



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

San Francisco Bay Regional Water Quality Control Board

February 17, 2016
WDID 2 01I024845 and
2 01I025537 (YAN)

*Certified Mail No. 7014 0510 0001 3749 9238
Return Receipt Requested*

MDI Forest Products, LLC
Attn: Messrs. Dulun and Gary H. Liu
1900 Powell Street
Emeryville, CA 94608

Also sent via email: gary@mdiforestproducts.com

Subject: Administrative Civil Liability Complaint No. R2-2016-1001 for Discharge of Turbid Stormwater to San Francisco Bay and Inadequate Stormwater Best Management Practices at 1450 Maritime Street, Oakland, Alameda County and 700 Murmansk Street Oakland, Alameda County

Dear Messrs. Dulun and Gary H. Liu:

Complaint No. R2-2016-1001 (Complaint) enclosed with this letter issues an administrative civil liability (ACL) against MDI Forest Products, LLC in the amount of \$176,000. This ACL is based on allegations that MDI Forest Products, LLC violated (1) Discharge Prohibitions A.2 of the 1997 General Permit by discharging 406,000 gallons of stormwater polluted by facility activities to the San Francisco Bay at its Maritime Street facility on December 11 and 19, 2014; and (2) Minimum BMPs section X.H.1.d of the 2014 General Permit by failing to both implement and maintain minimum stormwater best management practices (BMPs) at its Murmansk Street facility on December 14 and 15, 2015. The California Regional Water Quality Control Board, San Francisco Bay Region (Regional Water Board) is authorized to impose administrative civil liabilities pursuant to California Water Code (Water Code) sections 13323 and 13385(c) for the alleged violations. The proposed liability is \$176,000.

MDI Forest Products, LLC can respond to the Complaint by appearing before the Regional Water Board at a public hearing to contest the matter or by signing a waiver to pursue other options.

1. The Complaint can be contested before the Regional Water Board at the following meeting:

Date/Time: May 11, 2016, commencing at 9:00 a.m.
Place: First Floor Auditorium, Elihu Harris State Building
1515 Clay Street, Oakland

At this meeting, the Regional Water Board will consider whether to impose administrative civil liability (as proposed in the Complaint or for a different amount), decline the

administrative civil liability, or refer the matter to the Attorney General for judicial enforcement at a public hearing.

Please refer to the enclosed Public Notice and Hearing Procedure for the Complaint and the ACL Fact Sheet for additional information about the Regional Water Board's process, hearing procedure, and important deadlines (for submitting comments or evidence, obtaining designated party status, waiving or postponing a hearing, making objections or rebuttals to evidence, etc.).

2. The public hearing that has been scheduled (above) can be waived to pursue one of the following options:
 - a. Pay the liability as proposed in the Complaint;
 - b. Request more time and postpone the date of the public hearing;
 - c. Promptly engage in settlement discussions with the Regional Water Board Prosecution Team;
 - d. Propose a Supplemental Environmental Project (SEP), where partial payment of the penalty may be deferred towards completion of an environmental project (see the enclosed SEP Policy for more information on such projects).

The Waiver, attached to the Complaint, describes these options in further detail, and it also provides the deadline for submitting an SEP proposal (if this option is selected). To pursue one of these options, **the Waiver must be signed, dated, and received by Tamarin Austin of the Regional Water Board Advisory Team with a copy to the Prosecution Team contact listed below no later than 5:00 p.m. on March 18, 2016. It is at the discretion of the Regional Water Board Advisory Team to either accept or deny a waiver request.**

For more information about SEPs and the project selection and proposal approval process, please contact Adrian Baudrimont of the San Francisco Estuary Partnership (SFEP) at (510) 622-2337 or adrian.baudrimont@waterboards.ca.gov. To see examples of current and completed projects, visit SFEP's website: <http://www.sfestuary.org/our-projects/stewardship/sep/>.

If you wish to communicate directly with the Prosecution Team regarding the Complaint, please contact Yan Nusinovich at (510) 622-2932 or yan.nusinovich@waterboards.ca.gov.

Please refer to the letterhead for our mailing address and fax number.

Sincerely,

Thomas Mumley
Assistant Executive Officer

Enclosures: ACL Complaint No. R2-2016-1001
Waiver Form for ACL Complaint No. R2-2016-1001.

MDI Forest Products, LLC
Transmittal ACL Complaint No. R2-2016-0001

Public Notice and Hearing Procedure for ACL Complaint No. R2-2016-1001
Administrative Civil Liability Fact Sheet
State Water Resources Control Board Policy on Supplemental Environmental
Projects, February 3, 2009.

Copy to: Regional Water Board Lyris Enforcement Email List
Regional Water Board Advisory and Prosecution Teams
Michael V. Brady, mbrady@bradyvinding.com
Olivia Fisher, ofisher@vestra.com