

San Diego Regional Water Quality Control Board

September 23, 2016

Mr. Brennon Flahive
Director of Environmental Compliance
South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point, CA 92629
bflahive@socwa.com

Certified Mail – Return Receipt Requested
Article Number: 7015 0640 0006 1569 8084

In reply refer to/attn:
257590:DQuach

Subject: Acceptance of Settlement Offer No. R9-2016-0133: Offer to Participate in Expedited Payment Program Relating to Violations of Order No. R9-2012-0013, NPDES No. CA0107611, *Waste Discharge Requirements for the South Orange County Wastewater Authority, Discharge to the Pacific Ocean through the Aliso Creek Ocean Outfall*

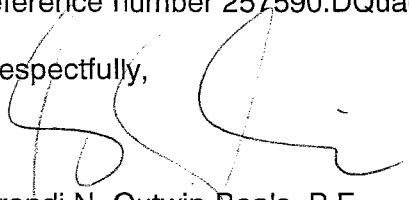
Mr. Flahive:

The California Regional Water Quality Control Board, San Diego Region (San Diego Water Board) accepts Settlement Offer No. R9-2016-0133: *Offer to Participate in Expedited Payment Program Relating to Violations of Order No. R9-2012-0013, NPDES No. CA0107492, Waste Discharge Requirements for the South Orange County Wastewater Authority, Discharge to the Pacific Ocean through the Aliso Creek Ocean Outfall*. The San Diego Water Board released the Notice of Written Comment Period for the Tentative Settlement Offer No. R9-2016-0133 on August 12, 2016. Comments were due by September 12, 2016. No comments were received during the comment period, and the San Diego Water Board's Executive Officer has signed the enclosed settlement offer.

Pursuant to the settlement offer, South Orange County Wastewater Authority has thirty (30) calendar days upon receipt of this notice to submit payment in full of the assessed liability (\$3,000). 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 cashiers 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 South Orange County Wastewater Authority to further liability.

For questions or comments, please contact Dat Quach by phone at (619) 521-5899, or by email at Dat.Quach@waterboards.ca.gov. In the subject line of any response, please include the reference number 257590:DQuach.

Respectfully,



Brandi N. Outwin-Beals, P.E.
Senior Water Resource Control Engineer
Source Control Unit

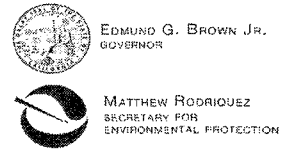
Bob:dtq

Enclosure: Signed Acceptance and Waiver Settlement Offer No. R9-2016-0133

cc:

Chiara Clemente, San Diego Water Board, chiara.clemente@waterboards.ca.gov
Dat Quach, San Diego Water Board, dat.quach@waterboards.ca.gov
Joann Lim, San Diego Water Board, joann.lim@waterboards.ca.gov

Tech Staff Info & Use	
Order No.	R9-2012-0013
NPDES No.	CA0107611
Place ID (SOCWA Aliso Creek OO)	257590
Regulatory Measure (NPDES Order)	384629
WDID	9 000000117
EPL No.	R9-2016-0133
Enforcement ID	407115
Violation	969321
Regulatory Measure of EPL	407115



San Diego Regional Water Quality Control Board

CONFIDENTIAL

July 22, 2016

Mr. Brennon Flahive
Director of Environmental Compliance
South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point, CA 92629
bflahive@socwa.com

Certified Mail – Return Receipt Requested
Article Number: 7015 0640 0006 1569 8046

In reply refer to/attn:
257590:DQuach

Subject: Settlement Offer No. R9-2016-0133: Offer to Participate in Expedited Payment Program Relating to Violations of Order No. R9-2012-0013, NPDES No. CA0107611, *Waste Discharge Requirements for the South Orange County Wastewater Authority, Discharge to the Pacific Ocean through the Aliso Creek Ocean Outfall*

Mr. Flahive:

The South Orange County Wastewater Authority (SOCWA or Permittee) is hereby notified of alleged violations of Order No. R9-2012-0013, *Waste Discharge Requirements for the South Orange County Wastewater Authority, Discharge to the Pacific Ocean through the Aliso 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. R9-2012-0013.

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 violation occurs, and \$10 for each gallon discharged but not cleaned up in excess of 1,000 gallons; and
3. Water Code section 13385(e)(2) allows for the reimbursement of 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.¹

The formal 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 staff costs.

SETTLEMENT OFFER

The Permittee can avoid formal enforcement action and settle the alleged violation 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 \$3,000 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. R9-2016-0133 Order* (Acceptance and Waiver, Exhibit B) **on or before 5 p.m. on August 22, 2016.**
2. If the Permittee chooses to contest any of the violations alleged in Exhibit A, the Permittee shall submit in writing the specific violation(s) and the basis for the challenge (factual error, affirmative defense, etc.) to the San Diego Water Board **on or before 5 p.m. on August 22, 2016.** The San Diego Water Board will evaluate the contested violation(s) and take one of two actions:
 - a. The San Diego Water Board will determine that the violation is not supported, expunge the alleged violation, take no further action against the Permittee for the alleged violation, and notify the Permittee in writing of that determination; or

¹ 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.)

- b. The San Diego Water Board will determine that the alleged violation is 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.
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 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 any of 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.

A summary of this offer is enclosed as Exhibit C. Should you have any questions about this conditional offer, please contact Dat Quach at (619) 521-5899 or dquach@waterboards.ca.gov.

Respectfully,



JAMES G. SMITH
Assistant Executive Officer

JGS:db:cmc:bo:dtq

Enclosures:

- Exhibit A: Notice of Violations Subject to Mandatory Minimum Penalties, SOCWA Aliso Creek Ocean Outfall
- Exhibit B: Acceptance of Conditional Resolution and Waiver of Right to Hearing of the Settlement Offer No. R9-2016-0133
- Exhibit C: Summary of Settlement Offer No. R9-2016-0133

cc:

David Barker, San Diego Water Board, dbarker@waterboards.ca.gov
Chiara Clemente, San Diego Water Board, cclemente@waterboards.ca.gov
Brandi Outwin-Beals, San Diego Water Board, boutwinsbeals@waterboards.ca.gov
Joann Lim, San Diego Water Board, Joann.Lim@waterboards.ca.gov

Tech Staff Info & Use	
Order No.	R9-2012-0013
NPDES No.	CA0107611
CW Place ID (SOCWA Aliso Creek OO)	257590
CW Regulatory Measure (NPDES Order)	384629
WDID	9 000000117
EPL No.	R9-2016-0133
CW Enforcement ID	407115
Violation	969321

Exhibit A

NOTICE OF VIOLATIONS SUBJECT TO MANDATORY MINIMUM PENALTIES SOUTH ORANGE COUNTY WASTEWATER AUTHORITY ALISO 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;
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	Facility Name
969321	10/30/2013	CAT1	SIG	Settleable Solids Instantaneous Maximum limit is 3 mL/L and reported value was 10 mL/L at M-001C	Aliso Creek Ocean Outfall (ACOO)

EXPEDITED PAYMENT AMOUNT

Mandatory Minimum Penalty Amount for Effluent Limit Violations

1 Serious Violation × \$3,000 per Serious Violation = \$3,000 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.
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

Notice of Violations Subject to Mandatory Minimum Penalties
 SOCWA, Aliso Creek Ocean Outfall
 Settlement Offer No. R9-2016-0133

	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. R9-2016-0133

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 \$3,000 (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 violations 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 violations.

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: 257590:DQuach

The Permittee understands that federal regulations set forth at title 40, 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 \$3,000 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 (30) 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 (30) days of approval via U.S. Postal Service or e-mail to SanDiego@waterboards.ca.gov, attention 257592:DQuach.

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 (SOCWA)

By: <u></u>	<u>August 2, 2016</u>
Signed Name	Date
<u>Betty Burnett</u>	<u>General Manager</u>
Printed or Typed Name	Title

IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13385.


By: <u></u>	<u>20 September 2016</u>
DAVID W. GIBSON	Date
Executive Officer	

Exhibit C

SUMMARY OF THE SETTLEMENT OFFER NO. R9-2016-0133

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

You have until August 22, 2016, to act or face more penalties.

Questions: Contact Dat Quach at (619) 521-5899 or dquach@waterboards.ca.gov

This is a plain language summary of the attached Settlement Offer No. R9-2016-0133 to participate in an Expedited Payment Program to address alleged violations of Order No. R9-2012-0013, *Waste Discharge Requirements for the South Orange County Wastewater Authority, Discharge to the Pacific Ocean through the Aliso Creek Ocean Outfall*.

The South Orange County Wastewater Authority (SOCWA) has exceeded effluent limitations established in Order No. R9-2012-0013. The violations are subject to a mandatory minimum penalty of \$3,000 each pursuant to Water Code section 13385(h) and (i). Consequently, the San Diego Water Board will assess a monetary liability for \$3,000 for this serious violation. 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.

SOCWA has three response options:

- 1. Accept the conditional Settlement Offer** by agreeing to pay a settlement of \$3,000. 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 August 22, 2016. 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 meet the criteria for exceptions to mandatory minimum penalties described in Water Code section 13385(j). If chosen, submit challenge by 5 p.m. on August 22, 2016.

The challenge will be reviewed, and if staff agrees, SOCWA will be notified in writing that the enforcement action has been terminated. However, if San Diego Water Board staff does not agree, they will prepare a formal enforcement complaint at a higher dollar amount than the settlement offer of \$3,000. To avoid the latter, contact Dat Quach (see 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 August 22, 2016. In either case, San Diego Water Board staff 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.