Dear Chase Stanley:

This letter is to notify Sunwest Metals Inc. (hereinafter “Discharger” or “you”) of alleged violations of the California Water Code (Water Code) identified in the State Water Resources Control Board’s water quality data system, and to allow the Discharger to participate in the Santa Ana Regional Water Quality Control Board’s (Santa Ana Water Board) Expedited Payment Program for Reporting Violations to address mandatory minimum penalties that must be assessed pursuant to Water Code section 13399.31.

NOTICE OF VIOLATION:

Based on information in the Storm Water Multiple Application & Report Tracking System (SMARTS), the Santa Ana Water Board alleges that the Discharger is in violation of the Sector-Specific General Permit for Storm Water Runoff Associated with Industrial Activities from Scrap Metal Recycling Facilities within the Santa Ana Region, Order No. R8-2018-0069, National Pollutant Discharge Elimination System NPDES No. CAG618001 (SCRAP METAL PERMIT), FOR SUNWEST METALS, 1150 N ANAHEIM BLVD, ANAHEIM; WDID NO. 8 30MR000034

Lana Ong Peterson, chair | Jayne Joy, executive officer

3737 Main Street, Suite 500, Riverside, CA 92501-3348 | www.waterboards.ca.gov/santaana
CAG618001 (Scrap Metal Permit) for failure to submit the 2020-2021 Annual Report for the facility located at 1150 N Anaheim Blvd in the City of Anaheim. The Annual Report was due to the Santa Ana Water Board by August 1, 2021, as required by Section VII of the Scrap Metal Permit. The Discharger failed to submit the facility’s Annual Report by October 14, 2021 as required based on the Notice of Non-Compliances (NNCs) issued on August 16, 2021 and September 14, 2021. The 2020-2021 Annual Report was ultimately submitted on October 18, 2021, four days after the deadline. The Discharger will have the opportunity to address the alleged violations as discussed below.

STATUTORY LIABILITY:

Pursuant to Water Code section 13399.33(c)-(d), the Discharger is subject to a minimum penalty of not less than one thousand dollars ($1,000) plus staff costs for failing to submit the required Annual Report in accordance with Water Code section 13399.31 within sixty (60) days after the first NNC was sent. The Discharger is also subject to discretionary administrative civil liabilities of up to ten thousand dollars ($10,000) for each day in which the violation occurs. These minimum and discretionary administrative civil liabilities may be assessed by the Santa Ana Water Board beginning with the date that the violations first occurred. The formal enforcement action that the Santa Ana Water Board uses to assess such liability is an administrative civil liability complaint, although the Santa Ana Water Board may instead refer such matters to the Office of the Attorney General for prosecution. If referred to the Attorney General for prosecution, the Superior Court may assess up to twenty-five thousand dollars ($25,000) per violation.

DISCHARGER’S OPTIONS FOR RESPONSE TO OFFER:

You have two options to respond as outlined below.

1. **Accept the Expedited Payment Program offer** by complying with the Order and agreeing to pay a settlement of **one thousand three hundred and eighty dollars** ($1,380). The minimum administrative civil liability pursuant to California Water Code section 13399.33(c) is $1,000 per year of noncompliance or fraction thereof. Staff costs in this matter are $380. This is a Conditional Offer subject to certain terms and conditions set forth below. If you choose this option **you must sign and submit the enclosed Acceptance and Waiver form by December 10, 2021**. The form provides submittal instructions. Final closure on this action is only possible after ultimate submission of the settlement amount.

Please submit an original (blue ink) signed Acceptance and Waiver form to:

Celia Pazos, Coastal Storm Water Unit  
Santa Ana Regional Water Quality Control Board  
3737 Main Street, Suite 500  
Riverside, CA 92501-3348

In response to the Conditional Offer and payment in settlement of this enforcement action, the Santa Ana Water Board will forego issuance of a formal administrative
complaint, will not refer the violation to the Attorney General, and will waive its right
to seek additional discretionary civil liabilities for the violations identified in the
NNCs.

2. **Contest the non-filing violation** by submitting, in writing, the basis of your
challenge with supporting evidence. For example, you may have evidence that you
previously submitted your Annual Report, or you are no longer in business. If you
choose this option, you must **submit your written documentation by December 10, 2021**.
We will review your submission, and if we agree with you, we will notify
you in writing that you are no longer considered in violation of the permit and that
our enforcement action has been terminated. All responses should be directed to
Celia Pazos.

If you do not respond in a manner described in the above options, the Santa Ana Water
Board will prepare an administrative civil liability complaint for the violations cited in the
NNCs. The liability amount sought in the administrative civil liability complaint and/or
imposed by the Santa Ana Water Board may be higher than the liability amount set forth
in this Conditional Offer. Moreover, additional staff costs associated with formal
enforcement may be considered in the recommended liability amount in an administrative
civil liability complaint.

**CONDITIONS FOR SANTA ANA WATER BOARD ACCEPTANCE OF RESOLUTION:**

If you accept the Expedited Payment Program offer, the settlement will be published in
the following manner: Federal regulations require the Santa Ana Water Board to publish
notice of, and to provide at least thirty (30) days for public comment on, any settlement of
an enforcement action addressing NPDES permit violations (40 C.F.R. section
123.27(d)(2)(iii)). Upon receipt of the Discharger’s Acceptance and Waiver and other
requested technical reports on or before **December 10, 2021**, Santa Ana Water Board
staff will publish a notice of the proposed resolution of the alleged violations.

If no comments are received within the notice period, the Santa Ana Water Board
Executive Officer will execute the Acceptance and Waiver as a stipulated order assessing
the uncontested penalty amount pursuant to Water Code section 13399.33. You will then
be notified that payment is due within 30 days. Failure to pay the penalty within that time
frame may result in further liability, referral of the matter to the Attorney General, and/or
may void the offer to participate in this Expedited Payment Program.

If, however, significant comments are received in opposition to the settlement, this offer
may be withdrawn. In that case, the Discharger’s waiver pursuant to the Acceptance and
Waiver will also be treated as withdrawn, and the violations will be addressed through a
formal enforcement action.

This Expedited Payment Program offer does not address or resolve liability for any
violation that is not specifically identified in the attached NNCs. The Santa Ana Water
Board reserves the right to pursue formal enforcement of any violations not specifically
cited in the attached NNCs.
Should you have any questions about this Expedited Payment Program, please contact Celia Pazos via email at Celia.Pazos@waterboards.ca.gov regarding this matter.

Sincerely,

Ann E. Sturdivant
Ann Sturdivant, PG, CEG, CHG
Supervising Engineering Geologist
Chief, Groundwater Protection Division

enclosures:

Notice of Non-Compliance, dated August 16, 2021
Notice of Non-Compliance, dated September 14, 2021
Acceptance of Conditional Resolution and Waiver of Right to Hearing; (proposed)
Order
NOTICE OF NON-COMPLIANCE: FAILURE TO COMPLY WITH THE SECTOR-SPECIFIC GENERAL PERMIT FOR STORM WATER RUNOFF ASSOCIATED WITH INDUSTRIAL ACTIVITIES FROM SCRAP METAL RECYCLING FACILITIES WITHIN THE SANTA ANA REGION, ORDER NO. R8-2018-0069, NPDES NO. CAG618001 (SCRAP METAL PERMIT) WDID NO. 8 30MR000034

Dear Chase Stanley:

Your facility located at 1150 N. Anaheim Blvd., in the city of Anaheim, is regulated under the Scrap Metal Permit and is identified by WDID No. 8 30MR000034. Section VII.C of the Monitoring and Reporting Program of the Scrap Metal Permit requires you to submit an annual report by August 1 of each year via the Stormwater Multiple Application and Reporting Tracking System (SMARTS). According to our records, we have not received your annual report by the August 1, 2021 deadline.

Currently you are in violation of the Scrap Metal Permit, the California Water Code, and the Federal Clean Water Act for failure to submit a complete 2020-2021 annual report. We request that you submit a complete 2020-2021 annual report via SMARTS no later than September 14, 2021.

You must also provide a statement explaining why the annual report was not submitted by the deadline and the measures you have taken to ensure timely submittals in the future. Failure to submit the requested information may result in enforcement action, including civil monetary penalties of up to $10,000 for each day of violation. Please note that Section 13399.33 of the California Water Code stipulates a mandatory minimum penalty of $1,000 to those permittees that do not submit their annual report after notification.
If you have any questions regarding this notice, please contact Celia Pazos via email at Celia.Pazos@waterboards.ca.gov.

Sincerely,

Michelle R. Beckwith

Michelle R. Beckwith, Chief
Senior Environmental Scientist
Coastal Storm Water Unit
Sunwest Metals Inc.
1150 North Anaheim Boulevard
Anaheim, CA 92801
NOTICE OF NON-COMPLIANCE: FAILURE TO COMPLY WITH THE SECTOR-SPECIFIC GENERAL PERMIT FOR STORM WATER RUNOFF ASSOCIATED WITH INDUSTRIAL ACTIVITIES FROM SCRAP METAL RECYCLING FACILITIES WITHIN THE SANTA ANA REGION, ORDER NO. R8-2018-0069, NPDES NO. CAG618001 (SCRAP METAL PERMIT) WDID NO. 8 30MR000034
SECOND NOTICE

Dear Chase Stanley:

Your facility located at 1150 N. Anaheim Blvd., in the city of Anaheim, is regulated under the Scrap Metal Permit and is identified by WDID No. 8 30MR000034. Section VII C of the Monitoring and Reporting Program of the Scrap Metal Permit requires you to submit an annual report by August 1 of each year via the Stormwater Multiple Application and Reporting Tracking System (SMARTS). According to our records, we have not received your annual report by the August 1, 2021 deadline.

Currently you are in violation of the Scrap Metal Permit, the California Water Code, and the Federal Clean Water Act for failure to submit a complete 2020-2021 annual report. We request that you submit a complete 2020-2021 annual report via SMARTS no later than October 14, 2021.

This is your second notice. The first notice was dated and sent August 16, 2021. To date, we have not received a response to that notice. Please note that Section 13399.33 of the California Water Code stipulates failure to submit the requested information by the October 14 due date will result in a mandatory minimum penalty of $1,000 to those permittees that do not submit their annual reports with 60 days of notification. Further enforcement action, including civil monetary penalties of up to $10,000 for each violation, may result.

If you have any questions regarding this notice, please contact Celia Pazos via email at Celia.Pazos@waterboards.ca.gov.

Sincerely,

Michelle R. Beckwith, Chief
Senior Environmental Scientist
Coastal Storm Water Unit

Lana Ong Peterson, Chair | Jayne Joy, Executive Officer
ACCEPTANCE OF CONDITIONAL RESOLUTION AND WAIVER OF RIGHT TO HEARING: (Proposed) ORDER

Sunwest Metals Inc.
Settlement Offer No. R8-2021-0070
WDID No. 8 30MR000034

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the Santa Ana Regional Water Quality Control Board (Santa Ana Water Board), Sunwest Metals Inc. (Discharger) hereby accepts the “Offer to Participate in Expedited Payment Program” and waives the right to a hearing before the Santa Ana Water Board to dispute the violations described in the Notices of Non-Compliance (NNCs) which are attached and incorporated herein by reference.

The Discharger agrees that the Expedited Payment Program Offer shall serve as a complaint pursuant to Article 2.5 of the California Water Code and that no separate complaint is required for the Santa Ana Water Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Discharger agrees to pay the administrative civil liability authorized by California Water Code sections 13399.31 and 13399.33, in the sum of $1,380 (Expedited Payment Amount) which shall be deemed payment in full of any civil liability pursuant to California Water Code section 13399.33 that otherwise might be assessed for the violations described in the NNCs.

The Discharger understands that this Acceptance and Waiver waives its right to contest the allegations in the NNCs and the amount of civil liability for such violations. The Discharger understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the NNCs.

Upon Execution by the Discharger, the completed Acceptance and Waiver should be mailed to the following:

   Celia Pazos, Coastal Storm Water Unit
   Expedited Payment Letter
   Santa Ana Regional Water Quality Control Board
   3737 Main Street, Suite 500
   Riverside, CA 92501

The Discharger understands that federal regulations set forth at title 40, Code of Federal Regulations, section 123.27(d)(2)(iii) require the Santa Ana Water Board to publish notice of and provide at least (30) days for public comment on any proposed resolution of an enforcement action addressing NPDES permit violations. Accordingly, this Acceptance and Waiver, prior to execution by the Santa Ana Water Board Executive Officer, will be published as required by law for public comment.
If no comments are received within the notice period that causes the Santa Ana Water Board Executive Officer to question the Expedited Payment Amount, the Santa Ana Water Board Executive Officer will execute the Acceptance and Waiver.

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

The Discharger further understands that once this Acceptance and Waiver is executed by the Santa Ana Water Board Executive Officer, the full payment required by the deadline set forth below is a condition of this Acceptance and Waiver. In accordance with California Water Code section 13399.37(a), funds collected for violations pursuant to sections 13399.33(c) and 13399.33(d) shall be deposited in the Waste Discharge Permit Fund. Accordingly, the $1,380 liability including staff costs shall be paid by a cashier's or certified check made out to the “State Water Resources Control Board” referencing this Order number for deposit into the Waste Discharge Permit Fund. The payment must be submitted to the State Water Resources Control Board no later than thirty (30) calendar days after the date the Acceptance and Waiver is executed by the Santa Ana Water Board Executive Officer.

Please mail check to:

State Water Resources Control Board
Re: Order No. R8-2021-0070
Division of Administrative Services, Accounting Branch
1001 I Street, 18th Floor, 95814
P.O. Box 1888
Sacramento, CA 95812-1888

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

Sunwest Metals Inc.

By: ____________________________
(Signed Name)

________________________________
(Date)

_____________________________
(Printed or Typed Name)  
(Title)
IT IS SO ORDERED PURSUANT TO CALIFORNIA WATER CODE SECTION 13323 AND GOVERNMENT CODE SECTION 11415.60.

Date: ________________________________________________

By: ______________________________________

Jayne E. Joy, PE
Executive Officer