

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
SAN FRANCISCO BAY REGION**

In the matter of:)	
)	
SIX FLAGS ENTERTAINMENT CORPORATION AND FIREWORKS & STAGE FX AMERICA, LLC)	SETTLEMENT AGREEMENT AND STIPULATION FOR ENTRY OF ADMINISTRATIVE CIVIL LIABILITY ORDER
SANTA CLARA COUNTY)	
Unauthorized Discharge)	PROPOSED ORDER
)	
)	R2-2026-1014

Section I: INTRODUCTION

This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order (Stipulated Order) is entered into by and between the California Regional Water Quality Control Board, San Francisco Bay Region Prosecution Team (Prosecution Team) and Six Flags Entertainment Corporation and Fireworks & Stage FX America, LLC (Dischargers) (collectively Parties), and is presented to the California Regional Water Quality Control Board, San Francisco Bay Region (Regional Water Board), or its delegate, for adoption as an Order by settlement pursuant to California Water Code (Water Code) section 13323 and Government Code section 11415.60. This Stipulated Order resolves the violation alleged herein by the imposition of administrative civil liability against the Dischargers in the amount of **\$10,000**.

Section II: RECITALS

1. Six Flags Entertainment Corporation owns and operates California's Great America (Facility) located at a 2401 Agnew Road, Santa Clara, California. The Facility is a 96-acre amusement park and water park open to the public seven days per week during the summer months, and on some holidays and weekends during the rest of the year.
2. Fireworks & Stage FX America, LLC, is a fireworks display operator that conducts fireworks displays in California and other states.
3. Clean Water Act section 301 (33 U.S.C. § 1311) and Water Code section 13376 prohibit the discharge of pollutants to surface waters except in compliance with a National Pollutant Discharge Elimination System (NPDES) permit.
4. On August 1, 2020, the Regional Water Board issued the NPDES Permit CAG992001 (Fireworks General Permit), an NPDES permit for point source

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discharges of residual firework pollutants to surface waters of the United States issued pursuant to Clean Water Act section 402 and Water Code, Division 7, Chapter 5.5 (commencing with section 13370).

5. The Prosecution Team alleges that on July 4, 2025, Dischargers, violated Clean Water Act section 301 (33 U.S.C. § 1311) and Water Code section 13376 by discharging residual firework pollutants to San Tomas Aquino Creek, a water of the U.S., without enrolling in the Fireworks General Permit.
6. Pursuant to Water Code section 13385, subdivision (a), any person who violates Water Code section 13376 or any requirement of Clean Water Act section 301 is subject to administrative civil liability pursuant to Water Code section 13385 subdivision (c), in an amount not to exceed the sum of both of the following: (1) ten thousand dollars (\$10,000) for each day in which the violation occurs; and (2) where there is a discharge, any portion of which is not susceptible to cleanup or is not cleaned up, and the volume discharged but not cleaned up exceeds 1,000 gallons, an additional liability not to exceed ten dollars (\$10) multiplied by the number of gallons by which the volume discharged but not cleaned up exceeds 1,000 gallons.
7. On December 5, 2023, and August 20, 2024, the State Water Resources Control Board (State Water Board) adopted Resolutions 2023-0043 and 2024-0027, respectively, which adopted the 2024 Water Quality Enforcement Policy (2024 Enforcement Policy). The 2024 Enforcement Policy establishes a methodology for determining administrative civil liability by addressing the factors that are required to be considered under Water Code section 13385, subdivision (e). The 2024 Enforcement Policy was approved by the Office of Administrative Law and become effective on November 7, 2024.
8. The 2024 Enforcement Policy establishes a methodology for assessing administrative civil liabilities. Use of the methodology incorporates Water Code section 13385, subdivision (e) that requires the Regional Water Board to consider specific factors when determining the amount of civil liability to impose, including "...the nature, circumstance, extent, and gravity of the violation or violations, whether the discharge is susceptible to cleanup or abatement, the degree of toxicity of the discharge, and, with respect to the violator, the ability to pay, the effect on ability to continue its business, any voluntary cleanup efforts undertaken, any prior history of violations, the degree of culpability, economic benefit or savings, if any, resulting from the violation, and other matters that justice may require."
9. To resolve the alleged violation in Section II, by consent and without further administrative proceedings, the Parties agree to the imposition of a joint and several administrative civil liability penalty of **\$10,000** against the Dischargers. The Prosecution Team calculated the proposed liability using the penalty methodology of the 2024 Enforcement Policy as shown in Attachment A, which is incorporated herein by reference.

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10. The Parties have agreed to settle this matter without administrative or civil litigation, and to present this Stipulated Order to the Regional Water Board or its delegate for adoption as an Order by settlement pursuant to Water Code section 13323 and Government Code section 11415.60.
11. The Prosecution Team contends that the resolution of the alleged violations is fair and reasonable and fulfills all its enforcement objectives; that no further action is warranted concerning the violations, except as provided in this Stipulated Order; and that this Stipulated Order is in the public's best interest.

Section III: STIPULATIONS

The Parties incorporate the foregoing Recitals and stipulate to the following:

1. **Jurisdiction:** The Parties agree that the Regional Water Board has subject matter jurisdiction over the matters alleged in this action and personal jurisdiction of the Parties to this Stipulation.
2. **Administrative Civil Liability:** The Dischargers hereby agree to the imposition of an administrative civil liability of **\$10,000** to resolve the alleged violations set forth in Section II, paragraph 5, as follows:

No later than 30 days after the Regional Water Board or its delegate signs this Stipulated Order, the Dischargers shall mail a check for ten thousand dollars (**\$10,000**) made payable to "State Water Pollution Cleanup and Abatement Account," referencing the Order number on page one of this Stipulated Order, to:

State Water Resources Control Board Accounting Office
Attn: ACL Payment
P.O. Box 1888
Sacramento, CA 95812-1888

The Dischargers shall email a copy of the check to the Regional Water Board (marcos.delacruz@waterboards.ca.gov).

3. **Regional Water Board Not Liable:** The Regional Water Board and its members, staff, attorneys, and representatives shall not be liable for any injury or damage to persons or property resulting from negligent or intentional acts or omissions by the Dischargers or their directors, officers, employees, agents, representatives, or contractors in carrying out activities pursuant to this Stipulated Order. The Regional Water Board, its members, and its staff shall not be held as parties to, or guarantors of, any contract entered into by the Dischargers or their directors, officers, employees, agents, representatives, or contractors in carrying out activities pursuant to this Stipulated Order.
4. **Compliance with Applicable Laws:** The Dischargers understand that payment of administrative civil liability in accordance with the terms of this Stipulated Order and/or compliance with the terms of this Stipulated Order is not a substitute for

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compliance with applicable laws, and that continuing violations of the types alleged herein may subject it to further enforcement, including additional administrative civil liability.

5. Party Contacts for Communications related to this Stipulated Order:

For the Regional Water Board:

Marcos De la Cruz
Water Resource Control Engineer
California Regional Water Quality
Control Board
San Francisco Bay Region
1515 Clay Street, 14th Floor
Oakland, CA 94612
marcos.delacruz@waterboards.ca.gov
(510) 622-2365

Counsel: Perry Elerts
Attorney
State Water Resources Control Board,
Office of Enforcement
801 K Street, 23rd Floor
Sacramento, CA 95814
perry.elerts@waterboards.ca.gov
(916) 322-3227

For the Dischargers:

Dave Vosejпка
Director of Park Operations
California's Great America
Six Flags Entertainment Corporation
2401 Agnew Road
Santa Clara, CA 95054
dave.vosejпка@cagreatamerica.com

Counsel: Michael Agnese
Associate General Counsel
4701 Great America Parkway
Santa Clara, CA 95054
michael.agnese@sixflags.com

J. Scott Danielson
President/Manager
Fireworks & Stage FX America, LLC
scott@fireworksamerica.com

Counsel: Shawn Cobb
Partner, Allen Matkins Leck Gamble
Mallory & Natsis LLP
600 West Broadway, 27th Floor, San
Diego, CA 92101-0903
scobb@allenmatkins.com
(619) 233-1155

6. Attorney Fees and Costs: Except as otherwise provided herein, each Party shall bear all attorney fees and costs incurred pursuant to this Stipulated Order.

7. Matters Addressed by this Stipulated Order: Upon the Regional Water Board's or its delegate's adoption, this Stipulated Order represents a final and binding resolution and settlement of the alleged violations contained in Section II, paragraph 5, as of the effective date of this Stipulated Order. The provisions of this paragraph are expressly conditioned on the full payment of the administrative civil liability by the deadline specified in Section III, paragraph 2.

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8. **Public Notice:** The Dischargers understand that this Stipulated Order must be noticed for a 30-day public review and comment period prior to consideration by the Regional Water Board or its delegate. If significant new information is received that reasonably affects the propriety of presenting this Stipulated Order to the Regional Water Board or its delegate for adoption, the Prosecution Team may unilaterally declare this Stipulated Order void and decide not to present it to the Regional Water Board or its delegate. The Dischargers agree that they may not rescind or otherwise withdraw their approval of this Stipulated Order.
9. **Addressing Objections Raised During Public Comment Period:** The Parties agree that the procedure contemplated for public review of this Stipulated Order and the Regional Water Board's or its delegate's adoption of this Stipulated Order is lawful and adequate. The Parties understand that the Regional Water Board or its delegate has the authority to require a public hearing on this Stipulated Order. If procedural objections are raised or the Regional Water Board or its delegate requires a public hearing prior to the Stipulated Order becoming effective, the Parties agree to meet and confer concerning any such objections and may agree to revise or adjust the procedure and/or this Stipulated Order as necessary or advisable under the circumstances.
10. **Interpretation:** This Stipulated Order shall be construed as if the Parties prepared it jointly. Any uncertainty or ambiguity shall not be interpreted against any one Party. The Parties are represented by counsel in this matter.
11. **Modification:** The Parties shall not modify this Stipulated Order by oral representation made before or after its execution. All modifications must be in writing, signed by all Parties, and approved by the Regional Water Board or its delegate.
12. **If the Stipulated Order Does Not Take Effect:** If this Stipulated Order does not take effect because the Regional Water Board or its delegate does not approve it, or because the State Water Resources Control Board (State Water Board) or a court vacates it in whole or in part, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing before the Regional Water Board to determine whether to assess administrative civil liabilities for the underlying alleged violations, unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing or in any other administrative or judicial proceeding. The Parties agree to waive any and all objections based on settlement communications in this matter, including but not limited to objections related to prejudice or bias of any of the Regional Water Board members or their advisors or any other objections that are premised in whole or in part on the fact that the Regional Water Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions as a consequence of reviewing this Stipulated Order and, therefore, may have formed impressions or conclusions prior to any contested evidentiary hearing on the violations alleged herein in this matter. The Parties also agree to waive any and all objections based on laches,

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delay, or other equitable defenses related to the period for administrative or judicial review to the extent this period has been extended by these settlement proceedings.

13. **Waiver of Hearing:** The Dischargers have been informed of the rights Water Code section 13323, subdivision (b), provides and, if the settlement is adopted by the Regional Water Board or its delegate, hereby waive their right to a hearing before the Regional Water Board prior to the Stipulated Order's adoption. However, if the settlement is not adopted, or if the matter proceeds to the Regional Water Board or the State Water Board for hearing, the Dischargers do not waive the right to a hearing before an order is imposed.
14. **Waiver of Right to Petition or Appeal:** Except in the instance where the Stipulated Order is not adopted by the Regional Water Board or its delegate, the Dischargers hereby waive their right to petition the Regional Water Board's or its delegate's adoption of the Stipulated Order for review by the State Water Board, and further waive their rights, if any, to appeal the same to a California Superior Court and/or California appellate court.
15. **Covenant Not to Sue:** The Dischargers covenant not to sue or pursue any administrative or civil claims against the State of California, any State agency, or its officers, Board members, employees, representatives, agents, or attorneys arising out of or relating to any matter expressly addressed by this Stipulated Order. This covenant is not intended to bar and does not limit the Dischargers' rights to sue over other Regional Water Board orders (e.g., permits or cease and desist orders) or limit the Dischargers' rights to defend against any additional enforcement or other actions taken by the Regional Water Board or its employees, representatives, agents, or attorneys. Moreover, this covenant shall not release any claims or complaints against any State agency or the State of California, its officers, Regional Water Board members, employees, representatives, agents, or attorneys to the extent such covenant would be prohibited by California Business and Professions Code section 6090.5 or by any other statute, rule, regulation, or legal principle of similar effect.
16. **Necessity for Written Approvals:** All approvals and decisions of the Regional Water Board or its delegate under the terms of this Stipulated Order shall be communicated to the Dischargers in writing. No oral advice, guidance, suggestions, or comments from Regional Water Board employees or officials regarding submissions or notices shall be construed to relieve the Dischargers of their obligation to obtain any final written approval this Stipulated Order requires.
17. **Authority to Bind:** Each person executing this Stipulated Order in a representative capacity represents and warrants that he or she is authorized to execute this Stipulated Order on behalf of, and to bind, the entity on whose behalf he or she executes the Stipulated Order.
18. **No Third-Party Beneficiaries:** This Stipulated Order is not intended to confer any rights or obligations on any third party or parties. No third party or parties shall have any right of action under this Stipulated Order for any cause whatsoever.

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19. **Severability:** This Stipulated Order is severable; if any provision is found to be invalid, the remainder shall remain in full force and effect.
20. **Counterpart Signatures and Facsimile and Electronic Signatures:** This Stipulated Order 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. Further, this Stipulated Order may be executed by facsimile or electronic signature, and any such facsimile or electronic signature by any Party hereto shall be deemed to be an original signature and shall be binding on such Party to the same extent as if such facsimile or electronic signature were an original signature.
21. **Effective Date:** This Stipulated Order shall be effective and binding on the Parties upon the date the Regional Water Board or its delegate enters the Order incorporating the terms of this Stipulated Order.

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IT IS SO STIPULATED.

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
SAN FRANCISCO BAY REGION, PROSECUTION TEAM**

Date: _____

By: _____

Ross Steenson, CHG
Assistant Executive Officer
California Regional Water Quality Control Board
San Francisco Bay Region

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IT IS SO STIPULATED.

SIX FLAGS ENTERTAINMENT CORPORATION

Date: 1/11/2026 | 4:26 PM EST

DocuSigned by:
Brian Nurse
By: 2443A0D4A2A242F...
Brian Nurse
Chief Legal & Compliance Officer and
Corporate Secretary
California's Great America
Six Flags Entertainment Corporation

FIREWORKS & STAGE FX AMERICA, LLC

Date: 01/09/2026

By: 
J. Scott Danielson
President/Manager
Fireworks & Stage FX America, LLC

ORDER OF THE REGIONAL WATER BOARD

1. This Stipulated Order incorporates the foregoing Sections I through III by this reference as if set forth fully herein.
2. In accepting this Stipulated Order, the Regional Water Board or its delegate has considered information the Prosecution Team obtained in investigating the allegations set forth in the Stipulated Order or otherwise provided to the Regional Water Board.
3. This is an action to enforce the laws and regulations administered by the Regional Water Board. Issuance of this Stipulated Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code § 21000 et seq.) in accordance with section 15321, subdivision (a)(2), title 14, of the California Code of Regulations.
4. The Executive Officer of the Regional Water Board is authorized to refer this matter directly to the Attorney General for enforcement if the Dischargers fail to perform any of their obligations under this Stipulated Order.

IT IS HEREBY ORDERED pursuant to Water Code section 13323 and Government Code section 11415.60, on behalf of the California Regional Water Quality Control Board, San Francisco Bay Region.

Eileen White
Executive Officer
California Regional Water Quality Control Board
San Francisco Bay Region

Date

ATTACHMENT A

Stipulated Order R2-2026-1014
Factors in Determining Administrative Civil Liability
Six Flags Entertainment Corporation, Fireworks & Stage FX America, LLC
Santa Clara County

The State Water Resources Control Board's Water Quality Enforcement Policy (Enforcement Policy) (November 2024) establishes a methodology for assessing administrative civil liability. Use of the methodology addresses the factors required by California Water Code (Water Code) section 13385, subdivision (e). The San Francisco Bay Regional Water Quality Control Board Prosecution Team's (Prosecution Team's) application of each factor in the Enforcement Policy and its corresponding category, adjustment, and amount for the alleged violations is presented below. The Enforcement Policy should be used as a companion document in conjunction with this administrative civil liability assessment since the penalty methodology and definitions of terms may not be replicated herein. The Enforcement Policy is available at: https://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/2024/2024-enforcement-policy.pdf.

On July 4, 2025, Six Flags Entertainment Corporation and Fireworks & Stage FX America, LLC (Dischargers) allegedly discharged without authorization residual firework pollutants to San Tomas Aquino Creek, a water of the State and United States, in violation of Clean Water Act section 301 and California Water Code section 13376.

The Prosecution Team has considered each factor listed in the Enforcement Policy as presented below. Water Code section 13385 and the Enforcement Policy allow the Regional Water Board to choose whether to pursue enforcement based on the number of days of violation or the volume discharged or both. The proposed penalty is based on the number of days of violation. Therefore, the proposed penalty is based on a single day of violation.

Factor	Selection	Rationale
Toxicity	1 (minor)	The degree of toxicity is minor due to the relatively benign chemical composition of fireworks and the quantity of incinerated residual material discharged to the creek.
Harm	3 (moderate)	Based on the characteristics of the discharge, moderate harm to wildlife habitat and recreational beneficial uses were observed due to the brush fires ignited on the riparian areas of San Tomas Aquino Creek. These impacts are likely to attenuate without appreciable medium or long term acute or chronic effects.

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Susceptibility to Cleanup	1	The discharge dispersed in San Tomas Aquino Creek and incinerated in its banks and was not susceptible to cleanup.
Deviation from Requirement	Major	The discharge was a major deviation from requirement because it was not authorized by any State or federal permit. The Clean Water Act and California Water Code require dischargers to apply for and obtain permits prior to discharge.
Per-Day Factor	0.15	As specified in the Enforcement Policy, the Per-Day Factor is based on the total Potential for Harm score of 5 (1+3+1) and the major Deviation from Requirement.
Initial Liability	\$1,500	The initial liability is \$10,000 per day times 1 day times 0.15.
Degree of Culpability	1.5	A 1.5 is warranted because the Dischargers were aware of the potential risks and requirements but intentionally discharged without permit coverage. Under the circumstances, a reasonable discharger would have enrolled in the general order and/or implemented BMPs to prevent discharge to San Tomas Aquino Creek.
History of Violations	1.0	A neutral assessment is warranted because the Dischargers do not have prior violations within the last five years.
Cleanup and Cooperation	1	A neutral assessment is warranted because, although the discharge was not addressed at the time of the event, the Dischargers responded in a reasonable and timely manner upon formal notification of the enforcement action by initiating enrollment under the Fireworks General Permit.
Total Base Liability	\$2,250	The total base liability is the initial liability times the Degree of Culpability, History of Violations, and Cleanup and Cooperation factors (\$1,500 x 1.5 x 1 x 1).
Economic Benefit	\$3,630	Because the Dischargers could have readily anticipated the discharge, they enjoyed economic benefit from the violation. Prosecution staff estimate that the Dischargers' economic benefit was at least \$3,630, which is the annual cost to obtain coverage under the Fireworks General Permit.

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Other Factors as Justice Requires	Increase to \$10,000	A liability of \$2,250 is an insufficient deterrent for the Dischargers against similar future violations and could be easily absorbable as a cost of doing business. The total base liability is also below the economic benefit amount. A just penalty is \$10,000, the maximum penalty based on one day of violation. This higher penalty is expected to deter similar violations and more than accounts for the Regional Water Board's investigation and enforcement costs.
Minimum and Maximum Liabilities	Minimum: \$3,993 Maximum: \$10,000	According to the Enforcement Policy, the minimum liability is the economic benefit plus ten percent (\$3,630 x1.1). The maximum liability Water Code section 13385 allows is \$10,000 per day of violation and \$10 per gallon discharged and not cleaned up in excess of 1,000 gallons; the maximum liability is \$10,000 based on 1 day of violation and a discharge of less than 1,000 gallons.
Ability to Pay	No change	The Dischargers have the ability to pay \$10,000 and continue in business. Six Flags Entertainment Corporation had a 2025 second quarter revenue of \$930 million dollars.
Final Liability	\$10,000	The final liability recovers any economic benefit, is a just deterrent against repeat violations, and is within the minimum and maximum liabilities allowed by law.