

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, SAN DIEGO REGION

**HEARING PROCEDURE
FOR RECONSIDERATION OF
ADMINISTRATIVE CIVIL LIABILITY ORDER NO. R9-2022-0094**

**IN THE MATTER OF BALDWIN & SONS, INC. ET AL.
PORTOLA CENTER SOUTH CONSTRUCTION SITE
CITY OF LAKE FOREST, COUNTY OF ORANGE**

HEARING SCHEDULED FOR APRIL 8, 2026

PLEASE READ THIS HEARING PROCEDURE CAREFULLY.

I. BACKGROUND

On January 10, 2020, the California Regional Water Quality Control Board, San Diego Region (San Diego Water Board or Board) Prosecution Team issued Administrative Civil Liability (ACL) Complaint No. R9-2020-0006. The San Diego Water Board held a public hearing on January 10, 12, and 13, 2022, to hear evidence and comments on the allegations contained in the Complaint.

On June 8, 2022, the San Diego Water Board issued ACL Order No. R9-2022-0094 requiring Baldwin & Sons, Inc.; Sunranch Capital Partners, LLC; Sunrise Pacific Construction, Inc.; SRC-PH Investments, LLC; Baldwin & Sons, LLC; Shawn M. Baldwin; Randall G. Bone, and Jose Capati (collectively, “Dischargers”¹) to pay civil liability in the amount of \$6,660,503 for violations of State Water Resources Control Board (State Water Board) Order No. 2009-009-DWQ, as amended (Construction Storm Water Permit); the Water Quality Control Plan for the San Diego Basin; and Clean Water Act section 301. The Dischargers filed a petition for review with the State Water Board, and later a petition for writ of mandate in Orange County Superior Court, challenging the ACL Order.

On September 4, 2025, the Court issued its Ruling on Submitted Matter (Ruling), granting in part and denying in part the petition for writ of mandate. The Court granted the petition for writ of mandate on two specific grounds:

- the Board’s determination of the amount of stormwater discharged that underlies the amount of the per gallon penalty portion of Violation 1 was not supported by substantial evidence, and
- the Board’s finding that SRC-PH Investments, LLC was liable as a site operator for violations occurring after November 12, 2015, was not supported by substantial evidence.

The Court denied the petition for writ of mandate on all other grounds raised by the Dischargers.

¹ The term “Dischargers” as used in the ACL Order and herein refers to the entities and individuals that the San Diego Water Board found liable for the violations outlined in the ACL Order.

On December 22, 2025, the Court entered its judgment and issued a writ of mandate commanding the San Diego Water Board to:

- Set aside and vacate ACL Order No. R9-2022-0094;
- Reconsider the case in light of the Court's Ruling and applicable law and regulations;
- Issue a new order consistent with the Court's Ruling and applicable law and regulations; and
- File with the Court a return to the writ by May 21, 2026 stating what it has done to comply.

II. HEARING DATE AND LOCATION

Date: April 8, 2026

Location: San Diego Regional Water Quality Control Board, Board Meeting Room
2375 Northside Drive, Suite 108
San Diego, CA 92108
And via Video and Teleconference

Agenda: Please see the Board's meeting agenda for additional information on video and teleconference options - https://www.waterboards.ca.gov/sandiego/board_info/agendas/2026/april/

III. PURPOSE AND SCOPE OF HEARING; HEARING PROCEDURES

The San Diego Water Board will reopen the hearing to reconsider ACL Order No. R9-2022-0094 in light of the Court's Ruling. The scope of the hearing is limited only to the two issues noted by the Court in its Ruling, as noted above. No other issues will be reconsidered.

The hearing will be based solely on evidence already in the administrative record for this matter. The introduction or reference to any new evidence, whether it be oral or written, is prohibited and will not be accepted. Any new written comments or arguments are also prohibited and will not be accepted.

At the hearing, the parties may present oral comments or arguments only. The Prosecution Team and Dischargers are expected to inform the San Diego Water Board what they believe the Board should do in light of the Court's Ruling. Specific to the per gallon penalty portion of Violation 1, the parties should focus their oral comments on whether evidence in the existing administrative record supports a new calculation of the amount of stormwater discharged and, if so, what volume the Board should use for a per gallon penalty. References to existing evidence in the record should be noted by document title and Bates stamp page number.

IV. HEARING PARTICIPANTS

The following participants continue to be designated parties in this matter:

1. San Diego Water Board Prosecution Team;
2. Baldwin & Sons, Inc.;
3. Sunranch Capital Partners, LLC;
4. Sunrise Pacific Construction, Inc;
5. SRC-PH Investments, LLC;
6. Baldwin & Sons, LLC;
7. Shawn M. Baldwin;
8. Randall G. Bone; and
9. Jose Capati.

Designated parties #2-9 are collectively termed “Dischargers” herein.

Parties and interested persons (non-Parties) may be asked to respond to questions from the San Diego Water Board and Advisory Team.

V. SEPARATION OF PROSECUTORIAL AND ADVISORY FUNCTIONS; EX PARTE COMMUNICATIONS

To help ensure the fairness and impartiality of this proceeding, the functions of those who have acted in a prosecutorial role by presenting evidence for consideration by the San Diego Water Board (Prosecution Team) have been separated from those who will or have provided advice to the San Diego Water Board (Advisory Team). The San Diego Water Board maintained this separation of functions after the Board’s issuance of the ACL Order in 2022 and throughout the litigation thereon.

Please note that due to the passage of time, some members of the Advisory Team have changed. Members of the Advisory Team now include San Diego Water Board staff members David Gibson, Ben Neill, and Wayne Chiu, and attorneys Lori Okun, Jennifer Fordyce, Alex Sauerwein, and Eric Gillman.

Designated parties and interested persons are forbidden from engaging in ex parte communications regarding this matter with members of the Advisory Team or members of the San Diego Water Board. Communications regarding non-controversial procedural matters are not ex parte communications and are not restricted. Communications among the designated parties themselves are not ex parte communications.

VI. ORDER OF PROCEEDINGS

The hearing will be conducted in the following order:

- Chair opening statement
- Advisory Team introduction/summary of litigation
- Prosecution Team oral comments/argument
- Dischargers' oral comments/argument
- Comments by interested persons
- Questions from San Diego Water Board and Advisory Team
- San Diego Water Board deliberations

The San Diego Water Board will not issue a revised ACL order on April 8, 2026. Rather, after considering the comments received at the hearing and evidence in the administrative record, the Board is expected to provide direction to the Advisory Team to draft a tentative revised ACL order that will be considered and adopted by the Board at a future meeting.

Pursuant to Government Code section 11126(c)(3), the San Diego Water Board is authorized to adjourn to closed session to consider evidence and deliberate on a decision to be reached in this matter.

VII. HEARING TIME LIMITS

The following time limits shall apply:

- The Prosecution Team shall have ten (10) minutes to present oral comments/argument.
- The Dischargers shall collectively have ten (10) minutes to present oral comments/argument.
- Each interested person (non-Party) shall have three (3) minutes to make oral comments.

Questions from the San Diego Water Board and the Advisory Team, and responses to such questions, do not count against these time limits.

Additional time may be granted at the discretion of the San Diego Water Board Chair upon a showing that additional time is necessary. Requests for additional time must be submitted by **5:00 pm on April 2, 2026** and shall be sent to the Advisory Team attorneys identified in Section IX., below.

VIII. VISUAL PRESENTATIONS

The Parties may use PowerPoint and other visual presentations at the hearing. The presentation content shall not exceed the scope of hearing, as noted in Section III., above. The Parties must submit their presentations, if any, to the Advisory Team attorneys identified in Section IX., below, by **5:00 pm on April 7, 2026**.

IX. QUESTIONS

Questions concerning this Hearing Procedure may be addressed to Advisory Team attorneys Alex Sauerwein (Alex.Sauerwein@waterboards.ca.gov) and Jennifer Fordyce (Jennifer.Fordyce@waterboards.ca.gov).