



State Water Resources Control Board

April 19, 2024

CERTIFIED MAIL

HLNWCN LLC

CERTIFIED MAIL NO: 7020 2450 0001 1783 1496

NOTICE OF VIOLATION

Investigation ID: 16137

DIVISION OF WATER RIGHTS INSPECTION OF MENDOCINO COUNTY ASSESSOR PARCEL NUMBER (APN) 018-730-001-00 AND 018-740-003-000

HLNWCN LLC:

On April 11, 2024, staff from the State Water Resources Control Board (State Water Board), Division of Water Rights (Division), in coordination with state and local partner agencies conducted an inspection of the property referenced above (Properties). The purpose of the inspection was to observe the diversion and use of water occurring on the Properties and to evaluate potential impacts to the watershed. Division staff observed ground water as the sole source of water in use on the property.

You are identified as the property owner for Trinity County Assessor's Parcel Number (APN) 018-730-001-00 and 018-740-003-000. This Notice of Violation (NOV) provides you notice that at the time of inspection of your property Division staff found violation(s) of the California Water Code (WC) and the State Water Board's Cannabis Cultivation Policy (Policy) requirements. The purpose of this letter is to gather information, to inform you of your regulatory compliance options, and the potential for administrative enforcement action. This letter is your notice that you are in violation of the WC and Policy. You must take immediate action to come into compliance or risk civil liability.

On April 11, 2024, Division staff found the following violations of a Principle, Guideline, or Requirement established in the State Water Board's Cannabis Policy, Attachment A., pursuant to WC section 13149:

- 1. Cannabis Cultivation Policy, Section 2, Term 65** – Failure to install, maintain, or destroy wells in compliance with county, city, or local ordinances.

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

2. **Cannabis Cultivation Policy, Section 2, Term 92** - Water Storage Facility Without Device to Prevent Water Overflow.
3. **Cannabis Cultivation Policy, Section 2, Term 93** - Failure to Secure Tank Openings to Prevent Entry and Entrapment of Wildlife.
4. **Cannabis Cultivation Policy Section 2, Term 98** – Failure to Maintain Daily Records of Water Use for Cannabis Irrigation.

Additionally, Division Staff observed the presence of a water line dug into the stream with the capability to divert surface water by gravity into your property.

1. If you divert water subject to the State Water Board's permitting authority without a valid basis of right on file with the State Water Board, your diversion may be an unauthorized diversion or use of water. An unauthorized diversion or use of water constitutes a trespass against the State, and the State Water Board may impose civil liability in an amount not to exceed \$500 for each day that the unauthorized diversion or use of water occurs. (WC § 1052, et seq.)
2. WC sections 5101 requires the following: *"Each, after December 31, 1965, diverts water shall file with the board before February 1 of the succeeding year, a statement of his or her diversion and use..."*

If you begin to divert water from any stream, a Statement must be filed prior to February 1 of the succeeding year. The State Water Board may administratively impose a civil liability in the amount of \$1,000 for the failure to file a Statement for each point of diversion that has occurred since 2009, plus \$500 per day for each additional day on which the violation continues if the person fails to file a Statement within 30 days after the State Water Board calls the violation to the attention of that person pursuant to WC section 5107(c)(1).

3. If you intend to divert water from a stream on or adjacent to your property for cannabis cultivation, you must file for an appropriative water right, such as a Small Irrigation Use Registration (SIUR) or submit an application to appropriate water by permit if cannabis cultivation is locally permissive for your parcel location. You must also comply with other requirements in the State Water Board's Cannabis Cultivation Policy (Policy), Attachment A, Principle, Guidelines, and Requirements established pursuant to WC section 13149. Failure to file for an appropriative water right and comply with the requirements in the Policy for cannabis cultivation activities can be a violation of the State Water Board's Policy.

You may be civilly liable for violations of the Policy's, Attachment A, Principles, Guidelines, and Requirements, pursuant to WC section 1847(a). WC section 1847(a), provides that any person or entity committing a violation of the above referenced requirement may be liable in an amount not to exceed the sum of five hundred dollars (\$500), plus two hundred fifty dollars (\$250) for each additional day on which the violation continues if the person fails to correct the violation

within 30 days after the board has called the violation to the attention of that person, plus two thousand five hundred dollars (\$2,500) for each acre-foot of water diverted or used in violation of the applicable requirement.

If you do not use surface water for cannabis cultivation, you must still comply with the Cannabis Cultivation Policy (Policy) requirements and obtain a Waiver of Waste Discharge Requirements (WDR) of Discharges of Waste Associated with Cannabis Cultivation Activities (Statewide General Order). **All commercial cannabis cultivators must obtain regulatory coverage under the Statewide General Order or obtain an Individual WDRs.** You can find more information on the State Water Board's Cannabis Cultivation Policy and Statewide General Order at the following website:

<https://www.waterboards.ca.gov/cannabis>

You must also send photographic proof and/or other documentation that supports your corrective actions taken for all violations. You can submit your documents through the State Water Board's Cannabis Compliance Response Portal referenced at the end of this report.

This letter is your notice of the above-mentioned WC and Policy requirements. Your response to the allegations listed in this notice is required and should be submitted in a timely manner. The State Water Board has discretion when considering an enforcement action and shall consider your corrective actions taken in response to this notice in determining whether and what civil liability is appropriate for violations. Therefore, this matter requires your immediate attention.

To facilitate your response, we are providing you with an Investigation Identification Number (Investigation ID No. listed below), which you can use to respond electronically. You can also contact Division staff by phone or by email provided at the bottom of this notice letter. To use your Investigation ID No., follow the steps provided below.

Investigation ID No. 16137

- Step one:** Go to the State Water Board's Cannabis Cultivation Programs Portal at: <https://public2.waterboards.ca.gov/CGO/>
- Step two:** Register or login to your account
- Step three:** Under survey Click "New" for the "Division of Water Rights Cannabis Compliance Response Portal"
- Step four:** When you fill out your response to this NOV use the Assessor Parcel Number listed in this NOV in Part I.
- Step five:** Additionally, in your response use the Investigation ID listed above.

You can submit an appropriate water right SIUR application at:

<https://public2.waterboards.ca.gov/cgo>. Need Help? Contact us at 916-341-5362 or email at dwr.cannabisenforcement@waterboards.ca.gov.

If you have any questions regarding this matter, please contact Jessica Monroy at (916) 917-3456 or via e-mail at Jessica.monroy@waterboards.ca.gov. Written correspondence or inquiries should be addressed as follows: State Water Resources Control Board, Division of Water Rights, Attn: Jessica Monroy, P.O. Box 2000, Sacramento, CA 95812-2000.

Sincerely,

ORIGINAL SIGNED BY:

Jessica A. Monroy
Water Resource Control Engineer
Cannabis Enforcement Unit 1
Division of Water Rights

ec: **Division of Water Rights - Enforcement**
Taro Murano
Taro.Murano@waterboards.ca.gov

Stormer Feiler
Stormer.Feiler@waterboards.ca.gov

Laura Cunningham
Laura.Cunningham@waterboards.ca.gov

Cannabis Registration Unit
cannabisreg@waterboards.ca.gov

Department of Fish and Wildlife
Captain Doug Willson
Douglas.Willson@wildlife.ca.gov

Lt. Brandon Lynch
Brendan.Lynch@wildlife.ca.gov

Region 1 CEP
R1cepreding@wildlife.ca.gov

Scott Bauer
Scott.bauer@wildlife.ca.gov

Matthew Jones
Matthew.Jones@wildlife.ca.gov

North Coast Regional Water Quality Control Board
Northcoast.Cannabis@waterboards.ca.gov

Trinity County District Attorney
David Brady
DBrady@trinitycounty.org

Trinity County Code Enforcement
Kristalynne Anderson
KAnderson@trinitycounty.org

Trinity County Cannabis Program
Drew Plebani, Director Cannabis Division
dplebani@trinitycounty.org

Daniel Marvel
dmarvel@trinitycounty.org

Trinity County Sheriff's Office
Sergeant Nate Trujillo
ntrujillo@trinitycounty.org

Sergeant Joshua Ford
jford@trinitycounty.org

Deputy Justin Hayslett
jhayslett@trinitycounty.org

Cannabis Control
Department of Cannabis Control
Jose Barajas
Jose.Barajas@cannabis.ca.gov;

Jon Silva
Jon.Silva@cannabis.ca.gov

Lindsay Rains
Lindsay.Rains@cannabis.ca.gov

Erin Wonder
Erin.Wonder@cannabis.ca.gov

Unified Cannabis Enforcement Task Force
Hasti Javid
Hasti.Javid@calepa.ca.gov