

Lahontan Regional Water Quality Control Board

April 16, 2025

Katie Linton, CMM,
Regional Manager
2435 Venice Drive, Suite 100
South Lake Tahoe, CA 96150
klinton@suntex.com

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7017 1450 0001 3059 1703

**WITHDRAWAL OF SETTLEMENT OFFER DATED SEPTEMBER 6, 2024, AND
ISSUANCE OF REVISED SETTLEMENT OFFER NO. R6-2025-0010 DATED APRIL 4,
2025: OFFER TO PARTICIPATE IN EXPEDITED PAYMENT PROGRAM, TAHOE
KEYS MARINA, EL DORADO COUNTY**

Dear Katie Linton:

The Lahontan Regional Water Quality Control Board's (Lahontan Water Board) withdraws the Settlement Offer of \$21,000 dated September 6, 2024, issued to the Tahoe Keys Marina and Yacht Club, LLC (Discharger), and issues this Revised Settlement Offer No. R6-2025-0010.

The Discharger is enrolled under the *General Waste Discharge Requirements and National Pollutant Discharge Elimination System Permit for Storm Water Runoff Associated with Marina Operations in the Lake Tahoe Hydrologic Unit*, Board Order No. R6T-2016-0038 (Marina General Permit).

This letter notifies the Discharger of the alleged violations identified by review of the Discharger's Annual Monitoring Reports for discharges on June 12, 2022. This letter also allows the Discharger to participate in the Lahontan Water Board Expedited Payment Program to address mandatory minimum penalties (MMPs) that must be assessed pursuant to California Water Code section 13385 subdivisions (h) and (i).

NOTICE OF VIOLATION

A Notice of Violation (NOV) was issued to the Discharger on September 6, 2024. The NOV contained a list of alleged effluent violations due to the Tahoe Keys Marina's stormwater discharges that took place between October 22, 2021, and September 1, 2023. The proposed MMPs associated with these alleged violations was \$21,000. Representatives of the Discharger discussed the alleged violations with Lahontan Water Board staff and provided written evidence on December 10, 2024 to suggest removal of some of the alleged violations. The Dischargers recent mapping of underground pipes as part of the stormwater treatment infrastructure demonstrated that one particular

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sampling point is not hydrologically connected to surface water. Stormwater entering the drop inlet sampling point flows to a subterranean infiltration chamber and not out a pipe into the marina surface water as previously understood. Discharges to land are not subject to MMPs, and therefore Lahontan Water Board staff agreed to revise the listing of violations. The final Record of Violations (ROV) is found as Enclosure 1. The proposed MMPs associated with these alleged violations is **\$6,000**.

STATUTORY LIABILITY

California Water Code section 13385 subdivisions (h) and (i) require the assessment of a MMP of three thousand dollars (\$3,000) for specified serious and chronic effluent limit violations. The Discharger is also subject to discretionary administrative civil liabilities of up to ten thousand dollars (\$10,000) per violation for each day in which the violation occurs, plus ten dollars per gallon discharged by not cleaned up in excess of 1,000 gallons. These MMPs and discretionary administrative civil liabilities may be assessed by the Lahontan Water Board beginning with the date that the violations first occurred. The formal enforcement action that the Lahontan Water Board uses to assess such liability is an administrative civil liability complaint, although the Lahontan Water Board may instead refer such matters to the Attorney General's Office for prosecution. If referred to the Attorney General for prosecution, the Superior Court may assess up to twenty-five thousand dollars (\$25,000) per day per violation. In addition, the Superior Court may assess up to twenty-five dollars (\$25) per gallon discharged but not cleaned up in excess of 1,000 gallons.

OFFER TO PARTICIPATE IN EXPEDITED PAYMENT PROGRAM

The Discharger can avoid the issuance of a formal enforcement action and settle the alleged violations identified in the enclosed ROV by participating in the Expedited Payment Program. Details of the proposed settlement are described below and addressed in the enclosed documents.

To promote resolution of these violations, the Lahontan Regional Water Quality Control Board makes this Conditional Offer. The Discharger may accept this offer, waive its right to a hearing, and pay the MMP of **\$6,000** for the violations described in the enclosed ROV. If the Discharger elects to do so, subject to the conditions below, the Lahontan Water Board will accept that payment in settlement of any enforcement action that would otherwise arise out of the violations identified above and in the attached ROV. Accordingly, the Lahontan Water Board will forego issuance of a formal administrative complaint, will not refer the violations to the Attorney General, and will waive its right to seek additional discretionary civil liabilities for the violations identified in the enclosed ROV. The Expedited Payment Program does not address or resolve liability for any violation that is not specifically identified, above, regardless of the date that the violation occurred.

RESPONSE TO OFFER

Please complete and return the enclosed "Acceptance of Conditional Resolution and Waiver of Right to Hearing; (proposed) Order" (Acceptance and Waiver) on or before **April 30, 2025**.

CONDITIONS FOR LAHONTAN WATER BOARD ACCEPTANCE OF RESOLUTION

Federal regulations require the Lahontan Water Board to publish and allow the public thirty (30) days to 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 signed Acceptance and Waiver, staff will publish a notice of the proposed resolution of the violations.

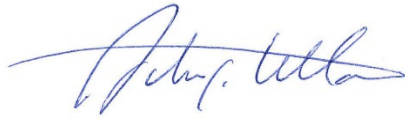
If no comments are received within the 30-day comment period, and unless there are new material facts that become available to the Lahontan Water Board, the Lahontan Water Board Executive Officer or Executive Officer Delegate will execute the Acceptance and Waiver as a stipulated order assessing the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

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 in an evidentiary hearing. At the hearing, the Discharger will be free to make arguments as to the alleged violations, and the Discharger's agreement to accept this conditional offer will not in any way be binding or used as evidence against the Discharger. The Discharger will be provided with further information on the hearing.

In the event the Acceptance and Waiver is executed by the Lahontan Water Board Executive Officer or Executive Officer Delegate, full payment of the assessed amount shall be due within thirty (30) calendar days after the Lahontan Water Board Executive Officer's or the Executive Officer Delegates' action. In accordance with Water Code section 13385(n)(1), funds collected for violations of effluent limitations pursuant to section 13385 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the **\$6,000** liability shall be paid by cashiers or certified check for **\$6,000** and made out to the "*State Water Pollution Cleanup and Abatement Account*". Failure to pay the full penalty within the required period may subject the Discharger to further liability.

All responses to this Conditional Offer shall be submitted via email to both Lahontan@waterboards.ca.gov and to Shelby Barker at shelby.barker@waterboards.ca.gov. Please include "Tahoe Keys Marina and Yacht Club Expedited Payment Letter" in the transmittal email's subject line.

Should you have any questions about this Conditional Offer, please contact Shelby Barker at shelby.barker@waterboards.ca.gov.

A handwritten signature in blue ink, appearing to read "Ben Letton".

Ben Letton, P.G.
Acting Executive Officer

See next page for list of enclosures and cc list.

Enclosures: 1. Record of Violations
2. Acceptance of Conditional Resolution and Waiver of Right to Hearing

cc (w/encl): Regional Board Members
Elizabeth Beryt, Counsel, Office of Chief Counsel, State Water Board
Naomi Rubin, Counsel, Office of Enforcement, State Water Board
Mary Fiore-Wagner, Lahontan Water Board
Shelby Barker, Lahontan Water Board
Brian Judge, Lahontan Water Board

ENCLOSURE 1
FINAL RECORD OF VIOLATIONS FOR ASSESSING MANDATORY MINIMUM PENALTIES
TAHOE KEYS MARINA, EL DORADO COUNTY

Based on a review of Annual Monitoring Reports with data from January 1, 2022, through September 1, 2023.
Mandatory penalties are only considered for the locations which discharged directly to surface water.

Item	Annual Report	Date	Parameter	Permit Limit	Parameter Concentration; Location	Remark/ Penalty Amount	CIWQS
*	2020-2021	10/22/2021	Turbidity	20 NTU	26.5 NTU at SL-2	2/\$0	1101992
*	2020-2021	10/22/2021	Total Iron	0.5 mg/L	0.72 mg/L at SL-2	1/\$3,000	1101993
*	2020-2021	10/22/2021	Total Nitrogen	0.5 mg/L	6.8 mg/L at SL-2	1/\$3,000	1101994
*	2020-2021	10/22/2021	Total Phosphorus	0.1 mg/L	0.39 mg/L at SL-2	1/\$3,000	1101995
1	2021-2022	6/12/2022	Total Nitrogen	0.5 mg/L	6 mg/L at SL-2	1/\$3,000	1131569
2	2021-2022	6/12/2022	Total Phosphorus	0.1 mg/L	0.3 mg/L at SL-2	1/\$3,000	1131570
3	2021-2022	6/12/2022	Turbidity	20 NTU	48 NTU at SL-2	2/\$0	1131571

*Violations settled in Order R6T-2023-0003. These violations are included for context and to determine chronic violations.

Remarks:

1. Serious violation: Group 1 pollutants (Total Nitrogen, Total Phosphorus, Total Iron, Oil and Grease) that exceed the effluent limitation by 40% or more.
2. Chronic violation not subject to MMPs: the violation falls within the first three violations within a 180-day period.
3. Chronic violation subject to MMPs: Four or more violations within a 180-day period.

2 MMP violations x \$3,000 = \$6,000 penalty

Lahontan Regional Water Quality Control Board

**ACCEPTANCE OF CONDITIONAL RESOLUTION
AND WAIVER OF RIGHT TO HEARING; ORDER No.
R6-2025-0010**

Katie Linton, CMM,
Regional Manager
2435 Venice Drive, Suite 100
South Lake Tahoe, CA 96150
klinton@suntex.com

Settlement Offer No. R6-2025-0010

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, Lahontan Region (Lahontan Water Board), Tahoe Keys SMI, LLC, a Delaware Limited Liability Company (hereinafter referred to as “Discharger”) hereby accepts the conditional offer to settle alleged violations through payment of a mandatory minimum penalty and waives the right to a hearing before the Lahontan Water Board to dispute the allegations of violations described in the Record of Violations (ROV), which is incorporated herein by reference.

The Discharger agrees that the ROV shall serve as a complaint pursuant to Division 7, Chapter 5, Article 2.5 of the California Water Code (Water Code) and that no separate complaint is required for the Lahontan Water Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Discharger agrees to pay the penalties required by Water Code section 13385, in the sum of **\$6,000.00** (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 or matters described in the ROV, including the notes, summary and remarks. The Discharger understands that this Acceptance and Waiver waives its right to contest the allegations in the ROV 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 or matter that is not described in the ROV. The ROV includes all alleged violations based on staff’s review of sampling data submitted to demonstrate compliance with the applicable effluent limitations during the Discharger’s ownership and operation of the Tahoe Keys Marina.

Upon execution by the Discharger, the completed Acceptance and Waiver shall be submitted via email to both Lahontan@waterboards.ca.gov and to Shelby Barker at shelby.barker@waterboards.ca.gov Please include “Tahoe Keys SMI, LLC Expedited

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Payment Letter” in the transmittal email's subject line. This Acceptance and Waiver may be executed by wet or electronic signature. Any such signature shall be deemed to be an original signature and shall be binding to the same extent as if it were an original signature.

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

If no comments are received within the notice period that causes the Lahontan Water Board Executive Officer or Executive Officer Delegate to question the Expedited Payment Amount, the Lahontan Water Board Executive Officer or Executive Officer Delegate 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 Lahontan Water Board to resolve the violations set forth in the ROV may be withdrawn. In that circumstance, the Discharger 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 Lahontan Water Board or the matter may be referred to the Attorney General's Office for prosecution. For such a liability hearing, the Discharger understands that this executed Acceptance and Waiver will be treated as a settlement communication and will not be used as evidence in that hearing.

The Discharger further understands that once the Acceptance and Waiver is executed by the Lahontan Water Board Executive Officer or Executive Officer Delegate, 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 pursuant to section 13385 and 13385.1 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the **\$6,000.00** liability shall be paid by a cashiers or certified check for **\$6,000.00**, made out to the “*State Water Pollution Cleanup and Abatement Account*” referencing the number of this Settlement Offer.

The payment must be submitted to the State Water Resources Control Board, Division of Administrative Services, Accounting Branch 1001 I Street, 18th Floor, Sacramento, California 95814, no later than thirty (30) days after the date the Acceptance and Waiver is executed by the Lahontan Water Board Executive Officer or Executive Officer Delegate.

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.

Tahoe Keys Marina and Yacht Club, LLC

By: Katie Linton 4/24/25
(Signed Name) (Date)

Katie Linton Regional Manager
(Printed or typed name) (Title)

IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13385

Date: 6/6/2025

By: JAN
JAN ZIMMERMAN, P.G.
EXECUTIVE OFFICER DELEGATE