



GAVIN NEWSOM  
GOVERNOR



JARED BLUMENFELD  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

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## San Francisco Bay Regional Water Quality Control Board

November 25, 2019  
CW-202456

Vishay Intertechnology  
Attn.: Luis Muñoz  
63 Lancaster Avenue  
Malvern, PA 19355  
via email only: [luis.munoz@vishay.com](mailto:luis.munoz@vishay.com)

Monsanto Company  
Attn.: Drew M. Reavis  
800 N Lindburgh  
St. Louis, MO 63167  
via email only: [drew.reavis@bayer.com](mailto:drew.reavis@bayer.com)

Gould Electronics, Inc.  
Attn.: James Cronmiller  
2555 West Fairview, Suite 103  
Chandler, AZ 85224  
via email only: [j.cronmiller@gouldelectronics.com](mailto:j.cronmiller@gouldelectronics.com)

GlaxoSmithKline PLC  
Attn.: Lorraine Cancro  
5 Crescent Drive  
Philadelphia, PA 19112  
via email only: [lorraine.h.cancro@gsk.com](mailto:lorraine.h.cancro@gsk.com)

**Subject: Conditional Offer to Settle Violations of NPDES Permits CAG912002 and CAG912003, 3400 Hillview Avenue (facility name), 3400 Hillview Avenue, Palo Alto, Santa Clara County**

Dear Ms. Cancro and Messrs. Muñoz, Cronmiller, and Reavis:

This letter notifies Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC (Dischargers) of alleged violations of a discharge limitation and provides the Dischargers an opportunity to settle the violations through a payment of **\$9,000**, the mandatory minimum penalty pursuant to Water Code section 13385. Please reply by **January 3, 2020**.

### NOTICE OF VIOLATION

The Assistant Executive Officer alleges that the Dischargers have violated the NPDES permits indicated above as identified in Exhibit A, which is attached to this letter and incorporated by reference. The Dischargers have the opportunity to address the alleged violations as discussed below.

### STATUTORY LIABILITY

Water Code section 13385, subdivisions (h) and (i), requires the assessment of a \$3,000 mandatory minimum penalty for specified serious and chronic effluent limitation violations. Failure to file a discharge monitoring report required pursuant to Water Code section 13383 constitutes a serious violation for each complete period of 30 days following the deadline for submitting the report. The Dischargers may also be subject to discretionary administrative civil liabilities of up to \$10,000 per day for each violation, plus \$10 for each gallon discharged but not

## Conditional Settlement Offer

Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

cleaned up in excess of 1,000 gallons. The Regional Water Board or the State Water Board (collectively the Water Boards) may assess these mandatory minimum penalties and discretionary administrative civil liabilities beginning with the date on which each violation first occurred.<sup>1</sup> To assess such liabilities, the Water Boards could initiate a formal enforcement action by issuing an administrative civil liability complaint to be followed by a public hearing. Alternatively, the Water Boards could refer the matter to the Attorney General's Office for prosecution in the Superior Court. The Superior Court may assess up to \$25,000 per day for each violation, plus \$25 per gallon discharged but not cleaned up in excess of 1,000 gallons.

### **CONDITIONAL OFFER TO SETTLE**

The Dischargers can avoid a formal enforcement action and settle the alleged violations identified in Exhibit A by accepting this conditional offer as described below and in the enclosed "Acceptance of Conditional Resolution and Waiver of Right to Hearing" (Acceptance and Waiver). This offer does not address liability for any violation not specifically identified in Exhibit A.

### **OPTIONS FOR RESPONSE**

To accept this offer, the Dischargers must complete, sign, and return the enclosed Acceptance and Waiver on or before the date specified in the first paragraph of this letter.

If the Dischargers choose to contest any of the violations alleged in Exhibit A, the Dischargers should 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. Regional Water Board staff will evaluate any contested violation and take one of two actions:

1. Determine that the alleged violation warrants dismissal, dismiss the alleged violation within the California Integrated Water Quality System (CIWQS) database, notify the Dischargers of the dismissal, and take no further action against the Dischargers for the alleged violation; or
2. Determine that the alleged violation is meritorious and notify the Dischargers of that determination. The Dischargers will then have 30 days from the date of the determination to accept the mandatory minimum penalty as settlement for that violation. If the Dischargers choose not to accept the settlement or does not reply to the determination, they should expect to be contacted regarding formal enforcement for the contested violation. With respect to formal enforcement, information Water Board staff receive during any formal investigation and assessment of the violation, as well as staff costs associated with pursuing enforcement and other considerations, may increase the liability beyond that set forth in this conditional offer.

### **CONDITIONS FOR REGIONAL WATER BOARD ACCEPTANCE OF RESOLUTION**

Federal regulations require the Regional Water Board to publish and allow the public at least 30 days to comment on any settlement of an enforcement action addressing an NPDES permit violation (40 C.F.R. § 123.27(d)(2)(iii)). Upon receipt of the Dischargers' Acceptance and

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<sup>1</sup> The statute of limitations does not 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 (5th ed. 2008) Actions, § 430. Also, the equitable doctrine of laches does not apply to mandatory minimum penalties. See State Water Board Order Nos. 2013-0053, 2013-0054, 2013-0055, and 2013-0099.

## Conditional Settlement Offer

Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

Waiver, Regional Water Board staff will publish a notice of the proposed settlement. If staff receives no comment within the 30-day period and no new material facts are available to the Regional Water Board, the settlement will be presented to the Executive Officer who will determine whether to execute the Acceptance and Waiver as a stipulated order assessing the uncontested mandatory minimum penalty pursuant to Water Code section 13385.

If, however, significant comments are received in opposition to the proposed settlement, this offer may be withdrawn. In that circumstance, the Water Boards will also treat the Acceptance and Waiver as withdrawn. Water Board staff will advise the Dischargers of any withdrawal and may issue an administrative civil liability complaint and schedule a hearing before the Regional Water Board or State Water Board. For such a hearing, the Dischargers will be free to argue against the alleged violations. Water Board staff will treat the Dischargers' Acceptance and Waiver as if it were a settlement communication and will not use it as evidence in the hearing. Water Board staff will provide the Dischargers with additional information on hearing procedures if a hearing is to occur.

If the Executive Officer executes the Acceptance and Waiver, payment of the settlement amount shall be due within 30 calendar days from the date of the Executive Officer's signature. In accordance with Water Code section 13385(n)(1), funds collected pursuant to Water Code section 13385 shall be deposited into the State Water Pollution Cleanup and Abatement Account. Failure to pay the penalty within the required time may subject the Dischargers to additional liability.

### **OPPORTUNITY FOR SUPPLEMENTAL ENVIRONMENTAL PROJECT**

In lieu of paying all of the mandatory minimum penalty to the State Water Pollution Cleanup and Abatement Account, the Dischargers may elect to apply a portion of the penalty to fund a supplemental environmental project (SEP).<sup>2,3</sup> One SEP option is available: the SEP Fund to supplement the Regional Monitoring Program (RMP). This SEP Fund will supplement RMP studies that would not otherwise be conducted through the RMP's annually approved cost allocations. The RMP collects data and communicates information about water quality in the San Francisco Estuary in support of management decisions to restore and protect beneficial uses of the region's waters. Information about the RMP is available at [sfei.org/rmp](http://sfei.org/rmp). The non-profit San Francisco Estuary Institute manages and administers RMP funds. No funds will go to the Water Boards.

The Dischargers also may choose to pay the total mandatory minimum penalty to the State Water Pollution Cleanup and Abatement Account. These options are represented in the enclosed Acceptance and Waiver.

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<sup>2</sup> Water Code section 13385(l)(1) authorizes the Regional Water Board, with the Discharger's concurrence, to direct a portion of the penalty to be expended on a SEP in accordance with the State Water Board's Enforcement Policy ([https://www.waterboards.ca.gov/water\\_issues/programs/enforcement/water\\_quality\\_enforcement.shtml](https://www.waterboards.ca.gov/water_issues/programs/enforcement/water_quality_enforcement.shtml)). If the penalty is less than or equal to \$15,000, 100 percent of the penalty may be expended on a SEP. If the penalty exceeds \$15,000, then up to \$15,000 plus 50 percent of the penalty that exceeds \$15,000 may be expended on a SEP.

<sup>3</sup> See [State Water Board Policy on Supplemental Environmental Projects \(2017\)](#), page 10, and [Resolution 2018-0034](#).

Conditional Settlement Offer

Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

**REGIONAL WATER BOARD CONTACT**

Please reply to the attention of Debbie Phan, either by email or U.S. mail. If you want to discuss or have questions regarding this matter, please contact Debbie Phan at (510) 622-2116 or R2NPDES.MMPS@Waterboards.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Mumley', with a long horizontal flourish extending to the right.

Thomas Mumley  
Assistant Executive Officer

**Enclosures: Exhibit A-Notice of Violation  
Acceptance and Waiver**

**EXHIBIT A-Notice of Violation**

**Dischargers:** Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC  
3400 Hillview Avenue (facility name), 3400 Hillview Avenue, Palo Alto, Santa Clara County  
NPDES Permits CAG912002 and CAG912003

The following table lists the alleged violations for which the Dischargers are subject to civil liabilities pursuant to Water Code section 13385. The table lists the mandatory minimum penalty (MMP) that applies.

**Table 1. List of Alleged Violations**

<b>CIWQS Violation ID No.</b>	<b>Violation Date</b>	<b>Parameter (unit)</b>	<b>Group</b>	<b>Effluent Limitation</b>	<b>Reported Value</b>	<b>Percent Exceedance<sup>[1]</sup></b>	<b>Violation Type</b>	<b>MMP<sup>[2]</sup></b>
850352	11/16/2009	Trichloroethylene, Maximum Daily (µg/L)	2	5	6.3	26	C1, S	\$3,000
1058876	4/23/2019	Trichloroethylene, Maximum Daily (µg/L)	2	0.65	2.1	223	C1, S	\$3,000
1058877	5/3/2019	Trichloroethylene, Maximum Daily (µg/L)	2	0.65	1.1	69	C2, S	\$3,000

**Total Penalty: \$9,000**

**Legend:**

CIWQS = California Integrated Water Quality System database that the Water Boards use to track violations and enforcement.

Violation ID = Identification number assigned to each permit violation within CIWQS.

C = Count – Number of violations within past 180 days, including this violation. A penalty applies under Water Code section 13385(i) when the count is greater than three (> C3).

S = Serious. A penalty applies under Water Code section 13385(h) whenever an effluent limitation is exceeded by 40 percent or more for a Group 1 pollutant or 20 percent or more for a Group 2 pollutant.

**Footnotes:**

[1] Percent that a discharger's reported value exceeds the effluent limitation for a Group 2 pollutant.

[2] The MMP required under Water Code section 13385(h).

CIWQS Place ID: 202456  
WDID: 2 438361001

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**ACCEPTANCE OF CONDITIONAL RESOLUTION  
AND WAIVER OF RIGHT TO HEARING  
ORDER NO. R2-20\_\_\_\_\_**

**Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company,  
and GlaxoSmithKline PLC  
3400 Hillview Avenue (facility name)  
3400 Hillview Avenue, Palo Alto, Santa Clara County  
NPDES Permits CAG912002 and CAG912003, Regulatory Measure 433433**

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the San Francisco Bay Regional Water Quality Control Board (Regional Water Board), Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC (Dischargers) hereby accept the conditional offer to settle alleged violations through payment of a mandatory minimum penalty and waive the right to a hearing before the Regional Water Board to dispute the alleged violations. The violations are attached to this Acceptance and Waiver as Exhibit A and incorporated by reference.

The Dischargers agree that Exhibit A 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. The Dischargers agree to pay the penalty authorized by Water Code section 13385, 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 described in Exhibit A. The Dischargers understand that this Acceptance and Waiver waives its right under Water Code section 13323 to contest the allegations in Exhibit A and the amount of civil liability assessed for the violations.

The Dischargers understand that this Acceptance and Waiver does not address or resolve liability for any violation not specifically identified in Exhibit A.

This Acceptance and Waiver may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one document. This Acceptance and Waiver may be executed by wet or electronic signature, and may be transmitted by hand, mail service, facsimile, or email. 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.

Upon execution, the Dischargers shall return the Acceptance and Waiver to the following:

California Regional Water Quality Control Board, San Francisco Bay Region  
NPDES Wastewater Enforcement Section  
Attention: Debbie Phan  
1515 Clay Street, Suite 1400  
Oakland, California 94612

or

R2NPDES.MMPS@Waterboards.ca.gov



The Dischargers understand that federal regulations set forth in Code of Federal Regulations, title 40, 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, prior to execution by the Regional Water Board's Executive Officer, this Acceptance and Waiver will be published for public comment as required by law.

The Dischargers understand that the Executive Officer may execute the Acceptance and Waiver if no comments are received within the public notice period and the Executive Officer agrees that the assessment of the mandatory minimum penalty appropriately resolves the alleged violations. The Regional Water Board's resolution of the violations will preclude State Water Resources Control Board (State Water Board) action for the same violations.

The Dischargers understand that the offer may be withdrawn if significant comments are received in opposition to the conditional offer. In that circumstance, Regional Water Board staff will advise the Dischargers of the withdrawal and may issue an administrative civil liability complaint and schedule the matter for a hearing before the Regional Water Board or State Water Board.

The Dischargers understand that funds collected for violations pursuant to Water Code section 13385 shall be deposited in the State Water Pollution Cleanup and Abatement Account.

The Dischargers understand that, in lieu of full payment of the assessed mandatory minimum penalty to the State Water Pollution Cleanup and Abatement Account, they may elect to pay a portion toward a supplemental environment project (SEP). The SEP option is the SEP Fund, which supplements Regional Monitoring Program (RMP) studies that would not otherwise be conducted through the RMP's annually approved RMP cost allocations.

The Dischargers understand that once the Regional Water Board's Executive Officer executes this Acceptance and Waiver, payment no later than 30 days after the date of the Executive Officer's signature is a condition of this Acceptance and Waiver. The Dischargers shall pay the assessed civil liability to the State Water Pollution Cleanup and Abatement Account and/or San Francisco Estuary Institute (for the SEP Fund) as selected above. The State Water Board will send an invoice for any payment due to the State Water Pollution Cleanup and Abatement Account. The Regional Water Board will send an invoice for any payment due to the SEP Fund.

The Dischargers agree to pay the amounts indicated below to the State Water Pollution Cleanup and Abatement Account and, if chosen, the SEP Fund. The Dischargers understand that the Regional Water Board will consider the Dischargers to have fulfilled any SEP obligation if and when the San Francisco Estuary Institute receives the Dischargers' contribution to the SEP Fund. (Place a "✓" or "✗" in one box below and fill in the blanks as appropriate. Electing to pay a portion of the assessed liability to the SEP Fund will not change the total amount to be paid.)

Acceptance of Conditional Resolution and Waiver of Right to Hearing  
Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC  
Regulatory Measure: 433433

**Payment Options:**

- Option 1: Pay a portion of the assessed liability to the RMP SEP Fund:  
\$ \_\_\_\_\_ Amount to be paid to the SEP Fund (cannot exceed \$9,000)  
\$ \_\_\_\_\_ Amount to be paid to the State Water Pollution Cleanup and Abatement Account (\$9,000 minus amount inserted above)  
\$ 9,000 Total assessed mandatory minimum penalty (sum of amounts above).

Or

- Option 2: Pay the total assessed mandatory minimum liability (\$9,000) to the State Water Pollution Cleanup and Abatement Account.

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

\*\*\*\*\*

Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

By: Luis B. Muñoz  
Printed or typed name

Director - IEHS The Americas  
Title  
Vishay Intertechnology

Luis Muñoz  
Signature

12/3/2019  
Date

**Note: Please return the signed Acceptance and Waiver with Exhibit A, together**

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**IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13323 AND GOVERNMENT CODE SECTION 11415.60**

By: \_\_\_\_\_  
Michael Montgomery  
Executive Officer  
California Regional Water Quality Control Board  
San Francisco Bay Region

\_\_\_\_\_  
Date

Acceptance of Conditional Resolution and Waiver of Right to Hearing  
Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC  
Regulatory Measure: 433433

**Payment Options:**

- Option 1: Pay a portion of the assessed liability to the RMP SEP Fund:  
\$ \_\_\_\_\_ Amount to be paid to the SEP Fund (cannot exceed \$9,000)  
\$ \_\_\_\_\_ Amount to be paid to the State Water Pollution Cleanup and Abatement  
Account (\$9,000 minus amount inserted above)  
\$ 9,000 Total assessed mandatory minimum penalty (sum of amounts above).

Or

- Option 2: Pay the total assessed mandatory minimum liability (\$9,000) to the State Water  
Pollution Cleanup and Abatement Account.

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

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Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

By: J. CRONMILLER Consultant to Gould Electronics Inc  
Printed or typed name Title

J. Cronmiller 31 December, 2019  
Signature Date

**Note: Please return the signed Acceptance and Waiver with Exhibit A, together**

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IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13323 AND  
GOVERNMENT CODE SECTION 11415.60

By: \_\_\_\_\_ Date \_\_\_\_\_  
Michael Montgomery  
Executive Officer  
California Regional Water Quality Control Board  
San Francisco Bay Region

Acceptance of Conditional Resolution and Waiver of Right to Hearing  
Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC  
Regulatory Measure: 433433

**Payment Options:**

- Option 1: Pay a portion of the assessed liability to the RMP SEP Fund:  
\$ \_\_\_\_\_ Amount to be paid to the SEP Fund (cannot exceed \$9,000)  
\$ \_\_\_\_\_ Amount to be paid to the State Water Pollution Cleanup and Abatement Account (\$9,000 minus amount inserted above)  
\$ 9,000 Total assessed mandatory minimum penalty (sum of amounts above).

Or

- Option 2: Pay the total assessed mandatory minimum liability (\$9,000) to the State Water Pollution Cleanup and Abatement Account.

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

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Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

By: Drew M. Keavir  
Printed or typed name

*Head of Environment & Sustainability  
Monsanto Company as attorney  
in fact for Pharmacia LLC  
(AKA Monsanto Co.)*  
Title

  
Signature

3-Dec-2019  
Date

**Note: Please return the signed Acceptance and Waiver with Exhibit A, together**

\*\*\*\*\*

IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13323 AND  
GOVERNMENT CODE SECTION 11415.60

By: \_\_\_\_\_  
Michael Montgomery  
Executive Officer  
California Regional Water Quality Control Board  
San Francisco Bay Region

\_\_\_\_\_ Date

Acceptance of Conditional Resolution and Waiver of Right to Hearing  
Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC  
Regulatory Measure: 433433

**Payment Options:**

- Option 1: Pay a portion of the assessed liability to the RMP SEP Fund:  
\$ \_\_\_\_\_ Amount to be paid to the SEP Fund (cannot exceed \$9,000)  
\$ \_\_\_\_\_ Amount to be paid to the State Water Pollution Cleanup and Abatement  
Account (\$9,000 minus amount inserted above)  
\$ 9,000 Total assessed mandatory minimum penalty (sum of amounts above).

Or

- Option 2: Pay the total assessed mandatory minimum liability (\$9,000) to the State Water  
Pollution Cleanup and Abatement Account.

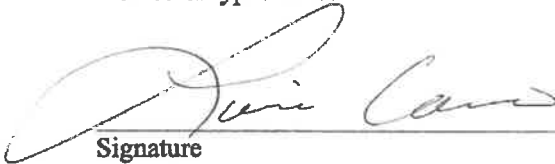
**I hereby affirm that I am duly authorized to act on behalf of, and to bind, the Dischargers  
in the making and giving of this Acceptance and Waiver.**

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Vishay Intertechnology, Gould Electronics, Inc., Monsanto Company, and GlaxoSmithKline PLC

By: Lorraine Cancro  
Printed or typed name

Global Director EHS&S  
Title

  
Signature

12/5/19  
Date

**Note: Please return the signed Acceptance and Waiver with Exhibit A, together**

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**IT IS SO ORDERED PURSUANT TO WATER CODE SECTION 13323 AND  
GOVERNMENT CODE SECTION 11415.60**

By: \_\_\_\_\_  
Michael Montgomery  
Executive Officer  
California Regional Water Quality Control Board  
San Francisco Bay Region

\_\_\_\_\_ Date