

EDMUND G. BROWN JR.  
GOVERNOR

MATTHEW RODRIGUEZ  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

## San Diego Regional Water Quality Control Board

February 12, 2018

**Certified Mail- Return Receipt Requested**  
Article Number: 7011 0470 0002 8952 9612

Ms. Amber Baylor  
Director of Environmental Compliance  
South Orange County Wastewater Authority  
34156 Del Obispo Street  
Dana Point, California 92629  
[ABaylor@socwa.com](mailto:ABaylor@socwa.com)

**In reply refer to / attn:**  
**257592:KYaeger**

**Subject: Settlement Offer No. R9-2018-0020: Offer to Participate in Expedited Payment Program Relating to Violations of Order No. R9-2012-0012, NPDES No. CA0107417, Waste Discharge Requirements For The South Orange County Wastewater Authority Discharge To The Pacific Ocean Through The San Juan Creek Ocean Outfall**

Ms. Baylor:

The South Orange County Wastewater Authority (SOCWA or Permittee) is hereby notified of alleged violations of Order No. R9-2012-0012, *Waste Discharge Requirements For The South Orange County Wastewater Authority Discharge To The Pacific Ocean Through The San Juan Creek Ocean Outfall* and of the opportunity to participate in an Expedited Payment Program to address liability that may be assessed pursuant to Water Code section 13385.

### **ALLEGED VIOLATIONS SUBJECT TO THIS OFFER**

As detailed in Exhibit A, the California Regional Water Quality Control Board, San Diego Region (San Diego Water Board) alleges that the Permittee has violated Order No. R9-2012-0012.

### **STATUTORY LIABILITY**

The Permittee is subject to the following statutory liabilities:

1. Water Code sections 13385(h) and (i) require the assessment of a mandatory minimum penalty of \$3,000 for each specified serious and chronic effluent limit or reporting violation;
2. Water Code section 13385(c) allows for additional civil liability of up to \$10,000 for each day in which the violations occurs, and \$10 for each gallon discharged but not cleaned up in excess of 1,000 gallons; and
3. The State Water Resources Control Board Water Quality Enforcement Policy (2017) allows for the reimbursement of incurred staff costs.

These mandatory minimum penalties and discretionary administrative civil liabilities may be assessed by the San Diego Water Board beginning with the date that the violations first occurred.<sup>1</sup>

The enforcement that the San Diego Water Board uses to assess such liability is an administrative civil liability complaint, although the San Diego Water Board may instead refer such matters to the Attorney General's Office for prosecution. If referred to the Attorney General's Office for prosecution, the Superior Court may assess up to \$25,000 per violation. In addition, the Superior Court may assess up to \$25 per gallon discharged but not cleaned up in excess of 1,000 gallons, plus incurred staff costs.

### **SETTLEMENT OFFER**

The Permittee can avoid additional enforcement action and settle the alleged violations identified in Exhibit A by participating in the San Diego Water Board's Expedited Payment Program. The Permittee may accept this conditional Settlement Offer, waive its right to a hearing, and pay the mandatory minimum penalty of **\$12,000** for the violations described in Exhibit A. If the Permittee elects to do so, the San Diego Water Board will execute the Settlement Offer, subject to the conditions below. Accordingly, the San Diego Water Board will forego issuance of a formal administrative liability complaint, will not refer the violations to the Attorney General's Office, will not charge incurred staff costs, and will waive its right to seek additional discretionary civil liabilities for the violations identified in Exhibit A.

The Expedited Payment Program does not address or resolve liability for any violation that is not specifically identified in Exhibit A regardless of the date that the violation occurred.

### **OPTIONS FOR RESPONSE TO OFFER**

1. If the Permittee accepts this offer, the Permittee shall complete and return the enclosed Acceptance of Conditional Resolution and Waiver of Right to Hearing of Settlement Offer No. R9-2018-0020 Order (Acceptance and Waiver, Exhibit B) on or before 5 p.m. on March 14, 2018.
2. If the Permittee chooses to contest the violations alleged in Exhibit A, the Permittee shall submit in writing the specific violations and the basis for the challenge (factual error, affirmative defense, etc.) to the San Diego Water Board on or before 5 p.m. on March 14, 2018. The San Diego Water Board will evaluate the contested violations and take one of two actions:
  - a. The San Diego Water Board will determine that the violations are not supported, expunge the alleged violations, take no further action against the Permittee for the alleged violations, and notify the Permittee in writing of that determination; or
  - b. The San Diego Water Board will determine that the alleged violations are meritorious and will notify the Permittee of that determination. The Permittee will be given 30 days from the date of receipt of the San Diego Water Board determination to either accept the Settlement Offer by completing and returning the Acceptance and Waiver to the San Diego Water Board, or to reject the Settlement Offer.

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<sup>1</sup> There is no statute of limitations applicable to administrative proceedings to assess mandatory minimum penalties. See *City of Oakland v. Public Employees' Retirement System* (2002) 95 Cal.App.4th 29, 48; 3 Witkin, Cal. Procedure (4th ed. 1996) Actions § 405(2), p. 510.)

3. If the Permittee does not respond to this offer, the San Diego Water Board will initiate a formal enforcement action with regard to the alleged violations. In a formal enforcement action, the liability amount sought and/or imposed may exceed the liability amount set forth in this conditional Settlement Offer. Moreover, the incurred staff costs of investigating the violations and proceeding with formal enforcement action are factors that will be considered in assessing the liability amount.

#### **CONDITIONS FOR SAN DIEGO WATER BOARD ACCEPTANCE OF RESOLUTION**


Pursuant to Code of Federal Regulations title 40 (40 CFR), section 123.27(d)(2)(iii), the San Diego Water Board is required to publish and allow the public 30 days to comment on any settlement of an enforcement action addressing alleged violations of National Pollutant Discharge Elimination System (NPDES) permit conditions. Upon receipt of the Permittee's Acceptance and Waiver, the San Diego Water Board will publish a notice of the proposed resolution of the violations.

If no comments are received within the 30-day comment period, and unless there are new material facts that become available to the San Diego Water Board, the Executive Officer will execute the Acceptance and Waiver as a stipulated order assessing the uncontested mandatory minimum penalty amount pursuant to Water Code section 13385.

If, however, significant comments are received in opposition to the settlement, this conditional offer may be withdrawn. In that case, the Permittee's waiver pursuant to the Acceptance and Waiver will also be treated as withdrawn, and the violations will be addressed in a liability assessment proceeding. At the liability assessment hearing, the Permittee will be free to make arguments as to the alleged violations, and the Permittee's agreement to accept this conditional Settlement Offer will not in any way be binding or used as evidence against the Permittee. The Permittee will be provided with further information on the liability assessment proceeding. In the event the Acceptance and Waiver is executed by the Executive Officer, full payment of the assessed amount shall be due within 30 calendar days after the Permittee's receipt of the notice of the Executive Officer's execution. In accordance with Water Code section 13385(n)(1), funds collected for violations of effluent limitations and reporting requirements pursuant to section 13385 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the liability shall be paid by cashier's or certified check made out to the "State Water Pollution Cleanup and Abatement Account." Failure to pay the full liability within the required time period may subject the Permittee to further liability.

In the subject line of any response, please include the following: 257592: KYaeger. For questions or concerns regarding this letter, please contact me by phone at 619-521-5899 or by email at [Keith.Yaeger@waterboards.ca.gov](mailto:Keith.Yaeger@waterboards.ca.gov).

Respectfully,



James G. Smith  
Assistant Executive Officer

Enclosures:

Exhibit A: Notice of Violations Subject to Mandatory Minimum Penalty, San Juan Creek Ocean Outfall

Exhibit B: Acceptance of Conditional Resolution and Waiver of Right to Hearing of the  
Settlement Offer No. R9-2018-0020

Exhibit C: Summary of the Settlement Offer No. R9-2018-0020

cc:

David Barker, San Diego Water Board, [DBarker@waterboards.ca.gov](mailto:DBarker@waterboards.ca.gov)

Chiara Clemente, San Diego Water Board, [CClemente@waterboards.ca.gov](mailto:CClemente@waterboards.ca.gov)

Joann Lim, San Diego Water Board, [Joann.Lim@waterboards.ca.gov](mailto:Joann.Lim@waterboards.ca.gov)

Tech Staff Info & Use	
Order No.	R9-2012-0012
NPDES No.	CA0107417
CW Place ID	257592
CW Regulatory Measure (NPDES Order)	384618
WDID	9 000000175
EPL No.	R9-2018-0020
CW Enforcement ID	419322
Violation IDs	999917, 1025424, 1025423, 1025421, and 1025422

## Exhibit A

### NOTICE OF VIOLATIONS SUBJECT TO MANDATORY MINIMUM PENALTIES SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SAN JUAN CREEK OCEAN OUTFALL

The following table lists the alleged violations subject to mandatory minimum penalties (MMPs), pursuant to Water Code sections 13385(h) and (i). For additional information about the alleged violations listed in the table:

1. Refer to the State Water Resources Control Board Public Reports webpage:  
[http://www.waterboards.ca.gov/water\\_issues/programs/ciwqs/publicreports.shtml](http://www.waterboards.ca.gov/water_issues/programs/ciwqs/publicreports.shtml);
2. Choose the "MMP Report" link located under the "Violations Reports" category; and
3. Enter the search criteria.

Violation ID	Occurred Date	Violation Type	MMP Type	Violation Description
999917	10/30/2015	AM	CHRON	Carbonaceous Biochemical Oxygen Demand (CBOD) (5-day @ 20 Deg. C) Monthly Average (Mean) effluent limitation is 25 mg/L and reported value was 27 mg/L at the SOCWA 3A Reclamation Plant.
1025424	04/22/2017	CAT1	SIG	Total suspended solids maximum average weekly effluent limitation is 45 milligram per liter (mg/L) and reported value was 292 mg/L at the Santa Margarita Water District (SMWD) Chiquita Water Reclamation Plant.
1025423	04/22/2017	CAT1	N/A	Total suspended solids maximum average weekly effluent limitation is 3,378 pounds per day (lbs/day) and reported value was 3,620 lbs/day at the SMWD Chiquita Water Reclamation Plant.
1025421	04/30/2017	CAT1	SIG	Total suspended solids maximum average monthly effluent limitation is 30 mg/L and reported value was 87.8 mg/L at the SMWD Chiquita Water Reclamation Plant.
1025422	04/30/2017	CAT1	CHRON	Total suspended solids minimum average monthly percent removal is 85 percent and reported value was 80.2 percent at the SMWD Chiquita Water Reclamation Plant.

#### EXPEDITED PAYMENT AMOUNT

##### Mandatory Minimum Penalty Amount for Effluent Limit Violations

2 Serious Violations × \$3,000 per Serious Violation = \$6,000 Expedited Payment Amount

2 Chronic Violations × \$3,000 per Serious Violation = \$6,000 Expedited Payment Amount

Total = \$12,000 Expedited Payment Amount

#### DEFINITIONS

AM	Effluent exceeds average monthly limitation.
ATOX	Violation of an acute toxicity effluent limitation.
AW	Effluent exceeds average weekly limitation.
CAT1	Violation of an effluent limitation for a Group I pollutant by more than 40%.
CAT2	Violation of an effluent limitation for a Group II pollutant by more than 20%.
CHRON	Chronic violation as defined by Water Code section 13385 (i). To be counted as a chronic violation, there must be 3 preceding violations within a 180 day period. The fourth non-serious violation that occurs within the 180 period is an MMP violation.
CIWQS	California Integrated Water Quality System database.

CTOX	Violation of a chronic toxicity effluent limitation.
DM	Effluent exceeds daily maximum limitation.
DREP	Deficient reporting violation. This will only result in an MMP if the report is so deficient as to make determination of compliance impossible for that reporting period.
GROUP	The list of pollutants is based on Appendix A to section 123.45 of title 40 of the Code of Federal Regulations.
IM	Effluent exceeds instantaneous maximum limitation.
LREP	Late reporting violation. Every 30 days a report is late counts as one late reporting violation.
M	Effluent exceeds limit for monthly reporting period.
MMP Type	Classification of the type of MMP violation.
N/A	Not Applicable
Occurrence Date	Date that a violation actually occurred. For continuing violations, such as a monthly average, the last day of the reporting period is used. If the occurrence date is unknown, the date is entered as the day it was first discovered by staff, the discharger, or a third party. For deficient or late reports, the occurrence date is the day after the report was due.
OEV	Violation of any constituent-specific effluent limitation not included in Group I or Group II.
Q	Effluent exceeds limit for quarterly reporting period.
S	Effluent exceeds limit for semi-annual reporting period.
SIG	Serious violation as defined by Water Code section 13385 (h). Waste discharge exceeds the effluent limitation for a Group I pollutant by 40% or more (CAT1), or a Group II pollutant by 20% or more (CAT2). Also defined by Water Code section 13385.1 as a failure to file a discharge monitoring report pursuant to Water Code section 13383 for each period of 30 days following the deadline for submitting the report, if the report is designed to ensure compliance with limitations contained in waste discharge requirements that contain effluent limitations.
Violation Description	Narrative description of the violation.
Violation ID	Identification number assigned to a violation in CIWQS.
Violation Type	Classification of a violation. Two types of violations relate to MMPs: 1) Late Reporting Violations (LREP, DREP) 2) Effluent Violations (ATOX, CTOX, CAT1, CAT2, OEV)

## Exhibit B

### ACCEPTANCE OF CONDITIONAL RESOLUTION AND WAIVER OF RIGHT TO HEARING OF THE SETTLEMENT OFFER NO. R9-2018-0020

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the California Regional Water Quality Control Board, San Diego Region (San Diego Water Board), the South Orange County Wastewater Authority (SOCWA or Permittee) hereby accepts the *Offer to Participate in Expedited Payment Program* and waives the right to a hearing before the San Diego Water Board to dispute the allegations of violations described in the Settlement Offer, which is attached hereto as Exhibit A and incorporated herein by reference.

The Permittee agrees that the Settlement Offer shall serve as a complaint pursuant to Article 2.5 of the Water Code and that no separate complaint is required for the San Diego Water Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Permittee agrees to pay the penalties required by Water Code section 13385, in the sum of **\$12,000** (Expedited Payment Amount), which shall be deemed payment in full of any civil liability pursuant to Water Code section 13385 that otherwise might be assessed for the violation described in the Settlement Offer. The Permittee understands that this Acceptance and Waiver waives the Permittee's right to contest the allegations in the Settlement Offer and the amount of civil liability for such violation.

The Permittee understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the Settlement Offer.

Upon execution by the Permittee, the completed Acceptance and Waiver shall be returned to:

California Regional Water Quality Control Board, San Diego Region  
2375 Northside Drive, Suite 100  
San Diego, CA 92108-2700  
ATTN: 257592:KYaeger

The Permittee understands that federal regulations set forth at title 40 of the Code of Federal Regulations, section 123.27(d)(2)(iii), require the San Diego Water Board to publish notice of and provide at least 30 days for public comment on any proposed resolution of an enforcement action addressing National Pollutant Discharge Elimination System (NPDES) permit violations. Accordingly, this Acceptance and Waiver, prior to execution by the Executive Officer, will be published as required by law for public comment.

During the public comment period, if no comments are received that cause the Executive Officer to question the Expedited Payment Amount, the Executive Officer will execute the Acceptance and Waiver.

The Permittee understands that if significant comments are received in opposition to the Expedited Payment Amount, the offer on behalf of the San Diego Water Board to resolve the violations set forth in the Settlement Offer may be withdrawn. In that circumstance, the Permittee will be advised of the withdrawal and an administrative civil liability complaint may be issued and the matter may be set for a hearing before the San Diego Water Board. For such a liability hearing, the Permittee understands that this Acceptance and Waiver executed by the Permittee will be treated as a settlement communication and will not be used as evidence in that hearing.

The Permittee further understands that once the Acceptance and Waiver is executed by the Executive Officer, the full payment required by the deadline set forth below is a condition of this Acceptance and Waiver. In accordance with Water Code section 13385(n)(1), funds collected for violations of effluent limitations and reporting requirements pursuant to section 13385 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the liability shall be paid by a cashier's or certified check for **\$12,000** made out to the "State Water Pollution Cleanup and Abatement Account." Payment must be submitted to the State Water Resources Control Board, Accounting Office, Attn: ACL Payment, P.O. Box 1888, Sacramento, CA 95812-1888, no later than thirty calendar days after the date the Permittee receives written notice that the Executive Officer has executed this Acceptance and Waiver. A copy of the check must also be received by the San Diego Water Board at 2375 Northside Drive, Suite 100, San Diego, CA 92108 within thirty days of approval via U.S. Postal Service or e-mail to [SanDiego@waterboards.ca.gov](mailto:SanDiego@waterboards.ca.gov), attention 257592:KYaeger.

I hereby affirm that I am duly authorized to act on behalf of and to bind the Permittee in the making and giving of this Acceptance and Waiver.

South Orange County Wastewater Authority

By: B. Burnett 3-14-18  
Signed Name Date  
Betty Burnett General Manager  
Printed or Typed Name Title

IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13385.

By: David W. Gibson 2 May 2018  
DAVID W. GIBSON Date  
Executive Officer



## Exhibit C

### SUMMARY OF THE SETTLEMENT OFFER NO. R9-2018-0020

**Enforcement of Mandatory Minimum Penalty for NPDES Effluent Limit Violations  
Water Code sections 13385(h) and (i)**

You have until March 14, 2018 to act or face more penalties.

Questions: Contact Keith Yaeger at (619) 521-5899

This is a plain language summary of the attached Settlement Offer No. R9-2018-0020 to participate in an Expedited Payment Program to address alleged violations of Order No. R9-2012-0012, *Waste Discharge Requirements For The South Orange County Wastewater Authority Discharge To The Pacific Ocean Through The San Juan Creek Ocean Outfall*.

The South Orange County Wastewater Authority, Santa Margarita Water District (SMWD) Chiquita Water Reclamation Plant has exceeded effluent limitations established in Order No. R9-2012-0012. The violations are subject to a mandatory minimum penalty of **\$12,000** pursuant to Water Code section 13385(h) and (i). Consequently, the San Diego Water Board will assess a monetary liability for **\$12,000** for these serious violations. However, instead of pursuing a formal enforcement complaint with penalties higher than the mandatory minimum, the San Diego Water Board is offering the opportunity to participate in an Expedited Payment Program to resolve the violations.

**The South Orange County Wastewater Authority has three response options:**

1. **Accept the conditional Settlement Offer** by agreeing to pay a settlement of **\$12,000**. This is the fastest and most certain way to get closure on this enforcement action. If chosen, sign and submit the Acceptance and Waiver Form attached to the Settlement Offer letter by 5 p.m. on March 14, 2018. The form provides submittal instructions.
2. **Contest the violations** by submitting in writing the basis of the challenge with supporting evidence. For example, submit evidence that the alleged violations are inaccurate or meets the criteria for exceptions to mandatory minimum penalties described in Water Code section 13385(j). If chosen, submit the challenge by 5 p.m. on March 14, 2018.

The challenge will be reviewed, and if San Diego Water Board agrees, the South Orange County Wastewater Authority will be notified in writing that the enforcement action has been terminated. However, if San Diego Water Board does not agree, the Board will prepare a formal enforcement complaint at a higher dollar amount than the settlement offer of **\$12,000**. To avoid the latter, contact Keith Yaeger (see contact information above) as soon as possible to discuss the validity of the challenge.

3. **Reject the conditional Settlement Offer** by not responding or submitting the rejection in writing by 5 p.m. on March 14, 2018. In either case, the San Diego Water Board will prepare a formal enforcement complaint at a higher dollar amount than the settlement offer. The date of submittal or failure to submit the Acceptance and Waiver form will affect the recommended penalty amount.