:

Effluent Limitation Violations

The Discharger violated the effluent limitations for antimony contained in the WDRs and also the interim effluent limitations contained in the TSO, as listed in Table A below.

These violations appear to be subject to mandatory minimum penalties (MMPs). A final determination will be made at a later date.

Table A. Effluent Limitation Violations

Date	Parameter	Units	Measured	WDRs Limit	TSO Limit	Period	CIWQS
7/31/2016	Antimony	µg/L	49.3	6	35	Average Monthly	1016605 ¹ 1016607 ²
9/29/2016	Antimony	µg/L	60	6	50	Daily Maximum	1016612 ¹ 1016613 ²
9/30/2016	Antimony	µg/L	60	6	35	Average Monthly	1016606 ¹ 1016608 ²

¹ Violation for exceeding WDRs effluent limitation. The Discharger self-reported this violation in CIWQS.

² Violation for exceeding TSO effluent limitation.

Effluent Limitation Violations in Compliance with TSO

The Discharger violated the effluent limitations for antimony, arsenic, cadmium, and nickel, as listed in Table B below. However, the Discharger was in compliance with the interim limits contained in the TSO. These violations do not appear to be subject to MMPs. A final determination will be made at a later date.

**Table B. Violations Exceeding Effluent Limitations in Compliance with TSO
(Not Likely Subject to MMPs)**

Date	Monitoring Location	Parameter	Units	WDRs Limit	TSO Limit	Measured	Period	CIWQS
9/27/2016	EFF-001	Nickel	µg/L	43	200	153	Daily Maximum	1016610
9/30/2016	EFF-001	Nickel	µg/L	21	150	153	Monthly Average	1016611
9/29/2016	EFF-001	Arsenic	µg/L	20	1000	278	Daily Maximum	1016614
9/30/2016	EFF-001	Arsenic	µg/L	10	700	278	Monthly Average	1016615

Monitoring and Reporting Violations

The Discharger failed to monitor several parameters during the Third Quarter 2016, as shown in Table C.

Table C. Monitoring and Reporting Violations

Date	Parameter	Units	Location	Required Monitoring Frequency	Reported Monitoring Frequency	CIWQS
Third Quarter 2016	Flow	MGD	EFF-001 RSW-001	1/Quarter	0/Quarter	1016617
	Temperature	°C	RSW-001 RSW-002	1/Quarter	0/Quarter	
	Dissolved Oxygen	mg/L	RSW-001 RSW-002	1/Quarter	0/Quarter	

Please note that failure to monitor in accordance with the MRP may subject the Discharger to discretionary penalties of \$1,000 per day per incomplete report. ***The Discharger is currently subject to more than \$41,000 for failure to submit a complete Third Quarter 2016 SMR. This***

discretionary amount does not reflect previous potential liabilities which have accrued for deficient monitoring as described in subsequent NOV's.

Area of Concern

On 21 April 2016, Board adopted Administrative Civil Liability Order (ACLO) R5-2016-0021, which charges the Discharger with administrative civil liability penalty in the amount of \$6,000 representing the sum of accrued MMPs for effluent violations. The Discharger thus far has paid \$4,500; therefore, a balance remains past due in the amount of \$1,500. The ACLO required the Discharger to make the payment within 30 days of adoption of the Order (due in full by 21 May 2016). Failure to pay the penalty in full forthwith may subject the Discharger to additional penalties.

Delinquent Reports under WDRs

As a reminder, the Discharger has failed to submit several technical reports which are required by the WDRs. Table D below includes a comprehensive list of outstanding technical reports since the adoption of the WDRs.

To date, the Discharger has failed to submit the *TRE Workplan, RL, MDL, and Methods Report, Pollutant Minimization Program Annual Status Report, an adequate Mining Waste Pile Characterization Study Workplan and Time Schedule, and the Mining Waste Pile Characterization Report*, as shown below in Table D.

The Discharger is in violation of Water Code section 13267 for failure to report in accordance with the WDRs and Board staff has recommend that civil liabilities (i.e. monetary penalties) be assessed against Original Sixteen to One Mine, Inc.

As of 14 December 2016, **the maximum liability for delinquent reports under the WDRs R5-2015-0002 is \$2,114,000** as shown in Table D.

Table D. Potential Maximum Liability for Non Submittals under WDRs

Due Date	Report	Liability Assessment Date	Days Late	Maximum Liability	Item Status
6/1/2015	Mining Waste Pile Characterization Study Workplan and Time Schedule	12/14/2016	428	\$561,000	Materially Deficient
7/15/2015	TRE Workplan	12/14/2016	384	\$517,000	Delinquent
4/6/2015	RL, MDL, and Methods Report	12/14/2016	484	\$617,000	Delinquent
2/1/2016	Pollutant Minimization Program Annual Status Report	12/14/2016	183	\$316,000	Delinquent
9/1/2016	Mining Waste Pile Characterization Report	12/14/2016	103	\$103,000	Delinquent
				Total Liability	\$2,114,000

The Discharger's next deliverable under the WDRs is a *Pollutant Minimization Program Annual Status Report*, which is due 1 February 2017.

Delinquent Reports under TSO

In addition to the delinquent reports required by the WDRs, the Discharger has failed to submit a *Progress Report* required by the TSO. This *Progress Report* was due 31 January 2016 and shall detail the steps taken to comply with the TSO, including documentation showing completion of tasks, construction progress, evaluation of the effectiveness of the implemented measures, and assessment of whether additional measures are necessary to meet the compliance dates.

The Discharger is in violation of Water Code section 13267 for failure to report in accordance with the TSO and our next step is to recommend that civil liabilities (i.e. monetary penalties) be assessed against Original Sixteen to One Mine, Inc.

As of 14 December 2016, **the maximum liability for the delinquent report under TSO R5-2015-0035 is \$317,000** as shown in Table E.

Table E. Potential Maximum Liability Non Submittals under TSO

Due Date	Report	Liability Assessment Date	Days Late	Maximum Liability	Item Status
1/31/2016	Progress Report	12/14/2016	317	\$317,000	Delinquent
			Total Liability	\$317,000	

The Discharger's next deliverable under the TSO is the *2016 Annual Progress Report*, which is due 1 January 2017.

Action Items

Please submit the delinquent and deficient reports outlined in Tables D and E forthwith to avoid accruing additional penalties. Be advised that continued failure to comply fully with reporting requirements may result in staff recommending additional enforcement, which may include the issuance of an additional administrative civil liability complaint of up to \$1,000 per day for late or inadequate reports. **Currently, the total maximum liability for delinquent reports under the WDRs and TSO is over \$2,431,000.** Board staff is extremely concerned that because the Discharger is not submitting technical reports, the Discharger will be unable to come into compliance and meet the final effluent limitations contained in the WDRs.

If you have questions or would like to meet to discuss the violations noted in this letter and the potential civil liability assessment, please contact me at (916) 464-4623 or kari.holmes@waterboards.ca.gov.



KARI HOLMES, P.E.
Senior Water Resource Control Engineer
NPDES Compliance and Enforcement Unit

cc: Lori Okun, Office of Chief Counsel, State Water Resources Control Board, Sacramento
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Jeffrey Reusch, Deputy Attorney General, CA Department of Justice, Office of the Attorney General