

California Regional Water Quality Control Board
Central Valley Region

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Contact: Antonia Vorster
(916) 464-4746
Liz Kanter
(916) 327-8239

**HILMAR CHEESE PAYS \$3 MILLION IN WATER QUALITY
SETTLEMENT AGREEMENT**

SACRAMENTO— Hilmar Cheese, among the world's largest cheese factories, has paid \$3 million as part of its settlement with the State of California stemming from a water pollution case against the cheese maker. The settlement is the largest payment ever made resulting from Regional Water Board enforcement action.

Earlier this year the Central Valley Regional Water Quality Control Board settled an Administrative Civil Liability complaint against Hilmar Cheese Co. and Hilmar Whey Protein, Inc. of Merced County for \$3 million. The settlement will fund the following:

- \$1.85 million to fund a Supplemental Environmental Project
- \$1 million (a civil liability) to the State's Waste Discharge Permit Fund
- \$150,000 reimbursement to the California Attorney General's office for work on the case.

A major component of the settlement is the environmental project. Hilmar is responsible for financing an independent environmental study, focused on water quality, the food industry and its salt waste issues. The information will be useful to the Water Board in developing a comprehensive salt management strategy for the Central Valley.

A team of scientists and engineers will start the study on May 17. An independent scientific panel will provide peer review. During the 78-week study, a stakeholder panel of government agencies, environmental groups, and the food processing industry will provide input. The Peer Review Panel and the Stakeholder Panel will oversee the study to ensure it follows the approved project and the project's objectives.

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