



California Regional Water Quality Control Board

Santa Ana Region



Linda S. Adams
Secretary for
Environmental Protection

3737 Main Street, Suite 500, Riverside, California 92501-3348
Phone (951) 782-4130 • FAX (951) 781-6288 • TDD (951) 782-3221
www.waterboards.ca.gov/santaana

Arnold Schwarzenegger
Governor

January 29, 2007

Certified Mail
Return Receipt Requested

Mr. Vernon Bogy
J.K. Properties, Inc.
2016 Riverside Drive
Los Angeles, CA 90039

AMENDED ADMINISTRATIVE CIVIL LIABILITY (ACL) COMPLAINT NO. R8-2006-0060

Dear Mr. Bogy:

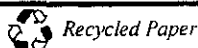
The above-referenced ACL Complaint was issued to J.K. Properties, Inc., on August 18, 2006. During our meeting on December 12, 2006, and subsequent communication by phone, J. K. Properties, Inc., provided additional information to us regarding the discharge of sewage from the Faircrest Apartments in Stanton to the municipal storm drain system. Based on this additional information, we have amended the complaint and a copy of the amended complaint is enclosed.

If necessary, a public hearing on this matter will be scheduled for the Regional Board meeting on March 2, 2007.

You have indicated that you wish to waive your right to a hearing and wish to participate in a supplemental environmental project (SEP). We have revised the complaint and the waiver form to reflect your agreement to donate 50% of the assessed amount to study the impact of sewage spills from private properties. The study will focus on sewage spills from private properties and privately owned sewage collection systems on the beneficial uses of receiving waters in the Orange County area within the Santa Ana Region. The lead agency for this SEP is the Orange County Sanitation District.

We are enclosing a copy of the revised complaint and the waiver form. Please sign the waiver form and submit the form with a check for \$50,000 made payable to Orange County Sanitation District, and a second check for \$50,000 made payable to the State Water Resources Control Board. These two checks and a fully executed waiver form should be mailed to this office no later than February 9, 2007.

California Environmental Protection Agency



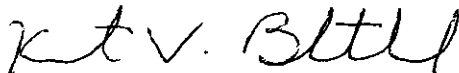
Mr. Vernon Bogy
J.K. Properties, Inc.

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January 29, 2007

If you have any questions, please call Stephen D. Mayville, Chief our Enforcement Section, at (951) 782-4992, or Bill Norton at (951) 782-4381.

Sincerely,

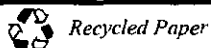


Kurt V. Berchtold
Assistant Executive Officer

Enclosures: Amended Administrative Civil Liability Complaint No. R8-2006-0060
Waiver of Hearing Form

cc: (with a copy of the Amended Complaint)
Regional Board
City of Stanton - City Manager
Orange County Sanitation District – Nick Arhontes

California Environmental Protection Agency



California Regional Water Quality Control Board
Santa Ana Region

IN THE MATTER OF:

J.K. Properties, Inc.)	Complaint No. R8-2006-0060
2016 Riverside Drive)	for
Los Angeles, CA 90039)	Administrative Civil Liability
		(First issued: August 18, 2006)
Attn: Mr. Vernon Bogy)	(Revised on: January 29, 2007)

YOU ARE HEREBY GIVEN NOTICE THAT:

1. J.K. Properties, Inc., is alleged to have violated provisions of law for which the California Regional Water Quality Control Board, Santa Ana Region (hereinafter Board), may impose administrative civil liability pursuant to California Water Code Section 13385.
2. A hearing concerning this complaint will be held before the Board within 90 days of the date of issuance of this complaint, unless J.K. Properties, Inc., waives its right to a hearing. Waiver procedures are specified in Paragraph 10 of this complaint. If the hearing on this matter is not waived, the hearing will be held during the Board's regular meeting on March 2, 2007, at the City Council Chambers, 25541 Barton Road, Loma Linda, California. J.K. Properties, Inc., or its representative will have the opportunity to appear and be heard and to contest the allegations in this complaint and the imposition of civil liability by the Board.
3. At the March 2, 2007 hearing, the Board will consider whether to affirm, reject, or modify the proposed administrative civil liability or whether to refer the matter to the Attorney General for recovery of judicial civil liability.
4. J.K. Properties, Inc., is alleged to have violated California Water Code Section 13376 by allowing or causing waste (i.e., sewage) to be discharged to waters of the United States without filing a report of waste discharge in accordance with California Water Code Section 13260.
5. This complaint is based on the following facts:
 - A. J.K. Properties, Inc., owns and operates the Faircrest Apartment complex located at 10250 Beach Boulevard in the City of Stanton. J.K. Properties, Inc., purchased Faircrest Apartments in 1996. This is a 228 unit complex that was built in 1971.

- B. The sewage from this complex is lawfully discharged to the City of Stanton sewer system, which, in turn, is conveyed to the publicly owned treatment works operated by the Orange County Sanitation District.
- C. At about 4:00 p.m. on Saturday, October 15, 2005, a sewage overflow began at the Faircrest Apartments due to a blockage in an onsite, sewer lateral. Sewage flowed into an onsite stormwater catch basin that was connected to the municipal storm drain in Beach Blvd. The apartment manager contacted a plumber who attempted to clear the blockage, but was unsuccessful with the available equipment. When the plumber said additional equipment was needed with a resulting increase in cost of services, the apartment manager was unable to secure approval from the property management company to pay for and perform the work. Consequently, the overflow from the onsite sewage system continued unabated.
- D. On Sunday, October 16, 2005, at about 8:45 a.m., the Orange County Fire Authority notified the City of Stanton Public Works Department of a citizen complaining about the continuing sewage flow coming from the Faircrest Apartments. Stanton Public Works dispatched a vacuum truck to clean up the onsite and offsite sewage. The sewer lateral was cleared at about 11:00 a.m. that morning.
- E. The City of Stanton Public Works Department determined that approximately 28,000 gallons of sewage spilled from the apartment complex, of which an estimated 4,000 gallons were recovered.
- F. This was not the first incident of sewage overflowing from this complex to the municipal storm drain system. On May 17, 1999, an overflow at the Faircrest Apartments resulted in an estimated volume of 6,000 gallons of sewage discharging to the storm drain system. Board staff sent a letter, dated May 28, 1999, to Ms. Sharon Gotchell, the apartment manager at the time, stating that the discharge was prohibited under California Water Code Section 13376 and was subject to administrative civil liability. Although no administrative civil liability was assessed, Board staff did advise Ms. Gotchell that a future spill could subject the owner of the apartment complex to administrative civil liabilities.
- G. The May 28, 1999 letter from Board staff also expressed concern that the difficulty experienced in clearing the blockage in the onsite collection system for the May 17, 1999, spill incident was indicative that insufficient effort had been expended by the owner to routinely clean and maintain the onsite sewage collection system.

- H. On February 2, 2003, City of Stanton Public Works responded to another sewage overflow from Faircrest Apartments which flowed into an onsite stormwater catch basin, which is connected to the municipal storm drain in Beach Blvd. This spill was estimated by the city department to be 10,400 gallons of sewage. Board staff first learned of this incident on February 28, 2006, following a request for information on the apartment complex from the Orange County Health Department.
6. All three spills occurred from the apartment sewage collection system owned and operated by J.K. Properties, Inc. J.K. Properties, Inc., does not have a permit to discharge sewage from this system to waters of the United States, and is, therefore, liable for unauthorized discharges of wastes from this system in violation of Water Code Section 13376.
 7. Pursuant to Section 13385(c), the Board can administratively assess civil liability in an amount not to exceed the sum of the following:
 - A.) Ten thousand dollars (\$10,000) for each day in which the violation occurs; and,
 - B.) Where there is a discharge, any portion which is not susceptible to clean up or is not cleaned up, and the volume discharged, but not cleaned up, exceeds 1,000 gallons, an additional liability not to exceed ten dollars (\$10) times the number of gallons by which the volume discharged, but not cleaned up, exceeds 1,000 gallons.
 8. In accordance with Water Code Section 13385(c), the maximum liability for the violation cited is \$250,000. The maximum liability assessment has been calculated as follows:
 - A) \$20,000, based on two days of discharge (October 15 and 16, 2005) at \$10,000 per day, plus
 - B) \$230,000, based on \$10 per gallon for each gallon over the first 1,000 gallons discharged but not cleaned up ([24,000 gallons – 1,000 gallons = 23,000 gallons] x \$ 10/gal = \$230,000).
 9. Water Code Section 13385 (e) specifies factors that the Board shall consider in establishing the amount of civil liability. After consideration of these factors, the Executive Officer proposes that civil liability be imposed on J.K. Properties, Inc., in the amount of \$100,000 for the violation cited above.

10. WAIVER OF HEARING

J.K. Properties, Inc., has indicated that it wishes to waive its right to a hearing and donate 50% of the assessed amount for a supplemental environmental project (SEP) proposed by the Orange County Sanitation District (OCSD) and approved by the Executive Officer of the Regional Board. OCSD is proposing to study the impact of sewage spills from private properties on the beneficial uses of receiving waters. The study will focus on sewage spills from private properties and privately owned sewage collection systems on the beneficial uses of receiving waters in the Orange County area within the Santa Ana Region.

Please sign the attached waiver form and return it, together with a check for \$50,000 made payable to the Orange County Sanitation District and another check for \$50,000 made payable to the State Water Resources Control Board. Send both checks and the signed waiver to:

Stephen D. Mayville, Section Chief
Santa Ana Regional Water Quality Control Board
3737 Main Street, Suite 500
Riverside, CA 92501-3348

If you have any questions concerning this complaint, contact the undersigned at 951-782-3284 or Stephen D. Mayville, Enforcement Section Chief at 951-782-4992. All legal questions should be directed to Erik Spiess, the Board's legal counsel, at 916-341-5167.

1/29/07
Date

Gerard J. Thibeault
for Gerard J. Thibeault
Executive Officer

California Regional Water Quality Control Board
Santa Ana Region

IN THE MATTER OF:

J.K. Properties, Inc.)	Complaint No. R8-2006-0060
2016 Riverside Drive)	for
Los Angeles, CA 90039)	Administrative Civil Liability
		(First issued: August 18, 2006)
Attn: Mr. Vernon Bogy)	(Revised on: January 29, 2007)

Waiver of Hearing

J.K. Properties, Inc., agrees to waive its right to a hearing before the Santa Ana Regional Water Quality Control Board with regard to the violation alleged in Complaint No. R8-2006-0060. J.K. Properties, Inc., has enclosed a check payable to the State Water Resources Control in the amount of \$50,000 and a second check made payable to the Orange County Sanitation District in the amount of \$50,000. I understand that I am giving up the right of J.K. Properties, Inc., to be heard and to argue against allegations made by the Executive Officer in this complaint, and against the imposition of, and the amount of, the liability proposed.

Date

for J.K. Properties, Inc.