



California Regional Water Quality Control Board

San Francisco Bay Region



Linda S. Adams
Secretary for
Environmental Protection

1515 Clay Street, Suite 1400, Oakland, California 94612
(510) 622-2300 • Fax (510) 622-2460
<http://www.waterboards.ca.gov/sanfranciscobay>

Arnold Schwarzenegger
Governor

December 8, 2009
CIWQS Place ID: 221206 (FA)

Zone 7 Water Agency
Attn.: Ms. Mary Lim, Environmental Services Program Manager
100 North Canvons Parkway
Livermore, CA 94551-9486

Subject: Offer to Participate in Expedited Payment Program Relating to Violations of NPDES Permit No. CAG382001 (Order No. R2-2003-0062), Del Valle Water Treatment Plant located at 601 E. Vallecitos, Livermore, Alameda County, CA 94550

Dear Ms. Lim:

This letter is to notify Zone 7 Water Agency (Agency) of alleged violations of the California Water Code and to allow the Agency to participate in the Regional Water Board's Expedited Payment Program for Effluent or Reporting Violations (Expedited Payment Program) to address liability (\$6,000 in mandatory minimum penalty) which may be assessed pursuant to Water Code sections 13385 and 13385.1. Please reply by **January 7, 2010**.

NOTICE OF VIOLATION:

The Assistant Executive Officer alleges that the Agency has violated the effluent limitations identified in the Notice of Violation (NOV) attached as Exhibit "A". The Agency will have the opportunity to address the alleged violations as discussed below.

STATUTORY LIABILITY:

California Water Code Section 13385(h) and (i) require the assessment of a MANDATORY MINIMUM PENALTY of \$3,000 for specified serious and other effluent limit violations. The Agency is subject to discretionary administrative civil liabilities of up to TEN THOUSAND DOLLARS (\$10,000) for each day in which the violation occurs, plus TEN DOLLARS (\$10) for each gallon discharged but not cleaned up in excess of 1,000 gallons. These mandatory minimum penalties and discretionary administrative civil liabilities may be assessed by a Regional Water Quality Control Board (Regional Water Board) or the State Water Board (collectively "the Water Boards"), beginning with the date that the violations first occurred¹. The formal

¹ Please note that there are no statutes of limitation that apply to administrative proceedings to assess mandatory minimum penalties. See *City of Oakland v. Public Employees' Retirement System*, (2002) 95 Cal.App.4th 29, 48; 3 Witkin, Cal. Procedure (4th ed. 1996) Actions, §405(2), p. 510.) The Agency has not been substantially prejudiced by the passage of time between the date(s) that Agency reported the violations identified on Exhibit A and the date of this letter. The Agency was aware of the violations at the time it reported them to the Regional Water Board. Regional Water Board staff's limited enforcement resources and competing enforcement priorities provide a rational explanation for the delay. In

enforcement action which the Water Boards use to assess such liability is an administrative civil liability complaint although the Water Boards 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 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 Agency can avoid the issuance of a formal enforcement action and settle the alleged violations identified in the attached NOV by participating in the Regional Water Board's Expedited Payment Program. Details of the proposed settlement are described below and addressed in the enclosed documents.

To promote resolution of these violations, the Regional Water Board makes this Conditional Offer. The Agency may accept this offer, waive the Agency's right to a hearing, and pay the mandatory minimum penalty as indicated on Exhibit A, for the violations described in the NOV. If the Agency elects to do so, subject to the conditions below, the Regional Water Board will accept that payment in settlement of any enforcement action that would otherwise arise out of the violations identified in the Notice of Violation. Accordingly, the Regional 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 Notice of Violation. Resolution of these violations by the Regional Water Board will preclude State Water Board action for these same violations.

The Expedited Payment Program does not address liability for any violation that is not specifically identified in the Notice of Violation.

AGENCY'S OPTIONS FOR RESPONSE TO OFFER:

If you accept this offer, please complete and return the enclosed "Acceptance of Conditional Resolution and Waiver of Right to Hearing" (Acceptance and Waiver) on or before the date specified in the first paragraph of this letter. The Acceptance and Waiver will be held, pending a 30-day public notice period, and then will be counter-signed by the Executive Officer and returned to you for payment.

If you contest some but not all of the violations identified in the attached Notice of Violation, The Agency may elect to reserve the right to address the contested matters and resolve any uncontested violations through the payment of the mandatory minimum penalty for each uncontested violation. If the Agency chooses this option, please communicate with the staff contact identified below to discuss the mechanism for memorializing that election on or before the date specified in the first paragraph of this letter.

fact, the delay has actually benefited the Agency because it extended the time before payment of the mandatory minimum penalties is due. For these reasons, any delay is not unreasonable.

If the Agency chooses to contest any of the violations alleged in the Notice of Violation, please identify the specific violation and the basis for the challenge (factual error, affirmative defense, etc.) on or before the date specified in the first paragraph of this letter. The Regional Water Board staff will evaluate the contested violation and take one of two actions:

- 1) The Regional Water Board staff will determine that the violation is not supported, expunge the alleged violation from the CIWQS data base, take no further action against the Agency for the alleged violation, and notify the Agency of that determination; or
- 2) The Regional Water Board staff will determine that the alleged violation is meritorious, and will notify the Agency of that determination. The Agency will be given thirty (30) days from the date of receipt of the Regional Water Board staff determination, to submit a supplemental Expedited Payment for those violations. If the Agency chooses not to make a payment in response to the determination, the Agency should expect to be contacted regarding formal enforcement action that will be initiated with regard to the contested violations. In a formal enforcement action, the liability amount sought and/or imposed may exceed the liability amount set forth in this Conditional Offer. Moreover, the cost of enforcement is a factor which can be considered in assessing the liability amount.

CONDITIONS FOR REGIONAL WATER BOARD ACCEPTANCE OF RESOLUTION:

Federal regulations require the Regional 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 Agency's Acceptance and Waiver, the Regional Water Board staff will publish a notice of the proposed resolution of the violations.

If no comments are received within the 30-day period, and unless there are new material facts that become available to the Water Boards, the Executive Officer will execute the Acceptance and Waiver as a stipulated order assessing the uncontested mandatory minimum penalty 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 Agency's waiver pursuant to the Acceptance and Waiver will also be treated as withdrawn. In that case, the unresolved violations will be addressed in a liability assessment proceeding. At the liability assessment hearing the Agency will be free to make arguments as to any of the alleged violations, and the Agency's agreement to accept this conditional offer will not in any way be binding or used as evidence against the Agency. The Agency will be provided with further information on the liability assessment proceeding.

In the event the Acceptance and Waiver is executed by the Executive Officer, payment of the assessed amount shall be due and payable to the Regional Water Board as specified on the

invoice that will accompany the Agency's receipt of the notice of the Executive Officer execution. The payment period is thirty (30) days. Failure to pay the penalty within the required time period may subject the Agency to further liability.

Should you have any questions regarding this matter, please contact Farhad Azimzadeh at (510) 622-2310 or fazimzadeh@waterboards.ca.gov. If you need to fax a copy of the signed waiver, you may send it to the attention of Farhad Azimzadeh of my staff at (510) 622-2460.

Sincerely,

Thomas E. Mumley
Assistant Executive Officer

Enclosures: (1) Acceptance of Conditional Resolution
(2) Exhibit "A" - Notice of Violation

**ACCEPTANCE OF CONDITIONAL RESOLUTION
AND WAIVER OF RIGHT TO HEARING**

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the Regional Water Quality Control Board (Regional Water Board), Zone 7 Water Agency (Agency) hereby accepts the “Offer to Participate in Expedited Payment Program” and waives the right to a hearing before the Regional Water Board to dispute the allegations of violations described in the Notice of Violation (NOV) which is attached hereto as Exhibit “A” and incorporated herein by reference.

The Agency agrees that the NOV shall serve as a complaint pursuant to Article 2.5 of the Water Code and that no separate complaint is required for the Regional Water Board to assert jurisdiction over the alleged violations through its Assistant Executive Officer. The Agency agrees to pay the penalties authorized by California Water Code section 13385, which shall be deemed payment in full of any civil liability pursuant to the Water Code sections 13385 and 13385.1 that otherwise might be assessed for the violations described in the NOV.

The Agency understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the Notice of Violation.

Upon execution by the Agency, the Acceptance and Waiver shall be returned to:

Expedited Payment Program
California Regional Water Quality Control Board
San Francisco Bay Region
Attn: Farhad Azimzadeh
1515 Clay Street, Suite 1400
Oakland, California 94612

The Agency understands that federal regulations set forth at title 40, Code of Federal Regulations, section 123.27(d)(2)(iii) require the Regional Water Board to publish notice of and provide at least 30 days for public comment on any proposed resolution of an enforcement action. Accordingly, this Acceptance and Waiver, prior to execution by the Executive Officer of the Regional Water Board, will be published as required by law for public comment.

If no comments are received within the notice period which causes the Executive Officer of the Regional Water Board to reconsider the Expedited Payment Amount, the Executive Officer will execute the Acceptance and Waiver. Resolution of these violations by the Regional Water Board will preclude State Water Board action for these same violations.

The Agency understands that if significant comments are received in opposition to the Expedited Payment Amount, the offer on behalf of the Regional Water Board to resolve the violations set forth in the NOV may be withdrawn. In that circumstance, the Agency 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 Regional Water Quality Control Board or the State Water Board. For such a liability hearing, the Agency understands that this Acceptance and Waiver executed by the Agency will be treated as a settlement communication and will not be used as evidence in that hearing.

The Agency understands that once the Acceptance and Waiver is executed by the Executive Officer of the Regional Water Board, payment of the amount in full no later than 30 days after the date of the Executive Officer's signature is a condition of this Acceptance and Waiver. The Agency must submit its payment in full by check made out to "California Regional Water Quality Control Board" and sent to the address indicated above, together with a copy of this Acceptance and Waiver after execution by the Executive Officer.

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

Zone 7 Water Agency

By: _____
(Signed Name)

(Date)

(Printed or typed name)

(Title)

IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13385

By: _____
Bruce H. Wolfe
Executive Officer
Regional Water Quality Control Board

Note to Discharger: Please return the signed waiver with Exhibit "A", together

Exhibit "A"
 Zone 7 Water Agency
 Zone 7 Water Agency Del Valle Water Treatment Plant
 601 E. Vallecitos
 Livermore, Alameda County, CA 94550
 (Discharges mainly to a south tributary to Arroyo del Valle)

Notice of Violation
 Mandatory Minimum Penalties without Enforcement

The following table lists this facility's alleged violations of California Water Code Sections 13385(h) and (i) during the August 7, 2008, through October 2, 2008, period for which the Water Board has not assessed a mandatory minimum penalty. Final calculation of MMP amounts owed, and descriptions of the abbreviations that appear in the table are also listed in the table below.

No	CIWQS Violation ID No.	Date of Occurrence	Effluent Limitation Description (Unit)	Effluent Limit	Reported Value	Percent a Group I or Group II Pollutant is over Effluent Limitation	Type of Violations	CWC Section 13385(h) and/or (i) Required MMP
1	563827	8/7/2006	pH (unit)	8.5	8.7	-	C1	\$0
2	787062	10/1/2008	Chlorine Residual, mg/L	0.0	1.1	See Note 1	S, C1	\$3,000
3	788470	10/2/2008	Chlorine Residual, mg/L	0.0	0.2	See Note 1	S, C2	\$3,000
Total								\$6,000
<p>Legend for Table: CIWQS = California Integrated Water Quality System database used by the Water Boards to manage violation and enforcement activities. Violation ID = Identification number assigned to a violation in CIWQS. CWC = California Water Code. C = Count – The number that follows represents the number of violations the Discharger has had in the past 180 days, including this violation. A count greater than C3 means that a penalty under Water Code Section 13385(i) applies. S = Serious, which means that a penalty under Water Code Section 13385(h) applies when an effluent limitation is exceeded 40% or more for a Group I pollutant or 20% or more for a Group II pollutant.</p> <p>Note 1: Chlorine is a Group II pollutant and the percent that chlorine residue is more than the limit of 0.0 is more than 20 but not quantifiable.</p> <p style="text-align: right;">For internal purpose: CIWQS Regulatory Measure ID No.: 372060</p>								