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BEFORE THE HEARING BOARD OF THE AIR POLLUTION  
CONTROL DISTRICT, COUNTY OF SANTA BARBARA

Aeron Arlin Genet, Control Officer,  
Santa Barbara County Air Pollution  
Control District; PETITIONER

vs.

California Asphalt Production, Inc.;  
RESPONDENT

H.B. Case No: 2021-01-RE

**PETITION FOR ORDER OF  
REVOCATION; Health & Safety  
Code Section 42307 et seq.**

**Date:** February 3, 2021

**Time:** 9:30 AM

**Place:** REMOTE VIRTUAL  
PARTICIPATION ONLY, for  
details see:  
[https://www.ourair.org/apcd/a  
pcd-hearing-board-meeting/](https://www.ourair.org/apcd/apcd-hearing-board-meeting/)

**INTRODUCTION**

1. Respondent CALIFORNIA ASPHALT PRODUCTION, INC. (“Respondent”) is operating air pollution emitting equipment in violation of District Rule 210. The Air Pollution Control Officer (“Control Officer”) of the Santa Barbara County Air Pollution Control District (“District”) hereby requests this Board to issue an Order of Revocation of Permit to Operate 8259-R11, Permit to Operate 11651-R4, Permit to Operate 15241, Permit to Operate 15361 and Authority to Construct 15342 pursuant to Health and Safety Code section 42307 and 42309(e)(4).

2. Respondent is the holder of properly issued permits to operate and authority to construct; however, Respondent has failed to pay properly assessed fees and penalties pursuant to state law and District rules. Respondent is thus operating in violation of District Rule 210.V(A)(1) and (2).

3. HVI Cat Canyon, Inc., an entity associated with Respondent, filed for bankruptcy on July 25, 2019. As of the date of the filing of this Petition for

1 Revocation, the District is not aware of any bankruptcy petitions filed by Respondent.

2 **PARTIES**

3 4. Petitioner is the Air Pollution Control Officer of the Santa Barbara  
4 County Air Pollution Control District and is charged with the responsibility, pursuant  
5 to Health and Safety Code section 40752, of enforcing all provisions of Parts 3 and 4  
6 of Division 26 of the Health and Safety Code and all orders, rules and regulations  
7 prescribed by the District Board.

8 5. Respondent is a California Corporation and is the holder of District  
9 Permit to Operate 8259-R11 (See Exhibit 7a) which is the main facility permit  
10 authorizing the operation of a refinery that processes crude oil into asphalt, naphtha,  
11 kerosene distillate, and gas oil. Respondent also holds Permit to Operate 11651-R4 for  
12 an emergency standby diesel electrical generator (See Exhibit 7b), Permit to  
13 Operate 15241 for an emergency standby diesel electrical generator (See Exhibit 7c),  
14 Permit to Operate 15361 for a boiler (See Exhibit 7d), and Authority to  
15 Construct 15342 for the asphalt heaters (See Exhibit 7e).

16 6. Respondent is required by District Rule 210 (Fees) to pay the following  
17 fees: Air Quality Attainment Plan (AQAP) Fees; Large Annual Emissions Fees  
18 (LAEF); Source Test Fees; and AB2588 Air Toxics Hot Spots Fees. The fees apply to  
19 the entire facility (Permit to Operate 8259-R11, Permit to Operate 11651-R4, Permit to  
20 Operate 15241, Permit to Operate 15361, Authority to Construct 15342).

21 7. According to the California Secretary of State's records, California  
22 Asphalt Production, Inc. is an active California Corporation (CA Corporate Number:  
23 C1844044). According to the California Secretary of State's records, the officers of  
24 the corporation are Randeep S. Grewal (CEO), M. Ernesto Olivares (Secretary and  
25 CFO). The agent for Service of Process of California Asphalt Production, Inc. is  
26 Capitol Corporate Services, Inc. (Lo Saechao, 455 Capitol Mall Complex, Suite 217,  
27 Sacramento, CA 95814).

1           8.       Operations of the permitted facility include, but are not limited to, crude  
2 oil heaters, boilers, tanks, fractionator tower, vacuum tower, heat exchangers, pumps,  
3 fugitive hydrocarbon components (valve, flanges, seals), loading racks, diesel fired  
4 emergency standby electrical generators, and compressors that cause substantial  
5 emissions. Permit to Operate 8259-R11 is the main permit for the facility and covers  
6 the primary refinery operations. Permit to Operate 11651-R4 and Permit to Operate  
7 15241 are standalone permits for two emergency standby diesel generators. Permit to  
8 Operate 15361 is for the use of a temporary boiler. Authority to Construct 15342  
9 addresses compliance with the requirements of Rule 361.D.1 emission standards for  
10 Asphalt Heater 1, Asphalt Heater 2, and Asphalt Heater 3.

11           9.       The facility is located at 1660 Sinton Road three miles west of the City  
12 of Santa Maria.

13           10.      Respondent, is the owner and operator of facilities and equipment  
14 described in paragraphs 5 and 8 above, as authorized under Permit to Operate 8259-  
15 R11, Permit to Operate 11651-R4, Permit to Operate 15241, Permit to Operate 15361,  
16 and Authority to Construct 15342. Both Permit to Operate 8259-R11 and Permit to  
17 Operate 11651-R4 were issued pursuant to Rule 201.G. Permit to Operate 15241 and  
18 Permit to Operate 15361 were issued pursuant to Rule 201.E.2. Authority to Construct  
19 15342 was issued pursuant to Rule 201.D.

#### 20                               **AUTHORITY TO REVOKE PERMIT**

21           11.      Health and Safety Code section 42307 provides: “An air pollution  
22 control officer may request the hearing board of the district to hold a hearing to  
23 determine whether a permit should be revoked, if she finds that the holder of the  
24 permit is violating any applicable order, rule, or regulation of the district or any  
25 applicable provision of this division.” (Emphasis added.)

26           12.      Health and Safety Code section 42308 provides: “Within 30 days after a  
27 hearing has been requested pursuant to section 42302, 42306 or 42307, the hearing  
28 board shall hold a hearing pursuant to Chapter 8 (commencing with section 40800) of

1 Part 3.”

2 13. Health and Safety Code section 42309(e) provides the hearing board  
3 with authority, after a hearing held pursuant to section 42308, to revoke an existing  
4 permit if it finds any of the following:

5 (a) The permittee has failed to correct any conditions required by the control  
6 officer.

7 (b) A refusal of a permit would be justified.

8 (c) Fraud or deceit was employed in the obtaining of the permit.

9 (d) Any violation of this part or of any order, rule or regulation of the  
10 district. (Emphasis added).

11 14. Under Rule 210.V(A)(2), for all fees other than cost reimbursement fees,  
12 “a penalty shall be imposed if payment is not received within sixty (60) calendar days  
13 of the invoice date. The penalty shall be ten (10) percent of the fee initially invoiced  
14 for each thirty (30) calendar day period, or portion thereof, that the payment is overdue  
15 and the Air Pollution Control Officer may initiate action to revoke the permit.”  
16 (Emphasis added).

17 15. The CONTROL OFFICER finds that Respondent has failed to pay  
18 properly assessed fees and the associated penalties for failure to pay said fees, in  
19 violation of District Rule 210.V(A)(2).

#### 20 **AUTHORITY TO ASSESS FEES**

21 16. General Permitting Fees. Health and Safety Code section 42311  
22 authorizes districts to adopt regulations to assess fees against permitted sources of air  
23 pollution. Pursuant to that statute, the District has adopted and periodically amends  
24 Rule 210 to assess fees against sources in Santa Barbara County.

25 17. Penalties for Late Payment. Under Rule 210.V(A)(2), for all fees other  
26 than cost reimbursement fees, “[i]f payment is not received within thirty (30) calendar  
27 days after the invoice date, the Air Pollution Control Officer shall promptly notify the  
28 person subject to the fee in writing that the payment is overdue and a penalty shall be

1 imposed if payment is not received within sixty (60) calendar days of the invoice date.  
2 The penalty shall be ten (10) percent of the fee initially invoiced for each thirty (30)  
3 calendar day period, or portion thereof, that the payment is overdue and the Air  
4 Pollution Control may initiate action to revoke the permit.

### 5 **RESPONDENT'S FAILURE TO PAY FEES**

6 18. Despite numerous requests from the District, Respondent has failed to  
7 pay properly assessed fees and the associated penalties for failure to pay said fees.  
8 These fees that are the basis for this Petition are overdue Air Quality Attainment Plan  
9 (AQAP) fees; Large Annual Emissions Fees (LAEF); Source Test Fees; and AB2588  
10 Air Toxics Hot Spots Fees. The fees apply to the entire facility (Permit to Operate  
11 8259-R11, Permit to Operate 11651-R4, Permit to Operate 15241, Permit to Operate  
12 15361, Authority to Construct 15342). Due to the lack of payment of these properly  
13 assessed fees, penalties have been imposed on Respondent pursuant to District Rule  
14 210.V(A)(2). A summary of invoice dates and amounts is attached as Exhibit 1.  
15 Copies of invoices, notices, emails and penalty letters are attached as Exhibits 2a  
16 through 6k. As of the date of this filing, Respondent owes the District \$21,135.80.

17 19. As supported in Exhibits 1 through 6k and detailed below, the District  
18 has sent numerous invoices and notices to Respondent regarding the fees and penalties  
19 due.

20 20. The invoices were sent to Respondent's address at P.O. Box 1220, Santa  
21 Maria, CA 93456 and via email to Refinery Operations Manager Julio Corona, which  
22 is the address and representative that Respondent has provided to the District for all  
23 communications and notices associated with the above-referenced Permits to Operate  
24 and Authority to Construct. Over the last several years, the District has regularly  
25 communicated with Respondent by sending letters and notices to this address and this  
26 address is also currently identified in the California Secretary of State's records.

**FAILURE TO PAY FEES – 2020 AQAP FEES**

1  
2       21.     The 2020 Air Quality Attainment Plan (AQAP) Fee Invoice #53847 in  
3 the amount of \$1,137.35 was issued to the Respondent for their asphalt refinery  
4 facility via Certified U.S. Mail on January 6, 2020 (See Exhibit 2a).

5       22.     On February 10, 2020, the District notified Respondent, via Certified  
6 U.S. Mail, that Respondent had not made payment within the 30-day term and that  
7 Invoice #53847 for the 2020 AQAP Fee was now past due and requested payment in  
8 the amount of \$1,137.35. Moreover, the District notified Respondent that in  
9 accordance with District Rule 210.V(A)(2), a ten (10) percent penalty would be  
10 imposed if payment is not received within sixty (60) days of the invoice date (See  
11 Exhibit 2b).

12       23.     On March 10, 2020, the District notified the Respondent, via Certified  
13 U.S. Mail, that Invoice #53847 for the 2020 AQAP Fee was 60 days overdue and  
14 assessed a 10 percent penalty. The penalty invoice (#INV04240) was for the amount  
15 \$113.73. The total fees now due for the 2020 AQAP Fee was \$1,251.08. The District  
16 also notified Respondent that in accordance with District Rule 210.V(A)(2), an  
17 additional 10 percent penalty would be imposed every thirty (30) days if payment is  
18 not received (See Exhibit 2c).

19       24.     On April 14, 2020, the District notified the Respondent, via Certified  
20 U.S. Mail, that Invoice #53847 for the 2020 AQAP Fee was 90 days overdue and  
21 assessed a 10 percent penalty. The penalty invoice (#INV04393) was for the amount  
22 \$113.73. The total fees now due for the 2020 AQAP Fee was \$1,364.81. The District  
23 also notified Respondent that in accordance with District Rule 210.V(A)(2), an  
24 additional 10 percent penalty would be imposed every thirty (30) days if payment is  
25 not received (See Exhibit 2d).

26       25.     On April 22, 2020, District Accounting Technician Gerardo De Los  
27 Santos received an email from Refinery Operations Manager Julio Corona proposing a  
28 payment plan between Respondent and the District to cover outstanding invoices (See

1 Exhibit 6a). Respondent proposed \$3,268.84 due May 25, 2020, \$3,268.84 due June  
2 25, 2020, and \$3,268.84 due July 25, 2020, totaling \$9,806.52.

3 26. On April 22, 2020, District Accounting Technician Gerardo De Los  
4 Santos responded via email accepting the payment plan on behalf of the District. Mr.  
5 De Los Santos also stated that if Respondent did not meet the requirements of the  
6 payment plan, the District would again begin assessing late fees (See Exhibit 6b).

7 27. On June 1, 2020, District Accounting Technician Gerardo De Los Santos  
8 contacted Refinery Operations Manager Julio Corona via email inquiring when the  
9 District could expect the payment due on May 25, 2020 in the amount of \$3,268.84  
10 (See Exhibit 6c). Mr. De Los Santos did not receive a response.

11 28. On June 8, 2020 District Accounting Technician Gerardo De Los Santos  
12 contacted Refinery Operations Manager Julio Corona via email following-up on the  
13 June 1, 2020 email and inquiring when the District could expect the Respondent's  
14 missed installment payment (See Exhibit 6d). Mr. De Los Santos did not receive a  
15 response.

16 29. On June 25, 2020 District Accounting Technician Gerardo De Los  
17 Santos contacted Refinery Operations Manager Julio Corona via email following-up  
18 on Respondent's missed first installment payment and the second installment payment  
19 due to be received that day. Mr. De Los Santos stated that he had also attempted to  
20 contact Mr. Corona by phone but his voicemail was full and unable to accept messages  
21 (See Exhibit 6e). Mr. De Los Santos did not receive a response.

22 30. On October 22, 2020, the District notified the Respondent, via email and  
23 Certified U.S. Mail that Respondent had defaulted in the payment plan arrangement  
24 requested on April 22, 2020, the entire amount was past due, and that the District will  
25 resume assessing penalty fees on the balance. Invoice #53847 for the 2020 AQAP Fee  
26 was 120 days overdue and the District assessed a 10 percent penalty. The penalty  
27 invoice (#INV05185) was for the amount \$113.73. The total fees now due for the  
28 2020 AQAP Fee was \$1,478.54. The District also notified Respondent that in

1 accordance with District Rule 210.V(A)(2), an additional 10 percent penalty would be  
2 imposed every thirty (30) days if payment is not received (See Exhibits 2e and 6f). The  
3 Certified U.S. Mail correspondence was returned to sender as “not deliverable as  
4 addressed unable to forward” (See Exhibit 8).

5 31. On October 29, 2020, District Engineering Manager David Harris  
6 notified Julio Corona via email that if the past due invoices are not resolved in a timely  
7 manner, the District’s next step would be to initiate action to revoke Respondent’s  
8 District permits (Exhibit 6g).

9 32. On November 23, 2020, the District notified the Respondent, via email  
10 and Certified U.S. Mail, that Invoice #53847 for the 2020 AQAP Fee was 150 days  
11 overdue and assessed a 10 percent penalty. The penalty invoice (#INV05281) was for  
12 the amount \$113.73. The total fees now due for the 2020 AQAP Fee was \$1,592.27.  
13 The District also notified Respondent that in accordance with District  
14 Rule 210.V(A)(2), an additional 10 percent penalty would be imposed every thirty  
15 (30) days if payment is not received (See Exhibits 2f and 6h).

16 33. On December 23, 2020, the District notified the Respondent, via email  
17 and Certified U.S. Mail, that Invoice #53847 for the 2020 AQAP Fee was 180 days  
18 overdue and assessed a 10 percent penalty. The penalty invoice (#INV05532) was for  
19 the amount \$113.73. The total fees now due for the 2020 AQAP Fee was \$1,706.00.  
20 The District also notified Respondent that in accordance with District  
21 Rule 210.V(A)(2), an additional 10 percent penalty would be imposed every thirty  
22 (30) days if payment is not received (See Exhibits 2g and 6i).

23 34. On December 27, 2021, Julio Corona requested via email that District  
24 Accounting Technician Gerardo De Los Santos “please CC ASP@CALIFORNIA-  
25 ASPHALT.COM he is the new refinery manager.”

26 35. On January 4, 2021, District Engineering Manager David Harris sent a  
27 letter via Certified U.S. Mail to Randeep S. Grewal (CEO), M. Ernesto Olivares  
28 (Secretary and CFO), Julio Corona (Refinery Operations Manager), Lo Saechao



1 (Agent for Service of Process) urging Respondent to pay all outstanding invoices and  
2 penalty fees and notifying Respondent that the District would be requesting that the  
3 Hearing Board issue an Order of Revocation of Permit to Operate 8259-R11, Permit to  
4 Operate 11651-R4, Permit to Operate 15241, Permit to Operate 15361 and Authority  
5 to Construct 15342 pursuant to Health and Safety Code section 42307 and  
6 42309(e)(4). The letter was also sent electronically to Julio Corona and  
7 ASP@CALIFORNIA-ASPHALT.COM as email addresses for the other recipients  
8 were not available. (Exhibit 6k).

### 9 **FAILURE TO PAY FEES – 2020 LAEF FEES**

10 36. The 2020 Large Annual Emissions Fee (LAEF) Invoice #55758 in the  
11 amount of \$6,681.42 was issued to the Respondent for their asphalt refinery facility  
12 via Certified U.S. Mail on May 19, 2020 (See Exhibit 3a).

13 37. On June 25, 2020, the District notified Respondent, via Certified U.S.  
14 Mail, that Respondent had not made payment within the 30-day term and that Invoice  
15 #55758 for the 2020 LAEF was now past due and requested payment in the amount of  
16 \$6,681.42. Moreover, the District notified Respondent that in accordance with District  
17 Rule 210.V(A)(2), a ten (10) percent penalty would be imposed if payment is not  
18 received within sixty (60) days of the invoice date (See Exhibit 3b).

19 38. As discussed above in paragraphs 25 through 29, Respondent requested  
20 a payment plan then defaulted on the payment plan without making any payments.

21 39. On October 22, 2020, the District notified the Respondent, via email and  
22 Certified U.S. Mail that Respondent had defaulted in the payment plan arrangement  
23 requested on April 22, 2020, the entire amount was past due, and that the District will  
24 resume assessing penalty fees on the balance. Invoice #55758 for the 2020 LAEF Fee  
25 was 60 days overdue and the District assessed a 10 percent penalty. The penalty  
26 invoice (#INV05187) was for the amount \$668.14. The total fees now due for the  
27 2020 LAEF Fee was \$7,349.56. The District also notified Respondent that in  
28 accordance with District Rule 210.V(A)(2), an additional 10 percent penalty would be

1 imposed every thirty (30) days if payment is not received (See Exhibits 3c and 6f). The  
2 Certified U.S. Mail correspondence was returned to sender as “not deliverable as  
3 addressed unable to forward” (See Exhibit 8).

4 40. On November 23, 2020, the District notified the Respondent, via email  
5 and Certified U.S. Mail, that Invoice #55758 for the 2020 LAEF Fee was 90 days  
6 overdue and assessed a 10 percent penalty. The penalty invoice (#INV05282) was for  
7 the amount \$668.14. The total fees now due for the 2020 LAEF Fee was \$8,017.70.  
8 The District also notified Respondent that in accordance with District  
9 Rule 210.V(A)(2), an additional 10 percent penalty would be imposed every thirty  
10 (30) days if payment is not received (See Exhibits 3d and 6h).

11 41. On December 23, 2020, the District notified the Respondent, via email  
12 and Certified U.S. Mail, that Invoice #55758 for the 2020 LAEF Fee was 120 days  
13 overdue and assessed a 10 percent penalty. The penalty invoice (#INV05533) was for  
14 the amount \$668.14. The total fees now due for the 2020 LAEF Fee was \$8,685.84.  
15 The District also notified Respondent that in accordance with District  
16 Rule 210.V(A)(2), an additional 10 percent penalty would be imposed every thirty  
17 (30) days if payment is not received (See Exhibits 3e and 6i).

18 42. As discussed above in Paragraphs 31 and 35, District Engineering  
19 Manager David Harris notified Respondent on October 29, 2020 and January 4, 2021  
20 that if the past due invoices and penalties were not paid, the District would initiate  
21 action to revoke Respondent’s District permits (Exhibit 6g and 6k).

22 **FAILURE TO PAY FEES – SOURCE TEST FEES**

23 43. The 2020 Source Test Fee Invoice #53823 in the amount of \$7,540.28  
24 was issued to the Respondent for their asphalt refinery facility via Certified U.S. Mail  
25 on January 31, 2020 (See Exhibit 4a).

26 44. On March 3, 2020, the District notified Respondent, via Certified U.S.  
27 Mail, that Respondent had not made payment within the 30-day term and that Invoice  
28 #53823 for the 2020 Source Test Fees was now past due and requested payment in the

1 amount of \$7,540.28. Moreover, the District notified Respondent that in accordance  
2 with District Rule 210.V(A)(2), a ten (10) percent penalty would be imposed if  
3 payment is not received within sixty (60) days of the invoice date (See Exhibit 4b).

4 45. On April 9, 2020, the District notified the Respondent, via Certified U.S.  
5 Mail, that Invoice #53823 for the 2020 Source Test Fees was 60 days overdue and  
6 assessed a 10 percent penalty. The penalty invoice (#INV04380) was for the amount  
7 \$754.02. The total fees now due for the 2020 Source Test Fees was \$8,294.30. The  
8 District also notified Respondent that in accordance with District Rule 210.V(A)(2), an  
9 additional 10 percent penalty would be imposed every thirty (30) days if payment is  
10 not received (See Exhibit 4c).

11 46. As discussed above in paragraphs 25 through 29, Respondent requested  
12 a payment plan then defaulted on the payment plan without making any payments.

13 47. On October 22, 2020, the District notified the Respondent, via email and  
14 Certified U.S. Mail that Respondent had defaulted in the payment plan arrangement  
15 requested on April 22, 2020, the entire amount was past due, and that the District will  
16 resume assessing penalty fees on the balance. Invoice #53823 for the 2020 Source Test  
17 Fees was 90 days overdue and the District assessed a 10 percent penalty. The penalty  
18 invoice (#INV05184) was for the amount \$754.02. The total fees now due for the  
19 2020 Source Test Fees was \$9,048.32. The District also notified Respondent that in  
20 accordance with District Rule 210.V(A)(2), an additional 10 percent penalty would be  
21 imposed every thirty (30) days if payment is not received (See Exhibits 4d and 6f).

22 48. On November 23, 2020, the District notified the Respondent, via email  
23 and Certified U.S. Mail, that Invoice #53823 for the 2020 Source Test Fees was 120  
24 days overdue and assessed a 10 percent penalty. The penalty invoice (#INV05279)  
25 was for the amount \$754.02. The total fees now due for the 2020 Source Test Fees  
26 was \$9,802.34. The District also notified Respondent that in accordance with District  
27 Rule 210.V(A)(2), an additional 10 percent penalty would be imposed every thirty  
28 (30) days if payment is not received (See Exhibits 4e and 6h).

1           49.    On December 23, 2020, the District notified the Respondent, via email  
2 and Certified U.S. Mail, that Invoice #53823 for the 2020 Source Test Fees was 150  
3 days overdue and assessed a 10 percent penalty. The penalty invoice (#INV05530)  
4 was for the amount \$754.02. The total fees now due for the 2020 Source Test Fees  
5 was \$10,556.36. The District also notified Respondent that in accordance with District  
6 Rule 210.V(A)(2), an additional 10 percent penalty would be imposed every thirty  
7 (30) days if payment is not received (See Exhibits 4f and 6i).

8           50.    As discussed above in Paragraphs 31 and 35, District Engineering  
9 Manager David Harris notified Respondent on October 29, 2020 and January 4, 2021  
10 that if the past due invoices and penalties were not paid, the District would initiate  
11 action to revoke Respondent’s District permits (Exhibit 6g and 6k).

12                   **FAILURE TO PAY FEES – AB2588 AIR TOXICS HOT SPOTS FEE**

13           51.    The 2020 AB2588 Air Toxics Hot Spots Fee Invoice #54326 in the  
14 amount of \$134.00 was issued to the Respondent for their asphalt refinery facility via  
15 Certified U.S. Mail on February 13, 2020 (See Exhibit 5a).

16           52.    On March 13, 2020, the District notified Respondent, via Certified U.S.  
17 Mail, that Respondent had not made payment within the 30-day term and that Invoice  
18 #54326 for the 2020 AB2588 Air Toxics Hot Spots Fee was now past due and  
19 requested payment in the amount of \$134.00. Moreover, the District notified  
20 Respondent that in accordance with District Rule 210.V(A)(2), a ten (10) percent  
21 penalty would be imposed if payment is not received within sixty (60) days of the  
22 invoice date (See Exhibit 5b).

23           53.    On April 14, 2020, the District notified the Respondent, via Certified  
24 U.S. Mail, that Invoice #54326 for the 2020 AB2588 Air Toxics Hot Spots Fee was 60  
25 days overdue and assessed a 10 percent penalty. The penalty invoice (#INV04400)  
26 was for the amount \$13.40. The total fees now due for the 2020 AB2588 Air Toxics  
27 Hot Spots Fee was \$147.40. The District also notified Respondent that in accordance  
28

1 with District Rule 210.V(A)(2), an additional 10 percent penalty would be imposed  
2 every thirty (30) days if payment is not received (See Exhibit 5c).

3 54. As discussed above in paragraphs 25 through 29, Respondent requested  
4 a payment plan then defaulted on the payment plan without making any payments.

5 55. On October 22, 2020, the District notified the Respondent, via email and  
6 Certified U.S. Mail that Respondent had defaulted in the payment plan arrangement  
7 requested on April 22, 2020, the entire amount was past due, and that the District will  
8 resume assessing penalty fees on the balance. Invoice #54326 for the 2020 AB2588  
9 Air Toxics Hot Spots Fee was 90 days overdue and the District assessed a 10 percent  
10 penalty. The penalty invoice (#INV05186) was for the amount \$13.40. The total fees  
11 now due for the 2020 AB2588 Air Toxics Hot Spots Fee was \$160.80. The District  
12 also notified Respondent that in accordance with District Rule 210.V(A)(2), an  
13 additional 10 percent penalty would be imposed every thirty (30) days if payment is  
14 not received (See Exhibits 5d and 6f). The Certified U.S. Mail correspondence was  
15 returned to sender as “not deliverable as addressed unable to forward” (See Exhibit 8).

16 56. On November 23, 2020, the District notified the Respondent, via email  
17 and Certified U.S. Mail, that Invoice #54326 for the 2020 AB2588 Air Toxics Hot  
18 Spots Fee was 120 days overdue and assessed a 10 percent penalty. The penalty  
19 invoice (#INV05280) was for the amount \$13.40. The total fees now due for the 2020  
20 AB2588 Air Toxics Hot Spots Fee was \$174.20. The District also notified  
21 Respondent that in accordance with District Rule 210.V(A)(2), an additional 10  
22 percent penalty would be imposed every thirty (30) days if payment is not received  
23 (See Exhibits 5e and 6h).

24 57. On December 23, 2020, the District notified the Respondent, via email  
25 and Certified U.S. Mail, that Invoice #54326 for the 2020 AB2588 Air Toxics Hot  
26 Spots Fee was 150 days overdue and assessed a 10 percent penalty. The penalty  
27 invoice (#INV05531) was for the amount \$13.40. The total fees now due for the 2020  
28 AB2588 Air Toxics Hot Spots Fee was \$187.60. The District also notified

1 Respondent that in accordance with District Rule 210.V(A)(2), an additional 10  
2 percent penalty would be imposed every thirty (30) days if payment is not received  
3 (See Exhibits 5f and 6i).

4 58. As discussed above in Paragraphs 31 and 35, District Engineering  
5 Manager David Harris notified Respondent on October 29, 2020 and January 4, 2021  
6 that if the past due invoices and penalties were not paid, the District would initiate  
7 action to revoke Respondent's District permits (Exhibit 6g and 6k).

8 **FAILURE TO PAY FEES – TOTAL FEES OVERDUE**

9 59. As of the date of filing, Respondent owes the District \$21,135.80 in  
10 properly assessed fees and the associated penalties for failure to pay said fees.

11 **RELIEF REQUESTED**

12 60. NOW, THEREFORE, THE CONTROL OFFICER requests the Hearing  
13 Board hold a hearing and revoke Respondents Permit to Operate 8259-R11, Permit to  
14 Operate 11651-R4, Permit to Operate 15241, Permit to Operate 15361, and Authority to  
15 Construct 15342; and

16 61. For such other relief as deemed necessary and proper by the Hearing Board.

17  
18 Dated: January 12, 2021

Respectfully submitted,

19  
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21 By: \_\_\_\_\_



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23 Aeron Arlin Genet  
24 Air Pollution Control Officer  
25 Santa Barbara County Air Pollution  
26 Control District  
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