

ATTACHMENT A TO STIPULATED ORDER R6T-2024-0004

PENALTY CALCULATION METHODOLOGY FOR SUGAR PINE HOUSING PARTNERS LP AND DEACON CONSTRUCTION, LLC SUGAR PINE VILLAGE SOUTH LAKE TAHOE, EL DORADO COUNTY

The State Water Board's *Water Quality Enforcement Policy* (Enforcement Policy)¹ establishes a methodology for determining administrative civil liability by addressing the factors that are required to be considered under California Water Code section 13385(e). Each factor of the nine-step approach is discussed below, as is the basis for assessing the corresponding score. Sugar Pine Housing Partners LP and Deacon Construction, LLC are individually referred to as "Sugar Pine" or "Deacon" or jointly referred to as "Discharger."

The Lahontan Water Board's September 27 and October 17, 2023 Inspection Reports identify numerous alleged violations of the *General Waste Discharge Requirements and National Pollutant Discharge Elimination System General Permit for Stormwater Discharges Associated with Construction Activity in the Lake Tahoe Hydrologic Unit, Counties of Alpine, El Dorado, and Placer* (General Permit) at the Sugar Pine Village construction site. Additional alleged violations are described in the Discharger's Qualified SWPPP Practitioner's (QSP's) inspection reports dated October 3 and October 9, 2023.

For this Settlement Offer, the Prosecution Team has chosen to (a) allege only the violations which have the greatest potential to impact water quality, and (b) only allege that violations occurred on the four days covered by the aforementioned four inspection reports. This Settlement Offer assesses penalties for:

1. Spill response: lack of a spill response plan and spill response kit onsite.
2. Construction waste: failure to pick up trash throughout site and failure to properly secure waste stockpiles.
3. Stockpiles of earthen materials: failure to protect stockpiles such that sediment is prevented from leaving the site.
4. Sediment control: failure to fully deploy BMPs (best management practices) at the perimeter of the site and/or failure to correctly install BMPs.
5. Chemicals: failure to store in watertight containers and with secondary containment.
6. Off-site tracking of sediment: failure to install tracking controls at all site entrances/exits and failure to remove sediment from the public roadway.
7. Drain inlets: failure to protect drain inlets.

¹https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2017/040417_9_final%20adopted%20policy.pdf

Violation 1 – Lack of a spill response plan and spill response kit onsite.

Section VIII.A.13 of the General Permit states that a discharger shall develop a spill response plan prior to commencement of construction, and that the plan must include a description of the spill response equipment that will be kept onsite. Section IX.M states that the Stormwater Pollution Prevention Plan (SWPPP) shall include procedures for responding to spills and that vehicles must carry an emergency spill kit. Section IX.D states that the SWPPP shall be kept onsite during construction.

Lahontan Water Board staff’s September 27, 2023 inspection found that there was no written spill response plan or appropriate spill response kit onsite. Although the Discharger has stated that an electronic spill response plan was available, Staff’s review finds it was only a template version with a title for a different site and portions that were not filled out. Staff’s inspection also found that the “spill kit” did not meet the template spill response plan’s statement that petroleum and chemical absorbent materials were to be available onsite, nor did it meet the General Permit’s direction that vehicles carry an emergency spill kit.

The Discharger’s October 30, 2023 submittal states that the Discharger (a) purchased an Allwik 55-gallon spill kit on October 13, 2023, (b) updated the template spill response plan and made a hard copy available onsite, and (c) conducted spill response training on October 19, 2023.

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	moderate	The inability to properly respond to spills resulted in a substantial threat to the beneficial uses of Lake Tahoe, which include municipal supply, contact and non-contact recreation, commercial and sportfishing, cold freshwater habitat, wildlife habitat, migration, and spawning.
Deviation from Requirement	major	The Discharger failed to have a spill response plan and appropriate spill response kit onsite, rendering the General Permit’s requirement to do so ineffective.
Per Day Factor	0.4	Determined from Table 3 in the Enforcement Policy.
Days of Violation	1	September 27, 2023

Initial Liability	\$4,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		
PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.0	The Discharger responded in a reasonable and prudent manner by purchasing a spill kit, updating the spill response plan, and making it available onsite.
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$5,200	Initial liability x Culpability x Cleanup x History

Violation 2 – Failure to pick up trash throughout site and to properly secure waste stockpiles. Attachment F, Section F.5 of the General Permit states “*The discharge of garbage or other solid waste to lands within the Lake Tahoe Basin is prohibited.*” Section VIII.A.10 states that dischargers shall “*Contain and securely protect stockpiled waste material from wind and rain at all times unless actively being used.*”

Lahontan Water Board staff’s September 27, 2023 inspection found that waste and trash was located at various locations throughout the site (see inspection report photos 11, 31, 36, 42) and that waste stockpiles were not contained or securely protected (photos 17, 27). The QSP’s October 3, 2023 inspection includes four photos with the statement “consolidate and remove waste throughout site.” The QSP’s October 9, 2023 inspection report does not mention trash, other than to cover dumpsters prior to rain. Lahontan Water Board staff’s October 17, 2023 inspection found unconsolidated trash in the East Village.

The Discharger’s October 30, 2023 submittal states that Deacon “will be diligent with garbage and debris collection and proper disposal” and that Deacon received additional training regarding solid waste on October 16, 19, and 26, 2023, as well as at all previous trainings. The submittal also states that the waste stockpiles identified by Lahontan Water Board staff were not waste but instead plastic “tarps” for use on inactive stockpiles. Staff understand that this plastic initially covered prefabricated materials delivered to the site. While it may be appropriate to reuse it in some circumstances, the inspection photos show that the plastic is a lighter-weight material that appears susceptible to photodegradation by sunlight and wind, leading to creation of microplastics. Because these piles of plastic were not actively being used, they needed to be protected from wind and rain.

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	moderate	The failure to pick up trash and to protect waste stockpiles resulted in the potential for these materials to be transported off-site in stormwater or non-stormwater discharges, which would negatively impact the beneficial uses of Lake Tahoe.
Deviation from Requirement	moderate	The Discharger had at least one dumpster onsite on September 27, 2023, indicating that there was some intent to comply with the requirement to pick up trash.
Per Day Factor	0.3	Determined from Table 3 in the Enforcement Policy.
Days of Violation	3	September 27, October 3, October 17, 2023
Initial Liability	\$9,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		
PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.1	The Lahontan Water Board's October 17, 2023 inspection found scattered trash, even though (a) the Discharger had prior notice of this inspection, (b) the Lahontan Water Board's September 27, 2023 inspection found violations of the General Permit related to trash, and (c) Deacon received training regarding trash the day before the Lahontan Water Board's October 17, 2023 inspection. A reasonable discharger would have ensured that trash was picked up prior to the Lahontan Water Board's October 17, 2023 inspection.
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$11,880	Initial liability x Culpability x Cleanup x History

Violation 3 – Failure to protect stockpiles of earthen materials.

Section VIII.A.11 of the General Permit states that dischargers shall *“Protect all loose piles of soil, silt, clay, sand, debris, or other earthen material such that sediment is prevented from leaving the site.”* Section VIII.B.15 of the General Permit states *“Wind erosion shall be controlled...to prevent the transport of dust and soil particles into the air...”*

Lahontan Water Board staff’s September 27, 2023 inspection found that soil stockpiles were not covered or otherwise protected. Several stockpiles that were described as active did not have sediment or erosion control BMPs staged nearby. Soil was inappropriately managed at the site, and was not always placed in easily protectable, distinct piles. Inspection photos 18, 25, 26, 28, 31, 38, 39, and 40 all show different soil stockpiles without BMPs. Many of these stockpiles appear to have not been used for some time. The QSP’s October 3 and October 9, 2023 inspection report contains photos of soil stockpiles that are not covered or otherwise protected. Lahontan Water Board staff’s October 17, 2023 inspection found that excess soil had been consolidated into two stockpiles, one of which had been hydro-mulched and the other covered with black plastic.

The Discharger’s October 30, 2023 submittal states that during the September 27, 2023 inspection, (a) grading was taking place and all stockpiles were active, and (b) stockpiles did not need to be covered because rain was not expected until two days later. The Prosecution Team disputes the statement that all stockpiles were active; even if they were, there were no BMPs staged nearby to cover the stockpiles and in several areas, the excess soil was not placed such that it could be easily and efficiently covered (see inspection photos listed above). In addition, the General Permit does not require that only inactive stockpiles be covered, or that stockpiles only be protected prior to rain. Instead, the General Permit requires that stockpiles be protected to ensure that sediment will not leave the site, either by stormwater or by wind erosion. The Discharger’s October 30, 2023 response also states that in the future stockpiled material will be protected from wind and rain, and that *“all soil stockpiles will be contained, securely protected, or covered as needed.”*

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	moderate	The failure to protect against sediment discharges poses a substantial threat to beneficial uses. Stormwater runoff polluted with sediment is harmful to the receiving water ecosystem because it can contain material that is toxic to aquatic organisms, smother plants and wildlife, bury fish eggs, clog fish gills, and contribute to high turbidity in the water,

		which results in low sunlight and can damage aquatic life habitat.
Deviation from Requirement	major	Most soil stockpiles were not adequately protected, rendering the General Permit's requirement to do so ineffective.
Per Day Factor	0.4	Determined from Table 3 in the Enforcement Policy.
Days of Violation	3	September 27, October 3, October 9, 2023
Initial Liability	\$12,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		
PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.0	The Lahontan Water Board's follow-up inspection on October 17, 2023 found that the Discharger had consolidated all loose piles of earthen material into two stockpiles. One stockpile was appropriately protected with hydro-mulch while the other stockpile was protected with black plastic (but was missing a fiber roll berm).
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$15,600	Initial liability x Culpability x Cleanup x History

Violation 4 – Failure to install BMPs at perimeter of site and/or failure to correctly install BMPs.

Section VIII.B of the General Permit requires that dischargers implement sediment and erosion controls to prevent or minimize sediment discharges from the site. In addition, Section VIII.B.1 states that dischargers shall “*Install temporary sediment controls for the down-gradient perimeter of the project site, and/or any location where stormwater or authorized non-stormwater may discharge...*” Section VIII.B.9 states that dischargers shall “*Direct all run-on surface flows from offsite, to the maximum extent possible, away from all disturbed areas.*”

Lahontan Water Board staff's September 27, 2023 inspection found that perimeter controls (i.e., fiber rolls) were missing or incorrectly installed in numerous locations (see photos 12-15, 23, 31, 36, 37 for missing fiber rolls and photos 2 and 7 for incorrectly installed fiber rolls).

The QSP's October 3, 2023 inspection report includes the following in the Deficiency section: "Repair/maintain perimeter control throughout site to proper specifications" and includes a photo with this same caption showing a down-gradient perimeter without a fiber roll. The QSP's October 9, 2023 inspection includes a photo of a fiber roll that is incorrectly installed. Lahontan Water Board staff's October 17, 2023 inspection found that fiber rolls were missing or incorrectly installed in numerous locations (photos 5, 8, 9, 13, 34, 39, 40).

The Discharger's October 30, 2023 submittal states that appropriate sediment controls, including fiber rolls, were installed at the down-gradient perimeter of the site, and that the only areas without perimeter controls were areas that could not discharge stormwater. The Prosecution Team disagrees. The September 27, 2023 inspection report contains photographs with the notation that fiber rolls were improperly installed (i.e., not trenched). A fiber roll by itself is not a BMP; it must be correctly installed to function as intended. In addition, the Discharger had not installed fiber rolls in all down-gradient areas, as evidenced by the QSP's October 3, 2023 inspection report. The Lahontan Water Board inspection of October 17, 2023 found that the Discharger had not (a) installed fiber rolls, or other BMPs, to prevent run-on flows at numerous locations from entering disturbed soil areas, and (b) had not trenched numerous fiber rolls.

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	moderate	The failure to protect against sediment discharges poses a substantial threat to beneficial uses. Stormwater runoff polluted with sediment is harmful to the receiving water ecosystem because it can contain material that is toxic to aquatic organisms, smother plants and wildlife, bury fish eggs, clog fish gills, and contribute to high turbidity in the water, which results in low sunlight and can damage aquatic life habitat.
Deviation from Requirement	moderate	The Discharger had installed some fiber rolls.
Per Day Factor	0.3	Determined from Table 3 in the Enforcement Policy.
Days of Violation	4	September 27, October 3, October 9, October 17, 2023
Initial Liability	\$12,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		

PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.1	The Discharger installed additional fiber rolls at various points along the perimeter of the site prior to the Lahontan Water Board’s October 17, 2023 inspection. However, most of the fiber rolls were not trenched and were therefore ineffective. ² The Discharger submitted photographs on October 31, 2023 showing that fiber rolls had been trenched.
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$17,160	Initial liability x Culpability x Cleanup x History

Violation 5 – Failure to store chemicals in watertight containers and with secondary containment.

Section VIII.A.4 of the General Permit states that dischargers shall “*Store chemicals in watertight containers with appropriate secondary containment to prevent spillage or leakage and protect them from precipitation and surface run-on. For hazardous liquids used in active work, place in appropriate secondary containment when not in use.*”

Lahontan Water Board staff’s September 27, 2023 inspection found that chemicals were not stored in watertight containers and were not within secondary containment (photos 16, 17, 33, 35-37, 41, 44). The QSP’s October 3, 2023 inspection report includes two photos with the text “place chemicals in secondary containment when not in use.” The QSP’s October 9, 2023 inspection report includes a photo with the text “place chemicals in secondary containment and cover prior to rain.”³ Lahontan Water Board staff’s October 17, 2023 inspection found that chemicals were within an appropriate secondary containment of either the Conex shipping container (photo 1) or kiddie pools (photos 2, 10).

The Discharger’s October 30, 2023 submittal states that the General Permit requires that chemicals be stored within secondary containment only “at the end of the active workday.” This is not correct. Section VIII.A.4 requires that chemicals always be protected with secondary containment unless the chemical is hazardous and is actively being used. The inspection photos accompanying the September 27, October 3, and October 9, 2023 inspections show that chemicals were not being used at the time of the inspection and were

² The Discharger stated that the fiber rolls had been placed without trenching so that there would be some level of protection prior to proper installation.

³ It is noted that the General Permit requires chemicals to be in secondary containment at all times, not just before rain.

not within secondary containment. The Discharger’s submittal also states that additional training on material storage was conducted on October 17, 2023.

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	moderate	The failure to properly store chemicals, coupled with the lack of a spill response plan and spill response kit, resulted in the potential for chemicals to be transported off-site in stormwater or non-stormwater discharges, which would negatively impact the beneficial uses of Lake Tahoe.
Deviation from Requirement	moderate	The QSP’s photos show that the Discharger had a Conex shipping container onsite as of May 2023, indicating that there was some intent to comply with the requirement appropriately store chemicals.
Per Day Factor	0.3	Determined from Table 3 in the Enforcement Policy.
Days of Violation	3	September 27, October 3, October 9, 2023
Initial Liability	\$9,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		
PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.0	Compliance improved after the September 27, 2023 inspection.
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$11,700	Initial liability x Culpability x Cleanup x History

Violation 6 – Failure to prevent off-site tracking of sediment.

Section VIII.B.5 of the General Permit states that dischargers shall “*Prevent off-site tracking of earthen materials onto adjacent roads... install stabilized entrances/exits...and implement sweeping as necessary where tracking prevention is not complete.*”

Staff's September 27, 2023 inspection found that several construction entrances/exits were not stabilized to prevent off-site tracking, that one entrance had been improperly stabilized because vehicles were able to circumvent the tracking control, and that sediment had been tracked onto Tata Lane (photos 1, 2, 4, 24, 47, 48). The QSP's October 3, 2023 inspection report includes a photo with the caption "sweep trackout." The QSP's October 9, 2023 inspection report does not mention the need to stabilize entrances/exits or to sweep off-site tracking. Staff's October 17, 2023 inspection found that only one of the four entrances/exits had been stabilized and that sediment was tracked onto Tata Lane (photos 25, 27, 28, 31).

The Discharger's October 30, 2023 submittal states that the September 27, 2023 inspection report does not identify the locations where sweeping was lacking. The Prosecution Team disagrees, and points to inspection photos 1, 2, 4, 24, 47, and 48, which show tracking onto Tata Lane. In addition, Lahontan Water Board staff thoroughly discussed⁴ the off-site tracking with Deacon representatives during the inspection.

Section VII.B.5 of the General Permit requires that a discharger prevent off-site tracking through installation of stabilized entrances/exits. If the stabilization is insufficient to prevent tracking on roadways, then a discharger shall work with its QSP to modify the stabilization and/or increase sweeping. After the Water Board's October 17, 2023 inspection, the Discharger ordered a mechanical sweeper which was delivered to the site on October 19, 2023.

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	moderate	The failure to protect against sediment discharges poses a substantial threat to beneficial uses. Stormwater runoff polluted with sediment is harmful to the receiving water ecosystem because it can contain material that is toxic to aquatic organisms, smother plants and wildlife, bury fish eggs, clog fish gills, and contribute to high turbidity in the water, which results in low sunlight and can damage aquatic life habitat.
Deviation from Requirement	moderate	The Discharger had some intention to comply as Lahontan Water Board staff noted two stabilized entrances during the September 27, 2023 inspection (although both needed maintenance).

⁴ Documented in the inspection report dated October 17, 2023.

Per Day Factor	0.3	Determined from Table 3 in the Enforcement Policy.
Days of Violation	3	September 27, October 3, October 17, 2023
Initial Liability	\$9,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		
PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.1	The Lahontan Water Board’s October 17, 2023 inspection found that entrances/exits were not stabilized and sediment had been tracked onto Tata Lane, even though (a) the Discharger had prior notice of this inspection, (b) the Lahontan Water Board’s September 27, 2023 inspection found similar violations and staff discussed the violations with Deacon at that time, and (c) Deacon received training regarding sweeping the day before the Lahontan Water Board’s October 17, 2023 inspection. A reasonable discharger would have ensured that construction entrances/exits were stabilized, or if this was not possible due to construction, that Tata Lane was swept whenever sediment was tracked onto it.
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$12,870	Initial liability x Culpability x Cleanup x History

Violation 7 – Failure to protect drain inlets

Section VIII.B.4 of the General Permit states that dischargers must “*Protect drain inlets and outfall structures with appropriate controls for erosion and to minimize sediment discharges.*”

Lahontan Water Board staff’s September 27, 2023 inspection found that most of the drain inlets were missing the BMPs needed to minimize sediment discharge, and in fact were covered in sediment or had accumulated sediment within the structure (photos 8-10,19-22, 25). Lahontan Water Board staff’s October 17, 2023 inspection found the same conditions (photos 36-38, 42). The QSP’s October 3 and October 9, 2023 inspections did not include this as an item needing correction, but it is clear from the Lahontan Water Board inspections that BMPs were not installed on those two dates. However, for purposes of settlement, these two days are not included in the penalty calculation.

The Discharger’s October 30, 2023 submittal states that there was no need to install BMPs at the drain inlets because they are not connected to the City of South Lake Tahoe’s MS4 and will not be connected until construction is complete. The Prosecution Team disagrees that BMPs are not necessary. Section VIII.B.4 of the General Permit requires that drain inlets be protected to “minimize sediment discharges.” The September 27, 2023 inspection found several of the drain inlets, especially in the East Village, covered with sediment; the contractor had taken no actions to prevent sediment from entering the drain inlets. In addition, the Prosecution Team discussed this issue with the City of South Lake Tahoe. The City’s representative stated that the City assumes drain inlets are clean, that they don’t enter private property to inspect drain inlets, and that they do not want to be responsible for cleaning them or ensuring a contractor cleans them. The Discharger was required by the General Permit to protect the drain inlets and should have done so. The Discharger has informed Water Board staff that consistent with its standard construction practices and its understanding of the Project’s conditions of approval, all drain lines will be vacuumed and cleaned prior to connection to the City system. This will reduce the risk of discharges but does not avoid the requirement to protect inlets.

PENALTY FACTOR	VALUE	DISCUSSION
Discharge Violations	n/a	This step is not applicable.
Potential for Harm	minor	The failure to protect against sediment discharges poses a threat to beneficial uses. Stormwater runoff polluted with sediment is harmful to the receiving water ecosystem because it can contain material that is toxic to aquatic organisms, smother plants and wildlife, bury fish eggs, clog fish gills, and contribute to high turbidity in the water, which results in low sunlight and can damage aquatic life habitat. Because the on-site inlets were not connected to the City’s MS4 system during the inspections, the potential for harm is reduced upon the understanding that the Discharger will thoroughly clean the inlets prior to connection.
Deviation from Requirement	moderate	The existing drain inlets on Tata Lane were protected, although BMPs were not always maintained. On-site inlets were not protected but were not connected to the City’s MS4 system.
Per Day Factor	0.2	Determined from Table 3 in the Enforcement Policy.

Days of Violation	2	September 27 and October 17, 2023
Initial Liability	\$4,000	Per day factor x number of days x maximum liability of \$10,000/day.
<i>Adjustments for Discharger Conduct</i>		
PENALTY FACTOR	VALUE	DISCUSSION
Cleanup and Cooperation	1.1	The failure to protect drain inlets was discussed during the Lahontan Water Board's September 27, 2023 inspection and included as a violation both in that inspection report and in the October 13, 2023 Notice of Violation. The Discharger should have reviewed the documents and installed protection prior to the Lahontan Water Board's follow-up inspection on October 17, 2023. However, the Discharger did not do so. The Discharger submitted photographs on October 31, 2023 showing that fiber rolls had been installed around drain inlets.
History of Violations	1.0	There is no known history of adjudicated violations.
Total Base Liability	\$5,280	Initial liability x Culpability x Cleanup x History

The Enforcement Policy states that five other factors must be considered before obtaining the final liability amount.

Total Base Liability for all violations: \$79,690		
Other Factor Considerations		
PENALTY FACTOR	VALUE	DISCUSSION
Economic benefit	\$25,452	See attached document

Other factors as justice may require	Not included	The costs of investigation and enforcement are “other factors as justice may require” and could be added to the liability amount. The Lahontan Water Board Prosecution Team has incurred over 50 hours and over \$5,000 in staff costs associated with the investigation and enforcement of the alleged violations. While this amount could be added to the penalty, it is not added at this time but will be added if this matter is not settled.
Maximum liability	\$190,000	Based on California Water Code section 13385: \$10,000 per day per violation.
Minimum liability	\$27,997	Based on California Water Code section 13385, civil liability must be at least the economic benefit of non-compliance. Per the Enforcement Policy, the minimum liability is to be the economic benefit plus 10%.
Final Liability	\$79,690	The final liability amount is the total base liability plus any adjustment for the ability to pay, economic benefit, and other factors. The final liability must be more than the minimum liability and less than the maximum liability.

Attachment: Economic Benefit Analysis

Economic Benefit Analysis												
Sugar Pine Village												
Compliance Action	One-Time Non-Depreciable Expenditure				Annual Cost			Non-Compliance Date	Compliance Date	Penalty Payment Date	Discount Rate	Benefit of Non-Compliance
	Amount	Basis	Date	Delayed?	Amount	Basis	Date					
Violation 1A: Spill Kit	\$ 526	GDP	10/16/2023	Y				10/1/2022	10/16/2023	2/1/2024	7.40%	16
Violation 1B: Spill Response Plan	\$ 187	ECI	1/1/2023	Y				10/1/2022	10/20/2023	2/1/2024	7.40%	5
Violation 1C: Spill Response Training	\$ 4,050	ECI	1/1/2023	Y				10/1/2022	10/19/2023	2/1/2024	7.40%	116
Violation 2&3: Covering Disposal Containers, Stockpiles, and Construction Material; and Picking Up Waste	\$ 284	ECI	1/1/2023	N				9/27/2023		2/1/2024	7.40%	181
Violation 4: Perimeter Control - Labor	\$ 5,316	CCI	1/1/2023	Y				10/1/2022	10/31/2023	2/1/2024	7.40%	159
Violation 4: Perimeter Control - Material	\$ 2,954	CCI	11/1/2009	Y				10/1/2022	10/31/2023	2/1/2024	7.40%	139
Violation 5: Drain Inlet Control	\$ 800	CCI	11/1/2009	Y				10/1/2022	10/31/2023	2/1/2024	7.40%	38
Violation 6: Chemical Storage Containment	\$ 160	GDP	11/7/2023	Y				9/27/2023	10/17/2023	2/1/2024	7.40%	-
Violation 7: Track Out Control					\$ 37,037	GDP	10/18/2023	10/1/2022	10/18/2023	2/1/2024	7.40%	24,799
Income Tax Schedule: For-Profit (Other than C-Corporation) USEPA BEN Model Version: Version 2022.0.0 (June 2022) Analyst: German Myers Date/Time of Analysis: 12/5/23 13:25 Assumptions: See Appendix A											Total Benefit:	\$ 25,452