



---

## State Water Resources Control Board

August 9, 2024

CERTIFIED MAIL

Scotts Valley Organics LLC

CERTIFIED MAIL NO: 7018 0680 0000 9802 0728

Patricia Rey

CERTIFIED MAIL NO: 7018 0680 0000 9802 0575

Andres Rey

CERTIFIED MAIL NO: 7018 0680 0000 9802 0582

Attila Panczel

CERTIFIED MAIL NO: 7018 0680 0000 9802 0599

### NOTICE OF VIOLATION

Investigation ID: 16209

#### **DIVISION OF WATER RIGHTS INSPECTION OF LAKE COUNTY ASSESSOR PARCEL NUMBER (APN) 005-021-070-000**

Scotts Valley Organics LLC,

On June 11, 2024, staff from the State Water Resources Control Board (State Water Board), Division of Water Rights (Division), in coordination with Lake County Sheriffs and staff from the Regional Water Quality Control Board, conducted an inspection of the property referenced above (Property). The purpose of the inspection was to observe the diversion and use of water occurring on the Property and to evaluate potential impacts to the watershed.

You are being contacted because you were identified as the responsible party and/or property owner of the Lake County APN, identified above, where you are allegedly diverting and using water for cannabis cultivation.

---

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

During the inspection, Division staff observed California Water Code (WC) and State Water Board, Cannabis Cultivation Policy (Policy) violations. Enclosed is the Division’s Inspection Report (Report) of your Property that includes Division staff observations, alleged violations and the corrective actions necessary for compliance with the WC and the State Water Board’s Policy. The enclosed Report constitutes your notice of the alleged violations and this matter requires your immediate attention. The information below is a summary of the alleged violations included in the Report.

**Violations and Corrective Actions ..... Pg 10-15**

Violation: WC section 1846 – Failure to Comply with License Terms and Conditions..... Pg10

Violation: Cannabis Cultivation Policy, Section 2, Term 92 – Water Storage Facility Without Device to Prevent Water Overflow..... Pg 12

Violation: Cannabis Cultivation Policy, Section 2, Term 98 – Failure to Maintain Daily Records of Water Use for Cannabis Irrigation..... Pg 13

**Compliance Assistance References ..... Pg 14-15**

The State Water Board retains the authority and discretion to take enforcement action based on the facts and allegations contained herein and you may be subject to further enforcement action before the State Water Board. Therefore, this matter requires your immediate attention. You should follow all staff recommended corrective actions described in the enclosed Report or submit a response indicating any course of action you intend to take or have taken, include an implementation schedule, and/or photo documentation that demonstrates your compliance. You can provide your response, documentation and photos through the Division of Water Rights Cannabis Response Notice Portal detailed in the Report in the **Compliance Assistance References section**.

If you have questions concerning the Report, please contact me by phone at (916) 341-5410, or by email at [Ryan.Babb@waterboards.ca.gov](mailto:Ryan.Babb@waterboards.ca.gov). Written correspondence can be provided and addressed to the following address: State Water Resources Control Board, Division of Water Rights, P.O. Box 100, Sacramento, CA 95812-0100, Attention: Ryan Babb.

Sincerely,

ORIGINAL SIGNED BY:

Ryan Babb  
Water Resource Control Engineer  
Cannabis Enforcement Unit  
Division of Water Rights

- Enclosures:
1. Division of Water Rights Inspection Report dated June 11, 2024
  2. Water Right A028415
  3. 1993 Reservoir surveys
  4. Reservoir 1 capacity curve
  5. Reservoir 2 capacity curve

ec: Division of Water Rights - Enforcement  
Taro Murano  
[Taro.Murano@waterboards.ca.gov](mailto:Taro.Murano@waterboards.ca.gov)

Stormer Feiler  
[Stormer.Feiler@waterboards.ca.gov](mailto:Stormer.Feiler@waterboards.ca.gov)

Laura Cunningham  
[Laura.Cunningham@Waterboards.ca.gov](mailto:Laura.Cunningham@Waterboards.ca.gov)

Cannabis Registration Unit  
[DWR-cannabisreg@waterboards.ca.gov](mailto:DWR-cannabisreg@waterboards.ca.gov)

**Department of Fish and Wildlife**  
Kurstin Sheridan  
[Kurstin.Sheridan@wildlife.ca.gov](mailto:Kurstin.Sheridan@wildlife.ca.gov)

Matt Jones  
[Matthew.Jones@wildlife.ca.gov](mailto:Matthew.Jones@wildlife.ca.gov)

Justin Rhoades  
[Justin.Rhoades@wildlife.ca.gov](mailto:Justin.Rhoades@wildlife.ca.gov)

Kyle Stoner  
[Kyle.Stoner@wildlife.ca.gov](mailto:Kyle.Stoner@wildlife.ca.gov)

**Regional Water Quality Control Board**  
Jason Schroeder  
[Jason.Schroeder@waterboards.ca.gov](mailto:Jason.Schroeder@waterboards.ca.gov)

**County of Lake**  
Craig Wetherbee  
[Craig.Wetherbee@lakecountyca.gov](mailto:Craig.Wetherbee@lakecountyca.gov)

Susan J. Krones  
[Susan.Krones@lakecountyca.gov](mailto:Susan.Krones@lakecountyca.gov)

**Department of Cannabis Control**  
Jose Barajas  
[Jose.Barajas@cannabis.ca.gov](mailto:Jose.Barajas@cannabis.ca.gov)

Jon Silva  
[Jon.Silva@cannabis.ca.gov](mailto:Jon.Silva@cannabis.ca.gov)

Lindsay Rains  
[Lindsay.Rains@cannabis.ca.gov](mailto:Lindsay.Rains@cannabis.ca.gov)

Erin Wonder  
[Erin.Wonder@cannabis.ca.gov](mailto:Erin.Wonder@cannabis.ca.gov)

**Yolo County Flood Control and Water Conservation District**

Christina Cobey  
[Ccobey@ycfcwcd.org](mailto:Ccobey@ycfcwcd.org)

**Scott's Valley Organics LLC representative**

Melissa Soto  
[mfdspl@icloud.com](mailto:mfdspl@icloud.com)