STATE OF CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD SAN FRANCISCO BAY REGION

STAFF SUMMARY REPORT (Michelle Rembaum-Fox) MEETING DATE: September 10, 2008

ITEM:

9

SUBJECT:

Willowbrook Feeds, Petaluma, Sonoma County – Hearing to Consider Administrative Civil Liability for Late Submittal of Annual Monitoring Report Required Under the Statewide NPDES General Permit for Discharges of Storm Water Associated with Industrial Activities

CHRONOLOGY:

The Board has not previously considered this item.

DISCUSSION:

We have prepared a Tentative Order (Appendix A) for the Board's consideration that would impose an administrative civil liability (ACL) of \$24,200 on Willowbrook Feeds (the discharger) for late submittal of an annual report required by its NPDES permit to discharge industrial storm water.

The discharger operates a domestic feed manufacturing facility. The domestic feed manufacturing facility is an industrial activity that requires a federal Clean Water Act NPDES permit for discharge of storm water. Accordingly, the facility is covered by the state Industrial Storm Water General Permit (Permit). The Permit requires implementation of: a storm water pollution prevention plan to manage sources and activities at the facility that may pollute storm water discharges; a monitoring program; and, an annual comprehensive site compliance evaluation that is part of an annual report.

The permit requires submittal of the annual report by July 1 of each year. The report must certify that the storm water pollution prevention plan has been implemented and summarize the compliance evaluation, monitoring observations, and sampling results. The annual report must be signed and certified by a responsible corporate officer who performs decision-making functions for the facility.

The discharger did not submit its 2006/07 annual report by July 1, 2007. Consequently, we issued two notice of noncompliance letters and contacted the discharger by telephone on June 18, 2008. Because of the delinquent submittal of the annual report, which is the primary means of ensuring that the facility is in compliance with permit requirements, the Assistant Executive Officer issued an ACL Complaint to the discharger in the amount of \$24,200 (Appendix B).

The discharger submitted a comment letter (Appendix C) along with its 2006/2007 Annual Report and requested that the Complaint be absolved without further penalty or administrative action. The discharger acknowledges the

reporting delinquency and states that it was due primarily to personnel changes. The discharger states that it has taken necessary corrective actions to ensure such violation will not happen again.

The 2006/2007 annual report, ultimately received 399 days late following issuance of the ACL Complaint, was inadequate, as it did not include sampling and analysis results, or the results of certain required visual observations.

The discharger stated that it has a good track record for submittal of previous annual reports. However, the discharger submitted its 2005/2006 annual report on September 28, 2006, 88 days after the due date. At that time, the discharger stated the late submittal was due to management changes.

The permit requires the discharger to ensure that it is complying with the permit at all times, including implementing an up-to-date storm water pollution prevention plan at all times, taking necessary visual observations, and reporting as required by the permit. This includes ensuring that responsibility for the permit's implementation is assigned to an appropriate responsible party or parties. Upon discovery of a management or personnel problem, a responsible official should have taken action in a timely manner to ensure compliance with permit requirements.

The proposed penalty is reasonable and accounts for cost savings by the discharger. It also accounts for our staff costs to prepare the Complaint and supporting information. It does not account for our staff costs associated with preparing documents and testimony for the hearing.

The proposed penalty is also consistent with other recent ACL Complaints issued to and accepted by dischargers for annual reports that were delinquent by more than a year.

RECOMMEN-

DATION:

Prosecution staff recommends adoption of the Tentative Order. The Executive Officer, who has had no involvement with the prosecution of this case, will advise the Board at the hearing.

ATTACHMENTS Appendix A - Tentative Order

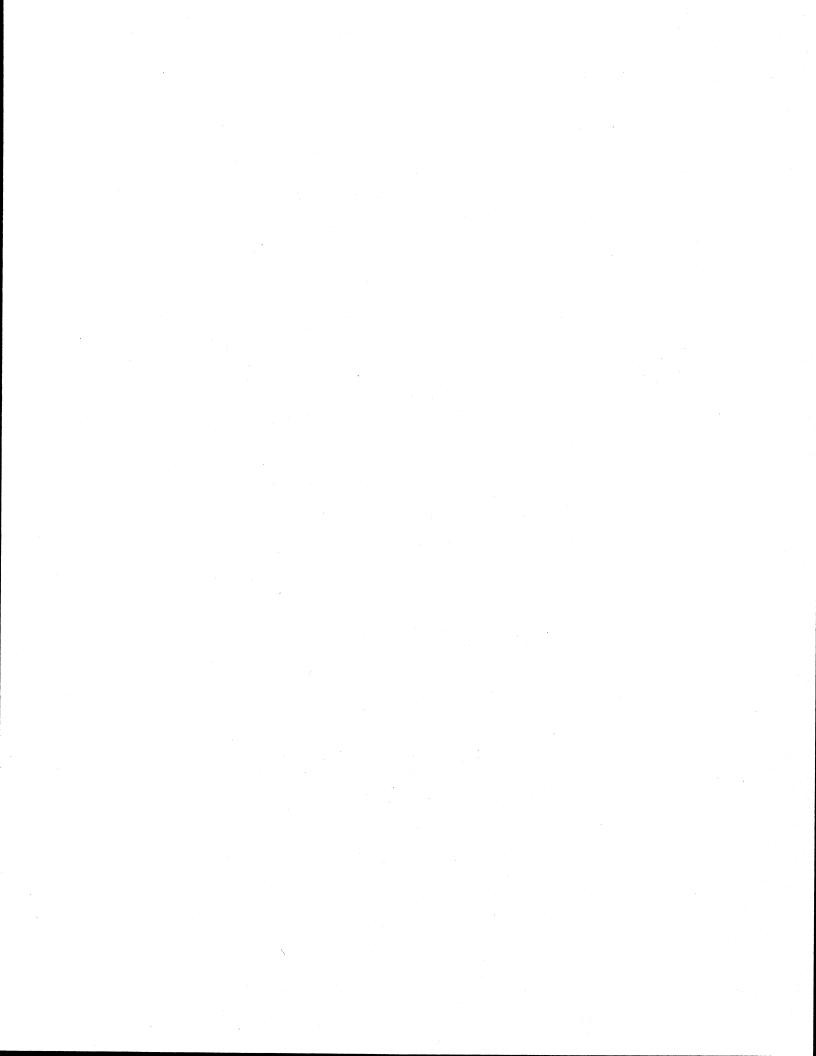
Appendix B - Administrative Civil Liability Complaint

Appendix C - Comment Letter

File No. 2148.15 (MRF)

APPENDIX A

Tentative Order



STATE OF CALIFORNIA CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD SAN FRANCISCO BAY REGION

TENTATIVE ORDER

ORDER SETTING ADMINISTRATIVE CIVIL LIABILITY FOR:

Willowbrook Feeds 40 Ely Road Petaluma, Sonoma County

The California Regional Water Quality Control Board, San Francisco Bay Region (hereinafter called the Water Board), finds with respect to Willowbrook Feeds (hereinafter called the Discharger), that:

- 1. The Discharger operates the facility, which discharges storm water associated with industrial activity. In 1992, the Discharger submitted a Notice of Intent (NOI) to obtain coverage under the State Water Resources Control Board's discharge permit for Storm Water Discharges Associated with Industrial Activities, Water Quality Order NO. 97-03-DWQ, NPDES No. CAS000001 (General Permit). The Discharger's Waste Discharge ID No. is 2 49S003652.
- 2. The General Permit states, in part:
 - "Section B. Monitoring Program and Reporting Requirements
 - "14. All facility operators shall submit an Annual Report by July 1 of each year to the Executive Officer of the Regional Water Board responsible for the area in which the facility is located and to the local agency (if requested)."
- 3. The Discharger violated Section B of the General Permit by failing to submit its 2006/2007 annual report by July 1, 2007.
- 4. On August 6, 2007, the Executive Officer issued a Notice of Noncompliance (NNC) letter to the Discharger. The Discharger was notified of its obligation to submit an annual report and to comply with the General Permit. The Discharger was required to respond by September 8, 2007, but failed to do so.
- 5. By certified mail dated November 13, 2007, the Executive Officer issued a second NNC letter to the Discharger. This letter was to inform the Discharger that it was in violation of the General Permit and that the Executive Officer would recommend enforcement actions if an annual report was not submitted. No written or verbal response to the letter was provided by the Discharger.

- 6. Board staff confirmed that the facility was still in business at the above address via telephone on June 18, 2008.
- 7. As of June 15, 2008, the Discharger has failed to submit its 2006/2007 annual report. The Discharger has been in violation of the General Permit for a total of 350 days (July 2, 2007 through June 15, 2008).
- 8. California Water Code (CWC) Section 13385 states, in part:
 - "(a) Any person who violates any of the following shall be liable civilly in accordance with this section:
 - (2) Any waste discharge requirements or dredge and fill material permit.
 - (c) Civil liability may be imposed administratively by the state board or a regional board pursuant to Article 2.5 (commending with Section 13323) of Chapter 5 in an amount not to exceed the sum of both of the following:
 - (1) Ten thousand dollars (\$10,000) for each day in which the violation occurs."
 - (2) [subsection 2 is not pertinent to this ACL]
- 9. CWC Section 13385 authorizes Administrative Civil Liability not exceeding \$10,000 for each day in which the violation occurs.
- 10. The Discharger's late submittal of its Annual Report is a violation of CWC Section 13385 for which the Board may impose administrative civil liability.
- 11. On July 11, 2008, the Assistant Executive Officer issued a Complaint (R2-2008-0045) to the Discharger proposing a \$24,200 Administrative Civil Liability for the violation of the General Permit, and CWC Section 13385. The Discharger submitted a comment letter.
- 12. On August 4, 2008, the Water Board received the discharger's comment letter on the Complaint along with its 2006/2007 Annual Report, which was 399 days late.
- 13. The discharger requested that the Complaint be absolved without further penalty or administrative action. The discharger acknowledges the reporting delinquency and states that it was due primarily to personnel changes. The discharger states that it has taken necessary corrective actions to ensure such violation will not happen again.
- 14. The Water Board, after hearing all testimony, determined the Discharger is subject to civil liabilities. In determining the amount of civil liability the following factors have been taken into consideration:

"...the nature, circumstance, extent, and gravity of the violation or violations, whether the discharge is susceptible to cleanup and abatement, the degree of toxicity of the discharge, and, with respect to the violator, the ability to pay, the effect on ability to continue in business, any voluntary cleanup efforts undertaken, any prior history of violations, the degree of culpability, economic savings, if any, resulting from the violation, and other matters of justice may require."

- 15. The Board determined, with respect to the factors required in the Findings, the following:
 - a. Nature, circumstances, extent, and gravity of the violation
 Late submittal of the annual report is a significant violation because the Water Board relies on the report to determine the Discharger's compliance with the General Permit.

The Discharger was given a number of warnings, including two Notices of Noncompliance letters and was contacted once by telephone. These annual reports are a key means of determining the quality of stormwater runoff from the Discharger's site and ensuring the Discharger is implementing appropriate control measures at its site. In addition, the annual report eventually submitted past the deadline indicated that requirements of the General Permit, including implementation of the Surface Water Pollution Prevention Plan (SWPPP) and site monitoring, were not met.

- b. <u>Toxicity of Discharge and Susceptibility to Cleanup</u>
 The violation for which liability is proposed is late submittal of a required report.
 Civil liability is not proposed for a specific discharge.
- c. <u>Prior history of violations</u>
 The discharger has submitted its annual reports from previous years in a timely manner.
- d. <u>Degree of culpability</u>
 The storm water regulations are applicable to all industrial sites on a nationwide basis. All dischargers are required to comply with the General Permit. The Discharger is fully culpable for violating the terms and conditions of the General Permit, which implements the Clean Water Act.
- e. <u>Savings resulting from the violation</u>
 The Discharger has realized cost savings by: failure to timely perform required sampling and analyses, and failure to implement and/or document its SWPPP. Assuming an average-sized site, the minimum economic savings for not submitting an annual report is approximately \$1000/year.

- f. <u>Discharger's ability to pay and the ability to continue business</u>

 There is no evidence that the Discharger can not pay the civil liability or that payment will prevent its ability to continue business.
- g. Other matters that justice may require
 Staff time to prepare a Complaint and supporting information is estimated to be
 20 hours. Based on an average cost to the State of \$125 per hour, the total cost is
 \$2,500.
- 16. An \$24,200 Administrative Civil Liability is appropriate based on the determinations in the Findings. This amount includes staff costs of \$2,500, and estimated economic savings of \$1,000.
- 17. This action is an Order to enforce the laws and regulations administered by the Water Board. Issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.), in accordance with Section 15321(a) (2), Title 14, of the California Code of Regulations.
- 18. The Discharger may petition the State Board to review this action. The State Board must receive the petition within 30 days of the date this order was adopted by the Water Board. The petition will be limited to raising only the substantive issues or objections that were raised before the Water Board at the public hearing or in a timely submitted written correspondence delivered to the Water Board.

IT IS HEREBY ORDERED that Willowbrook Feeds is civilly liable for the violation of the General Permit cited in Complaint No. R2-2008-0045, and shall pay the administrative civil liability in the amount of \$24,200. The liability shall be paid to the State Water Pollution Cleanup and Abatement Account within 30 days of the date of this Order.

I, Bruce H. Wolfe, Executive Officer, do herby certify that he foregoing is a full, complete, and correct copy of an Order adopted by the California Regional Water Quality Control Board, San Francisco Bay Region, on September 10, 2008.

Bruce H. Wolfe Executive Officer

APPENDIX B

Administrative Civil Liability Complaint

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STATE OF CALIFORNIA CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD SAN FRANCISCO BAY REGION

In the Matter of:)
) COMPLAINT NO. R2-2008-0045
	for
Willowbrook Feeds) ADMINISTRATIVE
40 Ely Road) CIVIL LIABILITY
Petaluma, Sonoma County	
)

YOU ARE HEREBY GIVEN NOTICE THAT:

- 1. Willowbrook Feeds (hereinafter the Discharger) is alleged to have violated provisions of the law for which the California Regional Water Quality Control Board, San Francisco Bay Region (hereinafter Water Board) may impose civil liability pursuant to Section 13385 of the California Water Code (CWC).
- 2. The Water Board will hold a hearing on this matter on September 10, 2008, in the Elihu M. Harris State Building, First Floor Auditorium, 1515 Clay Street, Oakland, California, 94612. You or your representatives(s) will have an opportunity to be heard and to contest the allegations in this complaint and the imposition of civil liability by the Water Board. You will be mailed an agenda no less than ten days before the hearing date. You must submit any written evidence concerning this complaint to the Water Board not later than 5 pm on August 11, 2008, so that such comments may be considered. Any written evidence submitted to the Water Board after this date and time will not be accepted or responded to in writing.
- 3. At the hearing the Water 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.

ALLEGATIONS

- 4. The following facts are the basis of the alleged violations in this matter:
 - a. The Discharger submitted a Notice of Intent (NOI) to obtain coverage under the State Water Resources Control Board's discharge permit for Storm Water Discharges Associated with Industrial Activities, Water Quality Order NO. 97-03-DWQ, NPDES No. CAS000001 (General Permit). The Waste Discharge Identification Number is 2 49 I003652.
 - b. The General Permit requires the Discharger to submit an annual report documenting its sampling and analyses, observations, and an annual comprehensive site compliance evaluation, by July 1 of each year.
 - c. The Discharger violated its waste discharger requirements by failing to submit its 2006-2007 annual report by the July 1, 2007, deadline. This is a violation of CWC Section 13385(a)(1), for which administrative civil liability may be imposed.
 - d. On August 6, 2007, the Executive Officer issued a Notice of Noncompliance (NNC) letter to the Discharger. The Discharger was notified of its obligation to submit an annual report and to comply with the General Permit. The Discharger was required to respond by September 24, 2007, but failed to do so.

e. By certified mail dated November 13, 2007, the Executive Officer issued a second NNC letter to the Discharger. This letter informed the Discharger that it was in violation of the General Permit and that the Executive Officer would recommend enforcement actions, including administrative civil liability up to \$10,000 per day, if an annual report was not submitted. No written or verbal response to the letter was provided by the Discharger.

Board staff confirmed that the facility was still in business at the above address via telephone on June 18, 2008.

f. As of June 15, 2008, the Discharger has failed to submit its 2006/2007 annual report. The Discharger has been in violation of the General Permit for a total of 350 days (July 2, 2007 through June 15, 2008).

PROPOSED CIVIL LIABILITY

- 5. Issuance of this Complaint is exempt from the provisions of the California Environmental Quality Act (Public Resources Code 21000 et seq.) in accordance with Section 15321 of Title 14, California Code of Regulations.
- 6. Under CWC Section 13385(c)(1), the Water Board can impose a maximum civil liability of \$10,000 per day of violation. This Complaint addresses violations for the 350 day period from July 2, 2007, through June 15, 2008.
- 7. Under Section 13385(e) of the CWC, the Water Board shall consider the following factors in determining the amount of civil liability to be imposed:
 - a. The nature, circumstances, extent, and gravity of the violation:

These annual reports are a key means of determining the quality of stormwater runoff from the Discharger's site and ensuring the Discharger is implementing appropriate control measures at the site. Additionally, they are one of the Discharger's primary tools to self-evaluate site compliance with the permit and to identify any needed improvements.

The Discharger was sent two Notice of Noncompliance letters and was contacted once via telephone. Also, the Discharger, by submitting an NOI, indicated its intent to comply with all requirements of the General Permit, including the requirement to submit an annual report.

b. Toxicity of Discharge and Susceptibility to Cleanup

The violation for which liability is proposed is a failure to submit a required report. The report is required to include quantitative and qualitative information on the amounts and/or presence of certain pollutants in discharges from the subject facility, as well as information on remedial actions taken by the Discharger to halt or minimize polluted discharges from its facility. In the absence of this information, it is not possible to make a more specific determination on this factor, and civil liability is not proposed for a specific discharge.

c. Discharger's ability to pay:

The Discharger has not demonstrated an inability to pay the proposed amount.

d. Prior history of violations:

The discharger has submitted its annual reports from the previous years in a timely manner.

e. Degree of culpability:

The storm water regulations are applicable to all specified industrial sites on a nationwide basis. All dischargers are required to comply with the Clean Water Act. The Discharger is fully culpable for violating the terms and conditions of the General Permit, which implements the Clean Water Act.

f. Savings resulting from the violation:

The Discharger has realized cost savings by: failure to perform required sampling and analyses, late submittal of the annual report, and failure to implement and/or document its Stormwater Pollution Prevention Plan (SWPPP). Assuming an average-sized site, Board staff estimates the minimum economic savings for submitting a late and incomplete annual report to be \$1000/year.

g. Other matters that justice may require:

Staff time to prepare a Complaint and supporting information is estimated to be 20 hours. Based on an average cost to the State of \$125 per hour, the total cost is \$2,500.

Basis for Liability Amount

- 8. Per CWC Section 13385(e) the following factors in determining an appropriate civil liability amount were considered: the nature, circumstance, extent, and gravity of the violation or violations, whether the discharge is susceptible to cleanup or abatement, the degree of toxicity of the discharge, and with respect to the violator, the ability to pay, the effect on the ability to continue in business, any voluntary cleanup efforts undertaken, and prior history of violations, the degree of culpability, economic benefit or saving, if any, resulting from the violation, and such other matters as justice may require. Using this section as a guide as well as the monetary assessment guidance set forth State Water Resources Control Board's Enforcement Policy, the proposed liability was derived.
- 9. The Assistant Executive Officer of the Water Board proposes that an administrative civil liability be imposed in the amount of \$24,200. Of this amount, \$2,500 is for recovery of staff costs.

Claims of inability must be substantiated by adequate proof of financial hardship (e.g., two years of income tax returns or an audited financial statement).

10. Further failure to comply with the General Permit or amendments thereof beyond the date of this Complaint may subject the Discharger to further administrative civil liability, and/or other appropriate enforcement actions(s), including referral to the Attorney General.

Dyan C. Why				
	<u> </u>		July 11, 2008	
Dyan C. Whyte		•	Date	
Assistant Executive Officer				

WAIVER OF HEARING

You may waive the right to a hearing. If you wish to waive the hearing, an authorized person must check and sign the waiver below and return it to the Regional Water Quality Control Board, San Francisco Bay Region, at 1515 Clay Street Suite 1400, Oakland, CA 94612. Payment of the civil liability must be made by August 11, 2008. Any waiver will not be effective until August 11, 2008, to allow other interested persons to comment on this action.

In the Ma	atter of:	·)		
) COM	IPLAINT NO. R2-2008-0045	
)	for	
Willowb	rook Feeds)	ADMINISTRATIVE	
40 Ely R	oad	j	CIVIL LIABILITY	
Petaluma	, Sonoma County	j		
		_)		
		WAIVER OF	HEARING	
no hearing or b) the V presented a hearing	g on the matter, unless a) the Water Board determines it wi at the meeting that could not but the Water Board holds a	Water Board staff receiv Il hold a hearing because have been submitted du hearing under either of the	d on the agenda of a Water Board meeting but there we significant public comment during the comment is it finds that new and significant information has been ring the public comment period. If you waive your the above circumstances, you will have a right to test to later than August 11, 2008.	period, en right to
	violations alleged in Comp Pollution Cleanup and Ab Oakland, CA 94612, within agenda. I understand that the Assistant Executive Of liability proposed unless the	ree to waive my right to a colaint No. R2-2006-0045 atement Account, c/o Reg n 30 days after the Water I am giving up my right officer in this Complaint, and Water Board holds a huch a hearing and impose	a hearing before the Water Board with regard to the and to remit the full penalty payment to the State Water Quality Control Board at 1515 Clay Str Board meeting for which this matter is placed on the behard, and to argue against the allegations made and against the imposition of, or the amount of, the chearing under either of the circumstances described a es a civil liability, such amount shall be due 30 days	treet, he le by civil above.
	By checking the box, I agree violations alleged in Comp (SEP) in lieu of the susper Pollution Cleanup and Aboth this matter is placed on the understand that the SEP proposed understand that the SEP proposed understand that the SEP. I also understand that Executive Officer in the Coproposed unless the Water Water Board holds such a date the Water Board adopapproved SEP within a time.	ree to waive my right to a colaint No. R2-2006-0045 anded liability up to \$12,10 atement Account (CAA) agenda. The SEP proportion of the letter from the Assistant Executive of the letter from the Assistant Executive of the letter from the Assistant I am giving up my right complaint, and against the Board holds a hearing up the aring and imposes a cipts the order imposing the se schedule set by the Assistant be schedule set by	ment and undertake an SEP. a hearing before the Water Board with regard to the , and to complete a supplemental environmental pro 00 and paying the balance of the fine to the State Wa within 30 days after the Water Board meeting for w osal shall be submitted no later than August 11, 2008 the requirements specified in Section IX of the Water of the State Water Resources Control Board on Febru executive Officer. If the SEP proposal, or its revised the Officer, I agree to pay the suspended penalty amount sistant Executive Officer rejecting the proposed/revisate to argue against the allegations made by the Assist the imposition of, or the amount of, the civil liability ander either of the circumstances described above. If will liability, such amount shall be due 30 days from the liability. I further agree to satisfactorily complete the sistant Executive Officer. I understand failure to the immediate payment of the suspended liability to the	ater which 8. I er nary 19, 1 unt sed tant f the the
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	Date		Title/Organization	

APPENDIX C

Comment Letter





Petaluma Poultry P.O. Box 7368, 2700 Lakeville Hwy. Petaluma, CA 94955

July 31, 2008

Dyan C. Whyte Assistant Executive Officer California regional Water Quality Control Board 1515 Clay Street Suite 1400 Oakland, CA 94612

Subject: Response to Complaint No. R2-2008-0045

We are in receipt of the complaint dated July 11, 2008 in which Willow brook Feeds is alleged to be in violation of its general permit for discharger ID# 2 49 I003652. The following are our comments relative to this complaint.

As a sustainably farmed and ISO 14001 certified chicken company, we understand the importance of being in compliance with environmental regulations. Because of this we have taken the following actions to assure future compliance.

O An internal investigation was conducted to determine a cause for the report being late, several issues came to light.

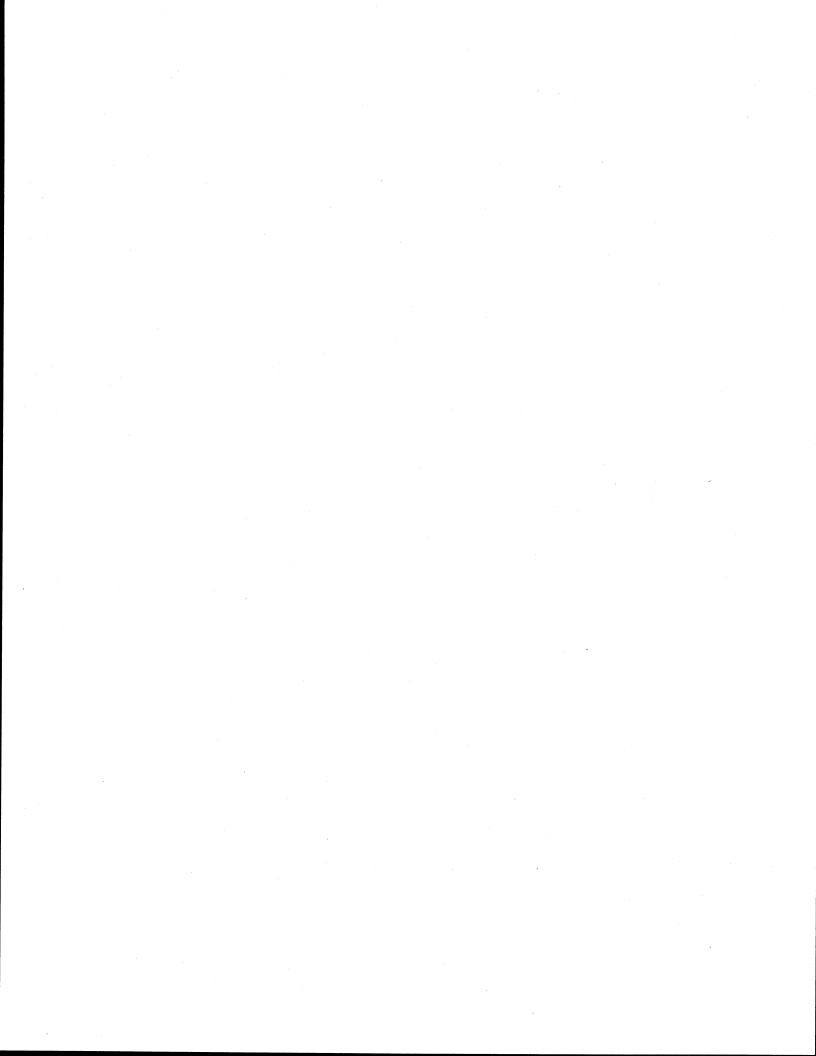
Key management changes occurred at Willow brook feeds including the individual responsible for completing and filing the report. The task was not

appropriately reassigned to the new personnel.

The reminder letter sent by the Water Quality Control Board on August 6, 2007 was sent to the facility physical address. This address does not have regular mail. The notice should have been sent to the listed PO Box. Because of this, the letter was not received or acted upon by employee's of Willow brook Feeds. The previously submitted 2005/2006 report included the correct address both physical and mailing address.

The certified mail notification sent by the Board on November 13, 2007 was also sent to the physical address and not the PO Box. The letter however was received but it was addressed to a person no longer employed by Willow Brook feeds.

Subsequently the notice was discarded unopened.



page 2 of 2

- O Given the findings of this investigation we have taken the following immediate actions.
 - The 2006/2007 report is completed and attached.
 - The addresses both physical and mailing addressed were verified through the Regional Water Board log in on-line and the necessary updates completed.
 - The company contacts have been verified and updated requested on the attached forms.
 - Our legal register component was updated to internally notify Willow Brook feeds that the annual report is due.
 - Employees associated with the submission of the report have been identified and trained on the procedures.
 - Additional employees have been identified as "back-up" to submit the required reports in the absence of the key person.

Willow Brook feeds has worked diligently to correct the issues surrounding the reason for the untimely submittal of the required reports. Our proven track record of successful completion and submittal of the reports over many years is just one indicator of our commitment to making sure we meet our obligations. Additionally, we have put in place multiple corrective actions to insure this does not occur again.

Given this, we request that the complaint be closed without further penalty or administrative action.

WP Operations
Petaluma Poultry

7. J	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete Jurnes 1 2 10 8. Also complete that if Plastrictor Billivery is desired. Print your name and address on the reverse so that we can return the card to you. Attact this card to the back of the maliplece, or on the front if space permits. 1. Article Addressed to: Dyaw Whyt.	A Signature Agent X
Ca Region water Bond 1515 Chay St. Svike 1400 Oakland CA 94612	CI (I ISUI GO MIA)
	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number 7 0 0 8 0 1	20 0000 PO2P 35JS
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