



Control Number: 42860



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SOAH DOCKET NO. 582-14-1052
TCEQ DOCKET NO. 2013-1735-UCR

APPLICATION OF DOUGLAS
UTILITY COMPANY, TO
CHANGE ITS WATER AND
SEWER RATES

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BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

2014 SEP -1 PM 2:07
PUBLIC UTILITY COMMISSION
FILING CLERK

RECEIVED

**THE EXECUTIVE DIRECTOR'S SECOND SET OF INTERROGATORIES, AND
REQUESTS FOR PRODUCTION, AND REQUESTS FOR COOPERATION ON
PREVIOUS DISCOVERY REQUESTS
TO DOUGLAS UTILITY COMPANY**

TO: Douglas Utility Company

c/o Mark H. Zeppa
Attorney for Douglas Utility Company

Pursuant to §2001 et seq. of the Texas Government Code (the Texas Administrative Procedure Act or APA), Rules 190-198 of the Texas Rules of Civil Procedure and 30 Texas Administrative Code ("TAC") § 80.151, and 1 TAC § 155.251, you are required to answer in complete detail and in writing each of the following requests for disclosure, interrogatories, requests for production and requests for admissions. You are required to sign your answers to the questions or requests, to swear to the truth of your responses to interrogatories before a Notary Public or other judicial officer, and to deliver a complete, signed, and notarized copy of your answers and responses to Brian MacLeod, Staff Attorney, Environmental Law Division, MC 173, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087, within 30 days after service of this discovery, in accordance with the Administrative Law Judge's directive.

I. DEFINITIONS

As used herein, the terms "you," "your," or "yourself," refer to Douglas Utility Company, the party to whom these requests are addressed, as well as to each of its parents, predecessors, subsidiaries and affiliates, each of its present and former officers, employees, agents, representatives and attorneys acting on its behalf.

REPRESENTATIVE

As used herein, the term "representative" means any and all agents, employees, servants, officers, directors, attorneys, or other persons acting or purporting to act on your behalf.

PERSON

As used herein, the term "person" means any natural individual in any capacity whatsoever or any entity or organization, including divisions, departments and other units therein, and shall include, but not be limited to, a public or private corporation, partnership, joint venture, voluntary or unincorporated association, organization, proprietorship, trust, estate, governmental agency, commission, bureau, municipality, or department.

DOCUMENT

As used herein, the term "document" means any medium upon which information can be recorded or retrieved, and includes, without limitation, the original and each copy, regardless of origin and location, of any book, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting or conversation), invoice, bill, order form, receipt, financial statement, accounting entry, diary, calendar, telex, telegram, cable, facsimile transmission, report, record, contract, agreement, study, handwritten note, draft, working paper, chart, paper, print, laboratory record, drawing, sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing card, computer tape or disk, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced, which is in your possession, custody, or control. The term "document" further means a copy of any document, as referred to above, if such copy contains notes, writings or is in any way different from or an alteration of the original document.

COMMUNICATION

As used herein, the term "communication" means any oral or written utterance, notation or statement of any nature whatsoever, by and to whomsoever made, including, but not limited to, correspondence, conversations, dialogues, discussions, interviews, consultations, agreements and other understandings between or among two or more persons.

IDENTIFICATION

As used herein, the terms "identification," "identify," or "identity," when used in reference to: (a) a natural individual - require you to state his or her full name and business address; (b) a corporation - require you to state its full corporate name and any names under which it does business, its state of incorporation, the address of its principal place of business, and the addresses of all of its offices; (c) a business - require you to state the full name or style under which the business is conducted, its business address or addresses, the types of businesses in which it is engaged, the geographic areas in which it conducts those business, and the identity of the person or persons who own, operate, and control the business; (d) a document - require you to state the number of pages and the nature of the document (e.g., letter or memorandum), its title, its date, the name or names of its authors and recipients, and its present location and custodian; (e) a communication - require you, if any part of the communication was written, to identify the document or documents which refer to or evidence the communication, and, to the extent that the communication was non-written, to identify the persons participating in the communication and to state the date, manner, place and substance of the communication.

II. INSTRUCTIONS

IDENTIFICATION OF DOCUMENTS

With respect to each request, in addition to supplying the information requested, you are to identify all documents that support, refer to or evidence the subject matter of each request and your answer thereto.

If any or all documents identified herein are no longer in your possession, custody or control because of destruction, loss or any other reason, then do the following with respect to each and every such document: (a) describe the nature of the document (e.g., letter or

memorandum); (b) state the date of the document; (c) identify the persons who sent and received the original and a copy of the document; (d) state in as much detail as possible the contents of the document; and (e) state the manner and date of disposition of the document.

If you contend that any material or information responsive to any of the interrogatories is privileged, state in response that: (a) the information or material responsive to the interrogatories has been withheld; (b) the interrogatory to which the information or material relates; and (c) the privilege or privileges asserted.

CONTENTION REQUESTS

When a request requires you to "state the basis of" a particular claim, contention, or allegation, state in your answer the identity of each and every communication and each and every legal theory that you think supports, refers to, or evidences such claim, contention, or allegation.

CONTINUING REQUESTS

These requests are to be considered continuing in nature and you are under a duty to timely supplement any response given to such request(s) as required by Rule 193.5 of the Texas Rules of Civil Procedure.

REQUEST FOR COOPERATION ON PREVIOUS REQUESTS

Below some of the previous discovery requests are restated with an explanation of why the ED believes the previous response was inadequate. The reason for these requests for cooperation is to provide a predicate if a need for a motion to compel arises.

III. INTERROGATORIES

Interrogatory No. 15.

Please identify the affiliate that pays Olga Schnur.

Interrogatory No. 16.

Please identify the TCEQ employee or representative who "ordered DUC to repair or replace" the wastewater treatment plant whom you refer to in your response to previous interrogatory number 4 (included in the ED's first discovery requests). In your response please also identify any statements, written or oral, made by the TCEQ staff that would relate to any such "order to repair and replace" the wastewater treatment plant.

Interrogatory No. 17.

Please describe and identify all payments made by DUC to Ms. Zeiben, or any business entity that Ms. Zeiben is a principle in (e.g., partner, director, officer, etc.). The response should include, but not be limited to, lease payments, salaries, corporate distributions, loans, bonuses, Christmas bonuses, etc.)

Interrogatory No. 18.

Please state the salaries, bonuses, and other compensation Ms. Zeiben receives from any other business entity of which she is an officer, director, partner, CFO or CEO.

Interrogatory Number 19.

Please identify the entity that submitted the bid for the wastewater treatment plant.

Request for Cooperation on previous Interrogatory No. 3.

In the ED's previous discovery the ED asked the following: For each individual identified in Interrogatory No. 2, please provide the following information for the test year, July 1, 2011 to June 30, 2012:

- a. the total amount paid to the individual;
- b. the number of hours per week devoted to working for Douglas Utility Company
- c. how and the reasons why the employee's salary was allocated between the water and sewer systems;
- d. the type and monthly cost of benefits such as bonus, health, life or dental insurance of each employee; and
- e. the monthly cost of group insurance and how it was allocated for employees who worked on the water and sewer systems.

DUC's response was to notify Mr. Zeppa if the information had not been previously provided. The answer to this interrogatory has not been identified from information previously provided. In particular, please identify the number of hours worked by Ms. Schurr and Ms. Zeiben for the sewer operations and the water operations during the test year. Please account for the number of hours in a way that reveals how much time was spent each week on sewer and how much was devoted to water operations. If such a breakdown is not available, then simply list the number of hours Ms. Schurr and Ms. Zeiben worked during the test year and explain how these hours were allocated between the sewer and water operations. Additionally please identify and state the amount of any bonuses paid to Ms. Schurr and Ms. Zeiben during the test year and until present.

Request for Cooperation on previous Interrogatory No. 7.

In the ED's previous discovery the ED asked the following: Did you attempt to obtain the loan for the wastewater treatment facility and pay for the loan with your own funds without the surcharge? If so, please identify the documents involved in the application(s). Specifically, identify the application and the response to the application (either approval or refusal).

DUC's current response refers to the response to interrogatory 6. That response stated that the utility could only service the loan if "DUC gets all of its requested cost of service." Please clarify that this means that there was no attempt to pay for the loan without the requested surcharge and that there was no attempt to find another source of funds to service the loan.

Request for Cooperation on previous Interrogatory No. 8.

In the ED's previous discovery the ED asked the following: Please state all reasons and identify all documents that reveal that the utility is not able to obtain the loan from Integrity Bank itself and explain why it is necessary to have the customers pay the debt instead?

DUC's current response refers to the response to interrogatory 6. That response stated that the utility could only service the loan if "DUC gets all of its requested cost of service." Please clarify that this means that there are no documents (such as loan applications or grant applications) that reveal that the utility is not able to obtain the loan from Integrity Bank itself and explain why it is necessary to have the customers pay the debt instead.

Request for Cooperation on previous Interrogatory No. 10.

In the ED's previous discovery the ED asked the following: List all customer or developer contributed capital (CIAC) for any assets that are included in your rate increase request calculations.

DUC's current response is that the request is vague and ambiguous because developer CIAC is treated differently than customer CIAC and that because they are subsumed into rate calculations differently, DUC cannot respond. The ED is aware of the different treatments of these two types of contributions, and there is no need for DUC to explain how each was specifically included in rate calculations. The ED only needs to know the total amount of both types of contributions that are included in the application. If no contributed capital is included in the application, please state that. DUC also interposed an objection that such information is not reasonably calculated to lead to admissible evidence at trial. It would appear obvious that contributed capital is a very relevant issue in a rate case.

Request for Cooperation on previous Interrogatory No. 14.

In the ED's previous discovery the ED asked the following: Please describe the basis for the amount(s) mentioned in your application for each and every asset item(s) listed on Depreciation Schedule.

DUC's current response is an objection that the interrogatory is vague and ambiguous because "'Basis' is an accounting term that relates to investment in property for tax purposes." The ED is aware of how capital gains are calculated by subtracting amount realized from the "basis" paid for an asset. From context, it should be quite clear that the word "basis" was not meant as that term of art. In fact, the definitions included in the discovery defined basis. In particular, it provided this definition: "When a request requires you to 'state the basis of a particular claim, contention, or allegation, state in your answer the identity of each and every communication and each and every legal theory that you think supports, refers to, or evidences such claim, contention, or allegation."

If clarification is needed, the ED is requesting an explanation of how DUC determined the original cost figures in the application. In particular, please identify receipts for each asset and the reasoning and analysis underlying any trended original cost you allege.

IV. REQUESTS FOR PRODUCTION

Request for Production No. 41. Please provide receipts for all payments DUC made to Ms. Zeiben or any business entity that Ms. Zeiben is a principle in (e.g., partner, director, officer, etc.). The response should include but not be limited to lease payments, salaries, corporate distributions, loans, bonuses, Christmas bonuses, etc.

Request for Production No. 42. Please provide all documents that would reveal how the revenue requirement should be broken down into a base rate and a gallonage rate at the different tiers. Much of this information has already been provided, but the ED still does not have the breakdown of gallonage for each tier and meter size. In order for the ED or the ALJ or the Commission to determine how a rate design will allow the utility to recover DUC's revenue requirement the needs documents revealing essential information is still needed. The most important information that is absolutely necessary is the billing history at different tier levels for each size meter. The ED will also need all documentation of any known and measurable changes that need to be factored in setting a rate design.

Request for Production No. 43. Please provide all documents you contend support your contention that the TCEQ ordered DUC to repair or replace the wastewater treatment plant. You contended previously that they were provided, but all that the ED can find is the December 19, 2013, inspection report. If that is the only statement you are referring to when you state that the TCEQ required that the wastewater treatment plant needed replacement, then state that. Otherwise, please provide any additional statements that support your contention.

Request for Cooperation on previous Request for Production No. 9. In the ED's previous discovery the ED asked the following: Please provide all documents that indicate the amount of time Ms. Zieben and all other employees spend working on utility business broken down into hours per week (or as much detail as you keep records of -- e.g. timesheets) with a description of the services provided each week. Also provide all documents that reveal whether the time worked is allocable to water or sewer.

DUC's response was that DUC did not pay Ms. Schurr, but an affiliate did, and that Ms. Zeiben was the only employee of DUC. However, the ED still needs the documents requested as they relate to Ms. Zeiben. If no such documents exist, please state that.

Request for Cooperation on previous Request for Production No. 13 and 14. In the ED's previous discovery the ED asked the following: **Request for Production No. 13.** Please provide documentation of the number of Customers served by Douglas Utility Company during the Test Year, July 1, 2011 to June 30, 2012, and the number of Customers currently being served, as well as a breakdown on the types of Customers by class of service or customer classes or meter size. **Request for Production No. 14.** Please provide documentation of the consumption levels for each meter size at each gallonage tier during the test year and documents providing the same information for expected usage for each of these categories.

In the ED's new request for production number 2, the ED has explained its need for additional information. Specifically, the ED needs all documents necessary to prepare a rate design that will provide base and gallonage rates for different meter sizes and tiers that will allow DUC to recover its revenue requirement.

Request for Cooperation on previous Request for Production No. 17. In the ED's previous discovery the ED asked the following: Please provide all documents that reveal investigations into comparing the cost of repairing the wastewater treatment plant to the cost of replacing the wastewater treatment plant.

DUC's current response explains that the plan is to salvage and reuse those components that might still have a reasonable useful life. Please clarify that there are no documents responsive to this request or provide them if they do exist.

Request for Cooperation on previous Request for Production No. 19. In the ED's previous discovery the ED asked the following: Please provide all documents that relate to customer contributed capital or developer contributed capital (CIAC) for any assets that are included in your rate increase request calculations.

DUC's current response is that the request is vague and ambiguous because developer CIAC is treated differently than customer CIAC and that because they are subsumed into rate calculations differently, DUC cannot respond. The ED is aware of the different treatments of these two types of contributions, and there is no need for DUC to explain how each was specifically included in rate calculations. The ED only needs to know the total amount of both types of contributions that are included in the application. If no contributed capital is included in the application and therefore no responsive documents exist, please state that. DUC also

interposed an objection that such information is not reasonably calculated to lead to admissible evidence at trial. It would appear obvious that contributed capital is a very relevant issue in a rate case.

Request for Cooperation on Request for Production No. 22. In the ED's previous discovery the ED asked the following: Please provide copies of reports and/or work orders or other agreements (that exceed \$300) from the operator(s) and or contractors of Douglas Utility Company related to the repair and maintenance of the Water and Wastewater Treatment Facility since the facility was dedicated to public service, especially during the test year and beyond.

DUC's previous response objected that there is no "Water and wastewater treatment facility" and therefore it could not respond. While context should have made the intent obvious despite the typo, the ED is requesting this information for the wastewater treatment facility. Therefore, please provide the information requested with this clarification.

Request for Cooperation on Request for Production No. 25. In the ED's previous discovery the ED asked the following: Please provide all contracts and invoices for services and goods between you and any person that you will be making a rate case expense claim for.

DUC's current response is that these documents are not yet in DUC's custody and control and that will be provided with DUC's prefiled case. The ED requests that all such receipts be provided and supplemented as soon as practicable in order to ensure that the ED has sufficient time to review the information in preparing for trial. If such information is still not in DUC's custody and control, please provide them as they become available to DUC. For example, current contracts for services and current invoices relating to this rate case should already be in DUC's custody and control.

Request for Cooperation on Request for Production No. 29. In the ED's previous discovery the ED asked the following: Please provide the corporate minutes of every meeting Douglas Utility Company has had since its inception.

DUC's current response is that the request is not calculated to lead to admissible evidence at trial and too broad and burdensome because most corporate meetings have nothing to do with rates. The ED contends that the request is relevant because it relates to whether the corporation is actually a separate entity or actually an alter ego or otherwise not sufficient to raise a corporate shield. In particular, the ED is investigating whether the ability to repay the loan should include an investigation of whether Ms. Zeiben has the ability to repay the loan. If DUC will admit that Ms. Zeiben is willing to service the loan for the new wastewater treatment plant with her own assets, then so admit and a response to this request is unnecessary. In order to relieve DUC from some of the burden of responding to this request, the ED will limit its request to corporate minutes from the test year to present.

Request for Cooperation on Request for Production No. 31. In the ED's previous discovery the ED asked the following: Please provide invoices for the rate case expenses to date which indicate the date(s) of service, the amount of time spent, a description of the work done, the hourly fee (if applicable), and the total amount billed. Please continue to supplement this request timely up to the date of trial.

DUC's current response is an objection that this request duplicates request No. 25. While the requests are very similar, this request includes details that are not included in No. 25. However, the ED anticipates that the response to No. 25 will include these details. The ED will need this information in DUC's response to Request No. 25.

Request for Cooperation on Request for Production No. 34. In the ED's previous discovery the ED asked the following: Please provide a copy of any and all blueprints, diagrams, or drawings of your existing water and sewer distribution system that describe size, fire hydrants, and total linear feet of pipe.

DUC's current response is an objection because sewer pipe networks are for collection rather than distribution. While context should make it obvious what is requested, the ED would clarify that the request is for information on the sewer collection system and the water distribution system.

Request for Cooperation on Request for Production No. 35. In the ED's previous discovery the ED asked the following: Please provide map(s) and all blueprints, diagrams, or drawings of all water and wastewater facilities currently in place for your water system.

DUC's current response is that there is no sewer plant in the water system. While context should make it obvious that this is a typo and there should be no confusion as to what is requested, the ED would clarify that the request is for the information for water facilities in the water system and wastewater facilities in the wastewater systems. The ED is aware that the wastewater facilities are in the wastewater system, and wants to make it clear what is requested.

V. REQUESTS FOR ADMISSIONS

Request for Admission No. 23. Admit that Gaylord Investments is the entity that submitted the bid for the wastewater treatment plant.

Request for Admission No. 24. Admit that the attached inspection report is the only document that supports your contention that the TCEQ ordered DUC to repair or replace the wastewater treatment plant.

Request for Cooperation on Request for Admission No. 2. In the ED's previous discovery the ED asked the following: Admit that any other person who is obligated in any way (including but not limited to co-signers, guarantors, and/or providers of security or collateral) are incapable of repaying the loan.

DUC's current response is an objection that without identification of any such person it cannot respond. To clarify, the ED is requesting an admission that Ms. Zeiben is incapable of repaying the loan for the wastewater treatment plant.

Request for cooperation on Request for Admission No. 4. In the ED's previous discovery the ED asked the following: Admit that any other person who is obligated in any way (including but not limited to co-signers, guarantors, and/or providers of security or collateral) are capable of repaying the loan.

DUC's current response is an objection that without identification of any such person it cannot respond. To clarify, the ED is requesting an admission that Ms. Zeiben is capable of repaying the loan for the wastewater treatment plant.

Request for cooperation on Request for Admission No. 10. Admit that no plans and specs have been provided to the TCEQ for a new wastewater treatment plant pursuant to 30 TAC § 217.1 and 217.10 or other law and regulation.

DUC's current response is that it cannot be admitted or denied without a definition of "other law and regulation." In order to focus the request, the ED would limit its request by eliminating that

wording and rewording the request as follows: Admit that no plans and specs have been provided to the TCEQ for a new wastewater treatment plant pursuant to 30 TAC § 217.1 and 217.10.

Request for Cooperation on Request for Admission No. 11. Admit that you received only one bid for the cost of putting in a new wastewater treatment plant before applying for a loan to pay for it.

DUC's current response is that it is not required to seek multiple bids because it is not a political subdivision. The ED is aware of that but also contends that the utility must be prudent and assure that all of its costs are reasonable and necessary and that taking bids is one way of making sure that a prudent path is followed. The ED is aware that there are many other factors to consider, but contends that this is a relevant issue on making an analysis as to the utility's prudence and hence the reasonableness and necessity of the expense. If no other bids were sought, please so admit.

Respectfully submitted,

TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

Richard A. Hyde, P.E., Executive Director

Robert Martinez, Director
Environmental Law Division

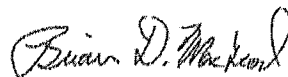


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EXECUTIVE DIRECTOR

CERTIFICATE OF SERVICE

I certify that on March 27, 2014, a copy of the foregoing document was sent by first class, agency mail, electronic mail, and/or facsimile to the persons on the attached Mailing List.



Brian MacLeod
Staff Attorney

Mailing List
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TCEQ Docket No. 2013-1735-UCR
SOAH Docket No. 582-14-1052

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MWD/WQ0011200001/CO/12-19-2013/Final Report
Texas Commission on Environmental Quality
Investigation Report
 Douglas Utility Company
 CN600693022

DOUGLAS UTILITY FOUNTAINVIEW

RN101608586

Investigation # 1145140

Incident #

Investigator: RICARDO FELAN

Site Classification

DOMESTIC MINOR

Conducted: 12/19/2013 -- 12/19/2013

NAIC Code: 221320

SIC Code: 4952

Program(s): WASTEWATER

Investigation Type : Compliance Investigation

Location : South of North Beltway B,
 approximately 1 mile west of US Hwy 59,
 approximately 0.45 miles west of Lee
 Road in Harris County, Texas

Additional ID(s) : TX0031461
 WQ0011200001

Address: 5326 W BELLFORT ST STE
 120; HOUSTON, TX 77036

Activity Type : REGION 12 - HOUSTON

WWCCIDSMIN - WW CCI Discretionary Minor

Principal(s) :

Role	Name
RESPONDENT	DOUGLAS UTILITY COMPANY

Contact(s) :

Role	Title	Name	Phone
Regulated Entity Contact	COMPLIANCE COORDINATOR	MS MEGAN SMITH	Cell (281) 250-1723
			Other (281) 350-0895
			Work (281) 446-3974
Regulated Entity Mail Contact	BOARD PRESIDENT	MS CAROL ZIEBEN	Work (713) 783-4553
			Fax (713) 914-0944
Participated in Investigation	EAST AREA MANAGER	MR WESLEY WRIGHT	Fax (281) 353-3307
			Cell (832) 473-6578
			Work (281) 350-0895
Notified	COMPLIANCE COORDINATOR	MS MEGAN SMITH	
Participated in Investigation	OPERATOR	MR JAMES SCHREIBER	Work (281) 350-0895
Participated in Investigation	COMPLIANCE COORDINATOR	MS MEGAN SMITH	

Other Staff Member(s) :

Role	Name
Investigator	DUSTIN ROBERTS
QA Reviewer	MICHAEL TAYLOR
Supervisor	ELIZABETH SEARS

Associated Check List

Checklist Name

Unit Name

INFORMATION COPY
 FOR R12 FILE ROOM

WQ DOMESTIC CCI - INTERIM	dom
WQ GENERAL CCI CHECKLIST	gen
WQ IN-HOUSE LABORATORY COMPLIANCE INVESTIGATION	lab
WQ INVESTIGATION - EQUIPMENT MONITORING AND SAMPLING revised 06/2013	equip

Investigation Comments :

INTRODUCTION

The Douglas Utility - Fountainview Wastewater Treatment Plant (WWTP) was investigated on 12/19/2013 to determine compliance with applicable wastewater treatment regulations. Notification of the investigation was given on 12/12/2013. This investigation is considered a discretionary minor investigation. A verbal exit interview explaining the results of the investigation was conducted on 12/19/2013 with Megan Smith, Compliance Coordinator with TNG Utility Corporation. A copy of the Texas Commission on Environmental Quality (TCEQ) Exit Interview Form was received by Ms. Smith. Based on the findings of this investigation, a Notice of Violation letter was issued to facilitate compliance.

GENERAL FACILITY AND PROCESS INFORMATION

This is a 0.359 million gallons per day (MGD) activated sludge plant which is operated in the conventional mode. This facility is operating under the interim effluent limits of the permit. Under the final limits, the facility will be permitted to discharge 0.38 MGD. The permitted pounds per day (lbs/day) for carbonaceous biochemical oxygen demand (CBOD) and total suspended solids (TSS) will increase.

The WWTP serves a residential area (including an apartment complex with 700 units) and 13 commercial connections. A plant flow schematic is attached to this report. The facility has had no significant plant modifications since the last comprehensive compliance investigation.

There is no potable water line installed at the facility.

The operator for this facility is Mr. James Schreiber. Mr. Schreiber has an appropriate level of certification for this facility. The supervisor for the collection system is Mr. Wesley Wright. There is one on-site and one off-site lift station in the collection system. At the time of the investigation, excessive grease was noted at the on-site wet well.

The thirty minute settleable solids concentration (SV30) in the aeration basin was 75%. The sludge blanket in the clarifier was 3 feet of unsettled sludge in a 9 foot water depth. The chlorine contact chamber contained 1 1/2 feet of sludge in a 10 foot water depth. The facility utilizes gas chlorination to disinfect the effluent prior to discharge.

The flow measuring devices for Outfall 001 include a 90 degree V-notch weir with an ultrasonic flow meter. A flow measurement accuracy check could not be conducted due to the fact that the staff gauge was illegible. The flow meter was last calibrated on 12/18/2013 by CFI Services, Inc.

Sludge is wet hauled by K3-BMI, Transporter Number 22430 and Terra Renewal, Transporter Number 23777 to the following locations: Dincans Ranch, Hockley Ranch, and El Celoso Ranch for lime stabilization and land application; Richey Road Municipal Utility District WWTP (WQ0004810000) and Harris County Municipal Utility District Number 189 WWTP (WQ0012237001) for further processing. The permittee reported that 51.17 dry metric tons of sludge were hauled from this facility between August 2012 and July 2013.

The permittee utilizes a commercial laboratory, North Water District Laboratory Services, Inc., to perform all of the effluent analyses except total chlorine residual which is analyzed by the operator. The laboratory is certified under the National Environmental Laboratory Accreditation Program (NELAP) for the parameters analyzed.

The receiving stream is Harris County Flood Control District (HCFCD) ditch P-133-00-00; thence to Greens Bayou Above Tidal in Segment Number 1016 of the San Jacinto River Basin. The receiving stream is located just south of the WWTP entrance (approximately 50 feet south of the

WWTP perimeter fence) and is accessible from the road. At the time of the investigation, the receiving stream was clear and the effluent was clear. There was no sewage debris or sludge noted. Aquatic life was not noted in the receiving stream; however vegetation was noted along the banks of the ditch.

Effluent samples were collected immediately after the weir. The sample analysis results and Chain of Custody are attached to this report. The sample results were compliant with the permit limits.

The facility is not required to have an approved pretreatment program.

At the time of the investigation, it was noted that the WWTP was not being maintained in an intruder-resistant manner. It was also noted that the discharge monitoring reports (DMRs) were not being completed correctly.

BACKGROUND

There have been no unauthorized discharges reported in the past 18 months.

There have been no effluent violations in the past 12 months.

The previous comprehensive compliance investigation (CCI) was conducted on 02/09/2012. The violations noted were for: failure to maintain the required number of operable blowers, failure to provide a standby pump at the off-site lift station, failure to provide an audible alarm system for the off-site lift station, failure to collect effluent samples at the required frequency, failure to submit the proper notification before physical alterations were made to the facility, failure to accurately complete the DMRs, and failure to maintain the structural integrity of the WWTP. On 09/20/2012 a follow-up investigation was conducted to address the violations noted from the previous CCI. All the violations were subsequently resolved.

There have been no enforcement cases associated to this facility in the last 5 years.

ADDITIONAL INFORMATION

The on-site representative indicated that there are no adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures.

OUTSTANDING ALLEGED VIOLATION(S)

Track No: 525489

Compliance Due Date: 01/02/2014

Violation Start Date: Unknown

30 TAC Chapter 305.125(5)

Alleged Violation:

Investigation: 1145140

Comment Date: 01/27/2014

Failed to properly operate and maintain the facility. Specifically, the wet well at the on-site lift station contained an excessive amount of grease.

Recommended Corrective Action: The grease must be removed and disposed of properly in order to ensure proper functioning of the lift station and its pumps. Submit documentation indicating that the on-site lift station wet well has been cleaned.

Track No: 525500

Compliance Due Date: 01/02/2014

Violation Start Date: Unknown

30 TAC Chapter 305.125(5)

PERMIT WQ0011200001, Operational Requirements

No. 1.

Alleged Violation:

Investigation: 1145140

Comment Date: 01/29/2014

Failed to properly operate and maintain the facility. Specifically, the following issues were noted at the time of the investigation:

1. An excessive amount of foam was noted in the aeration basin (approximately 50% of the basin was covered with foam).
2. The clarifier contained 3 feet of unsettled sludge in a 9 foot water depth (the maximum recommended sludge depth is 25% of the total water depth).
3. Excessive algae was noted between the clarifier weirs (preventing even flow over each weir).
4. Approximately 30% of the surface of the clarifier was covered with floating solids.
5. The chlorine contact chamber contained 1 ½ feet of sludge in a 10 foot water depth along with foam noted in the chlorine contact chamber.
6. The decant pipe in the digester was non-operational; a portable pump must be utilized to decant the digester.

Recommended Corrective Action: The wastewater treatment plant must be operated in a manner which minimizes the risk of untreated or inadequately treated wastewater from being discharged to the receiving stream. Submit documentation indicating the actions taken to properly maintain the solids level in the wastewater treatment plant as well as the proper maintenance of the systems of treatment, collection, and disposal.

Track No: 525503

Compliance Due Date: To Be Determined

Violation Start Date: Unknown

30 TAC Chapter 305.125(1)

PERMIT WQ0011200001, Operational Requirements

No. 4.

Alleged Violation:

Investigation: 1145140

Comment Date: 01/27/2014

Failed to provide and maintain adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electric power failures. Specifically the on-site representative indicated that the facility does not have a fixed alternate power source, a stand-by generator, and/or retention.

Recommended Corrective Action: The permittee is responsible for installing prior to plant start-up, and subsequently monitoring, adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention of inadequately treated wastewater. Submit documentation indicating that an auxiliary power source or an acceptable alternative has been installed at the wastewater treatment plant.

Track No: 525506

Compliance Due Date: 01/02/2014

Violation Start Date: Unknown

30 TAC Chapter 317.7(e)

Alleged Violation:

Investigation: 1145140

Comment Date: 01/27/2014

Failed to provide the required plant protection. Specifically, a small hole approximately 1 foot in diameter was noted along the west side of the perimeter fence. In addition,

portions of the barbed-wire along the west fence were missing.

Recommended Corrective Action: The plant area shall be completely fenced by an eight-foot fence with a minimum single apron barbed wire outrigger and have lockable gates at all access points. Submit documentation demonstrating that the required plant protection has been provided.

AREA OF CONCERN

Track No: 525518

Resolution Status Date: 1/29/2014

Violation Start Date: 11/30/2012 Violation End Date: 12/20/2014

30 TAC Chapter 319.5(e)

PERMIT WQ0011200001, Monitoring & Reporting Requirements

No. 4.

Alleged Violation:

Investigation: 1145140

Comment Date: 01/29/2014

Failed to indicate an increased frequency of analysis on the discharge monitoring reports (DMRs). Specifically, while the total chlorine residual was being analyzed daily during the period of 11/2012 through 11/2013, the DMRs indicated a frequency of 5 days a week.

Recommended Corrective Action: Increased frequency of analysis shall be indicated on the DMRs. Correct and resubmit a correctly completed DMR the Houston Region Office and the Enforcement Division (MC 224).

Resolution: The DMR for 11/2013 was corrected and resubmitted via the on-line NetDMR system on 12/20/2013.

Additional Issues

Description Is the percent error between the recorded flow and the calculated flow within 10%?

Additional Comments

At the time of the investigation, a flow accuracy check could not be conducted due to an illegible staff gauge. It is recommended that a legible staff gauge be installed to accurately conduct a flow accuracy check of the flow meter.

Signed *Rick Jolan*
Environmental Investigator

Date 11/27/14

Signed *[Signature]*
Supervisor

Date 2-10-14

Attachments: (in order of final report submittal)

Enforcement Action Request (EAR)

Letter to Facility (specify type) : ARV

Investigation Report

Sample Analysis Results

Manifests

NOR

Maps, Plans, Sketches

Photographs

Correspondence from the facility

Other (specify) :

-

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 10, 2014

**CERTIFIED MAIL 7012 1010 0003 7399 3839
RETURN RECEIPT REQUESTED**

Carol Zieben, Board President
Douglas Utility Company
32 East Rivercrest Drive
Houston, Texas 77042-2501

Re: Notice of Violation for the Compliance Evaluation Investigation at:
Douglas Utility - Fountainview Wastewater Treatment Plant, Houston (Harris County),
Texas
TCEQ ID No.: 11200-001, EPA ID No.: TX0031461

Dear Ms. Zieben,

On December 19, 2013, Mr. Rick Felan and Mr. Dustin Roberts of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable water quality requirements. Enclosed is a summary which lists the investigation findings. During the investigation, one concern was noted as an alleged noncompliance. Through subsequent corrective action, the alleged noncompliance has been resolved as an Area of Concern. In addition, four outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by March 12, 2014 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations. Please see the Additional Issue.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at (713) 767-3650 or the Central Office Publications Ordering Team at (512) 239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. Self-reported violations may be subject to enforcement, including penalties, upon review by the Enforcement Division. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the Houston

Carol Zieben
February 10, 2014
Page 2

Region Office within 10 days from the date of this letter. At that time, Ms. Elizabeth Sears, Water Quality Team Leader will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of the contested violations.

If you or members of your staff have any questions, please feel free to contact Mr. Rick Felan in the Houston Region Office at (713) 767-3612.

Sincerely,



Elizabeth Sears
Team Leader
Water Quality Management
Region 12 Houston

EWS/RAF/ci

Enclosure: Summary of Investigation Findings

cc: Megan Smith, Compliance Coordinator, TNG Corporation, P.O. Box 2749, Spring, Texas
77383-2749

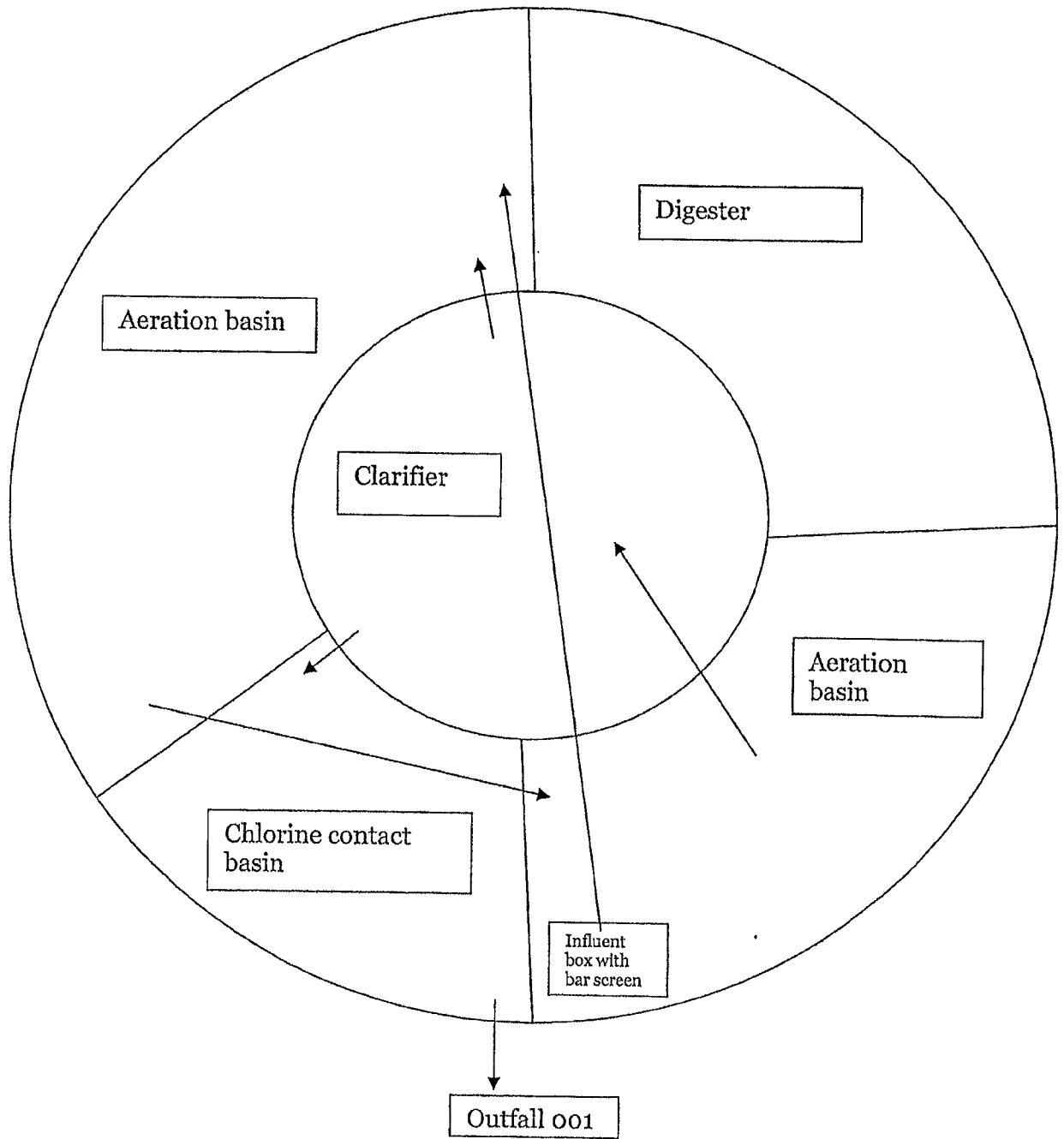
INSPECTION SAMPLE RESULTS

Entity Name: Douglas Utility – Fountainview WWTP

TCEQ ID No.: WQ0011200-001

Date of Inspection: 12/19/2013

Sampling Location & Parameter	Measured Value	Authorized Limit	Sample Type	COC Tag No.	Primary Source of Wastewater or Waste
Outfall 001: Flow (MGD)	0.180	N/A	Instantaneous	N/A	Domestic wastewater
CBOD (mg/L)	2.1	35	Grab	W002906-01	"
TSS (mg/L)	7.0	60	"	"	"
NH ₃ -N (mg/L)	<0.10	Report	"	"	"
E.Coli (MPN/100 mL)	17.3	200	"	"	"
Cl ₂ (mg/L)	1.64	1.0-4.0	"	N/A	"
pH (s.u.)	7.36	6.0-9.0	"	"	"
D.O. (mg/L)	7.01	≥4.0	"	"	"



Douglas Utility Company – Fountainview WWTP
11200-001

Permit

TX0031461

Permit #:



Major:

001
External Outfall

Permitted Feature:

Report Dates & Status

Monitoring Period: From 11/01/13 to 11/30/13

Considerations for Form Completion

INTERIM PHASE EFFECTIVE UPON ISSUANCE AND LASTING THROUGH THE COMPLETION OF THE 0.38 MGD FACILITY. FOR TKN SEE OTHER REQUIREMENT NO. 4, PAGE 31 OF PERMIT.

Principal Executive Officer

First Name:

Last Name:

No Data Indicator (NODI)

Form NODI: --

Permittee:
Permittee Address:
DOUGLAS UTILITY COMPANY
1MI W HWY 59/0.45 W LEE RD
HOUSTON, TX 77032

Facility:
Facility Location:
FOUNTAINVIEW WWTF
1M W HWY 59 & APPROX 0.45M W OF LEE RD
HOUSTON, TX 77032

Discharge:
001-A
DOMESTIC FACILITY - 001

DMR Due Date: 12/20/13

Status: NetDMR Validated

Title:

Telephone:

Parameter Code	Parameter Name	Monitoring Location	Season #	Param. NODI	Quantity or Loading			Quality or Concentration			# of Ex.	Frequency of Analysis	Sample Type				
					Qualifier 1	Value 1	Units	Qualifier 2	Value 2	Units				Qualifier 3	Value 3	Units	
00300	Oxygen, dissolved [DO]				Permit Req.			=	5.6				19 - mg/L	01/07 - Weekly	GR - GRAB		
					Value NODI			>=	4 MO MIN							19 - mg/L	
					Sample			=	7.87							12 - SU	
00400	pH	1 - Effluent Gross	0		Permit Req.			>=	6 MINIMUM					01/07 - Weekly	GR - GRAB		
					Value NODI			=	7.61					12 - SU	01/30 - Monthly	GR - GRAB	
					Sample			<=	9 MAXIMUM					12 - SU	0		
00530	Solids, total suspended	1 - Effluent Gross	0		Sample	<	2.84							01/07 - Weekly	GR - GRAB		
					Permit Req.			<=	45 DAILY AV					19 - mg/L	01/07 - Weekly	GR - GRAB	
					Value NODI			<	0.67	26 - lb/d							
00610	Nitrogen, ammonia total [as N]	1 - Effluent Gross	0		Sample	<	0.67							01/07 - Weekly	GR - GRAB		
					Permit Req.			<=	45 DAILY AV					19 - mg/L	01/07 - Weekly	GR - GRAB	
					Value NODI			<	0.75	26 - lb/d							
50050	Flow, in conduit or thru treatment plant	1 - Effluent Gross	0		Sample	=	0.151							01/01 - Daily	IN - INSTAN		
					Permit Req.			<=	0.359 DAILY AV							05/WK - Five Per Week	IN - INSTAN
					Value NODI			=	1	03 - MGD							
50060	Chlorine, total residual	1 - Effluent Gross	0		Sample									01/01 - Daily	GR - GRAB		
					Permit Req.			>=	1 MO MIN							05/WK - Five Per Week	GR - GRAB
					Value NODI			=	3.08	19 - mg/L							
51040	E. coli	1 - Effluent Gross	0		Sample									01/30 - Monthly	GR - GRAB		
					Permit Req.			<=	63 DAILY AV							01/30 - Monthly	GR - GRAB
					Value NODI			<	1	32 - CFU/100ml							
80082	BOD, carbonaceous, 05 day, 20 C	1 - Effluent Gross	0		Sample	<	2							01/07 - Weekly	GR - GRAB		
					Permit Req.			<=	2	26 - lb/d							
					Value NODI			<=	2	19 - mg/L							

Parameter Code	Monitoring Location	Season #	Param. NODI	Quantity or Loading		Quality or Concentration			# of Ex.	Frequency of Analysis	Sample Type		
				Qualifier 1	Value 1	Qualifier 2	Value 2	Qualifier 3				Value 3	
				30	DAILY AV	26	lb/d	10	DAILY AV	35	SINGGRAB	01/07 - Weekly	GR - GRAB
			Permit Req.										
			Value NODI										

Submission Note

If a parameter row does not contain any values for the Sample nor Effluent Trading, then none of the following fields will be submitted for that row: Units, Number of Excursions, Frequency of Analysis, and Sample Type.

Edit Check Errors

No errors.

Comments

Attachments

No attachments.

Report Last Saved By

DOUGLAS UTILITY COMPANY

User: Chip Callegari

Name: Chip Callegari

E-Mail: megans@tng-utility.com

Certification Statement

I certify under penalty of law that this submission was prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are criminal penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. By entering my password and security question answer and pressing the Submit button, I agree that:

1. I am Chip Callegari.
2. I have not violated any term in my Electronic Signature Agreement.
3. I am otherwise without any reason to believe that the confidentiality of my password has been compromised now or at any time prior to this submission.
4. I have the authority to submit these data on behalf of the listed facilities.
5. This action constitutes an electronic signature equivalent to my written signature.
6. I understand that this attestation of fact pertains to the implementation, oversight, and enforcement of a federal environmental program and must be true to the best of my knowledge.

Submission Information

Name: Chip Callegari

User: Chip Callegari

Submitter Telephone: 281-350-0895

Confirmation Code: 43ec3f30-7d64-4825-b2d9-1380dcbfb71a

Submitter Hashed Password: d8fdec85b1335a87f50be58f1169c57582fb86e1c8549130c18cea7bf8ab3fff

DMR Hash: 93f56d4ca9434d775cb42f34e657ce38391bd46f4e2c0e0f14f91eba385c7a4

NetDMR Certificate Id: 4

Certificate Alias: netdmr uat sample certificate 2

Date/Time: 2013-12-20 13:02 (Time Zone: -06:00)

E-Mail: megans@tng-utility.com

Submitter Ip: 69.15.162.1



01/03/14

Technical Report for

TCEQ

Region 12/Houston

04139/ Rick Felan

Accutest Job Number: TC41465

Sampling Date: 12/19/13

Report to:


TCEQ
12100 Park 35 Circle Building A MC-174
Austin, TX 78753
donna.canady@tceq.texas.gov

ATTN: Donna Canady

Total number of pages in report: 15



Test results contained within this data package meet the requirements of the National Environmental Laboratory Accreditation Program and/or state specific certification programs as applicable.


Richard Rodriguez
Laboratory Director

Client Service contact: Sylvia Garza 713-271-4700

Certifications: TX (T104704220-13-12) AR (13-019-0) AZ (AZ0769) FL (E87628) KS (E-10366)
LA (85695/04004) OK (2013-142) VA (2085)

This report shall not be reproduced, except in its entirety, without the written approval of Accutest Laboratories.
Test results relate only to samples analyzed.

Accutest Laboratories

1

Sample Summary

TCEQ

Job No: TC41465

Region 12/Houston
Project No: 04139/ Rick Felan

Sample Number	Collected Date	Time By	Received	Matrix Code Type	Client Sample ID
TC41465-1	12/19/13	09:48	12/19/13	AQ Water	002906-01001

Summary of Hits

Job Number: TC41465
Account: TCEQ
Project: Region 12/Houston
Collected: 12/19/13



Lab Sample ID	Client Sample ID	Result/ Qual	RL	MDL	Units	Method
---------------	------------------	-----------------	----	-----	-------	--------

TC41465-1 002906-01 001

Carbonaceous Bod, 5 Day	2.0	2.0	mg/l	SM 5210B
E. coli	1	1	mpn/100ml	IDEXX COLILERT
Solids, Total Suspended	2.0	2.0	mg/l	SM 2540D

Report of Analysis

Client Sample ID: 002906-01 001	Date Sampled: 12/19/13
Lab Sample ID: TC41465-1	Date Received: 12/19/13
Matrix: AQ - Water	Percent Solids: n/a
Project: Region 12/Houston	

4.1
4

General Chemistry

Analyte	Result	RL	Units	DF	Analyzed	By	Method
Carbonaceous Bod, 5 Day	2.1	2.0	mg/l	1	12/19/13 18:54	JG	SM 5210B
E. coli	173	1	mpn/100ml	1	12/19/13 14:49	MS	IDEXX COLILERT
Nitrogen, Ammonia	<0.10	0.10	mg/l	1	12/20/13	DP	EPA 350.1
Solids, Total Suspended	7.0	2.0	mg/l	1	12/20/13	MS	SM 2540D

RL = Reporting Limit

Chain of Custody Record **TC41465**

W 002906

Send to:
 Houston Laboratory
 Phone: 281-457-5229
TCEQ

Region: 12 Organization # 06312 PCA Code: 04139 Program: WQ
 Sampler Name: Kick Felan Sampler Signature: Kick Felan
 Sampler phone number: 713-767-3612 E-Mail ID: Kick.Felan@tceq.texas.gov

Sample ID	Sampling		Comp	Grab	Matrix * Liquid * Solid	No. of Containers	Containers* Preservatives**						Remarks
	Date	Time					1	2	3	4	5	6	
091	12/19/13	0948		X	L	3		P	P	P	P		
092	12/19/13	0914		X	L	1							
-03													
-04													
-05													
-06													
-07													
-08													

RELINQUISHED BY: [Signature] DATE: 12-19-13 TIME: 12:28
 RECEIVED BY: [Signature] DATE: 12-19-13 TIME: 12:22

Shipper Name: Self Shipper Number: _____
 *Containers: P = Plastic G = Clear Glass A = Amber Glass V = VOA Vials O = Other
 **Preservatives: 1 = Ice 2 = H₂SO₄ 3 = HCl 4 = HNO₃ 5 = Na₂S₂O₅ 6 = Other

FOR LAB USE ONLY
 Received on ice: Y N
 Temperature: _____ °C
 Preserved: Y N
 GC Seal: Y N
 Seals Intact: Y N

TCEQ-20649 (Rev. 6/13)

White (Original) - Lab

Yellow - Lab

Pink - Collector Copy

5.1
5

Job #: TC41465

Date / Time Received: 12/19/2013 12:23:00 PM

Initials: TB

Client: TCEQ

Cooler #	Sample ID:	Vol	Bot #	Location	Pres	pH	Therm ID	Initial Temp	Therm CF	Corrected Temp
1	TC41465-1	GALLON	1	3E	N/P	Note #2 - Preservative check not applicable.	IR6	3.2	0	3.2
1	TC41465-1	1/2 GALLON	2	1N	H2SO4	pH < 2	IR6	3.2	0	3.2
1	TC41465-1	Spec Cup	3	MICRO	N/P	Note #2 - Preservative check not applicable.	IR6	3.2	0	3.2

5.1
5

TC41465: Chain of Custody
Page 3 of 3

METHOD BLANK AND SPIKE RESULTS SUMMARY
GENERAL CHEMISTRY

Login Number: TC41465
Account: TNR - TCEQ
Project: Region 12/Houston

Analyte	Batch ID	RL	MB Result	Units	Spike Amount	BSP Result	BSP %Recov	QC Limits
Carbonaceous Bod, 5 Day	GP26364/GN55429	2.0	0.0	mg/l	198	202	0.0	81-112%
E. coli	MB9151	1	0	mpn/100ml				
Nitrogen, Ammonia	GP26368/GN55441	0.10	0.07	mg/l	2	2.01	100	90-110%
Solids, Total Suspended	GN55437	2.0	0.0	mg/l	500	504	100	80-112%

Associated Samples:

Batch MB9151: TC41465-1
Batch GN55437: TC41465-1
Batch GP26364: TC41465-1
Batch GP26368: TC41465-1
(* Outside of QC limits

6.1

6

MATRIX SPIKE RESULTS SUMMARY
GENERAL CHEMISTRY

Login Number: TC41465
Account: TNR - TCEQ
Project: Region 12/Houston

Analyte	Batch ID	QC Sample	Units	Original Result	Spike Amount	MS Result	%Rec	QC Limits
Nitrogen, Ammonia	GP26368/GN55441	TC41392-1	mg/l	0.091	2	2.1	100%	90-110%

Associated Samples:
Batch GP26368: TC41465-1
(*) Outside of QC limits
(N) Matrix Spike Rec. outside of QC limits

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9

Summary of Investigation Findings

DOUGLAS UTILITY FOUNTAINVIEW
5326 W BELLFORT ST STE 120
HOUSTON, HARRIS COUNTY, TX 77035

Investigation #
1145140
Investigation Date: 12/19/2013

Additional ID(s): TX0031461
WQ0011200001

OUTSTANDING ALLEGED VIOLATION(S)

Track No: 525489 Compliance Due Date: 01/02/2014
30 TAC Chapter 305.125(5)

Alleged Violation:

Investigation: 1145140

Comment Date: 01/27/2014

Failed to properly operate and maintain the facility. Specifically, the wet well at the on-site lift station contained an excessive amount of grease.

Recommended Corrective Action: The grease must be removed and disposed of properly in order to ensure proper functioning of the lift station and its pumps. Submit documentation indicating that the on-site lift station wet well has been cleaned.

Track No: 525500 Compliance Due Date: 01/02/2014
30 TAC Chapter 305.125(5)

PERMIT WQ0011200001, Operational Requirements
No. 1.

Alleged Violation:

Investigation: 1145140

Comment Date: 01/29/2014

Failed to properly operate and maintain the facility. Specifically, the following issues were noted at the time of the investigation:

1. An excessive amount of foam was noted in the aeration basin (approximately 50% of the basin was covered with foam).
2. The clarifier contained 3 feet of unsettled sludge in a 9 foot water depth (the maximum recommended sludge depth is 25% of the total water depth).
3. Excessive algae was noted between the clarifier weirs (preventing even flow over each weir).
4. Approximately 30% of the surface of the clarifier was covered with floating solids.
5. The chlorine contact chamber contained 1 ½ feet of sludge in a 10 foot water depth along with foam noted in the chlorine contact chamber.
6. The decant pipe in the digester was non-operational; a portable pump must be utilized to decant the digester.

Recommended Corrective Action: The wastewater treatment plant must be operated in a manner which minimizes the risk of untreated or inadequately treated wastewater from being discharged to the receiving stream. Submit documentation indicating the actions taken to properly maintain the solids level in the wastewater treatment plant as well as the proper maintenance of the systems of treatment, collection, and disposal.

Track No: 525503 Compliance Due Date: To Be Determined
30 TAC Chapter 305.125(1)

**PERMIT WQ0011200001, Operational Requirements
No. 4.****Alleged Violation:**

Investigation: 1145140

Comment Date: 01/27/2014

Failed to provide and maintain adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electric power failures. Specifically the on-site representative indicated that the facility does not have a fixed alternate power source, a stand-by generator, and/or retention.

Recommended Corrective Action: The permittee is responsible for installing prior to plant start-up, and subsequently monitoring, adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention of inadequately treated wastewater. Submit documentation indicating that an auxiliary power source or an acceptable alternative has been installed at the wastewater treatment plant.

Track No: 525506 Compliance Due Date: 01/02/2014
30 TAC Chapter 317.7(e)

Alleged Violation:

Investigation: 1145140

Comment Date: 01/27/2014

Failed to provide the required plant protection. Specifically, a small hole approximately 1 foot in diameter was noted along the west side of the perimeter fence. In addition, portions of the barbed-wire along the west fence were missing.

Recommended Corrective Action: The plant area shall be completely fenced by an eight-foot fence with a minimum single apron barbed wire outrigger and have lockable gates at all access points. Submit documentation demonstrating that the required plant protection has been provided.

AREA OF CONCERN

Track No: 525518

30 TAC Chapter 319.5(e)

**PERMIT WQ0011200001, Monitoring & Reporting Requirements
No. 4.****Alleged Violation:**

Investigation: 1145140

Comment Date: 01/29/2014

Failed to indicate an increased frequency of analysis on the discharge monitoring reports (DMRs). Specifically, while the total chlorine residual was being analyzed daily during the period of 11/2012 through 11/2013, the DMRs indicated a frequency of 5 days a week.

Recommended Corrective Action: Increased frequency of analysis shall be indicated on the DMRs. Correct and resubmit a correctly completed DMR the Houston Region Office and the Enforcement Division (MC 224).

Resolution: The DMR for 11/2013 was corrected and resubmitted via the on-line NetDMR system on 12/20/2013.

ADDITIONAL ISSUES**Description**

Is the percent error between the recorded flow and the calculated flow within 10%?

Additional Comments

At the time of the investigation, a flow accuracy check could not be conducted due to an illegible staff gauge. It is recommended that a legible staff gauge be installed to accurately conduct a flow accuracy check of the flow meter.

TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Site Name	Dorks (Aite) Fountain View WWTP			TCEQ Add. ID No. (optional)	11200-001
Investigation Type	CCP	Contact Made In-House (Y/N)		Purpose of Investigation	Compare versus Compliance Investigation
Regulated Entity Contact	Megan Smith	Telephone No.		Date Contacted	12/12/13
Title	Compliance Coordinator	Fax No.		Date Faxed	

NOTICE: The information provided in this form is intended to provide clarity to issues that have arisen during the investigation process between the TCEQ and the regulated entity named above and does not represent final TCEQ findings related to violations. Any potential or alleged violations discovered after the date on this form will be communicated by telephone to the regulated entity representative prior to the issuance of a notice of violation or enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented in a final investigation report.

Issue		For Records Request: identify the necessary records, the company, contact and date due to the agency. For Alleged and Potential Violation issues, include the rule in question with the clearly described potential problem. Other type of issues, fully describe.			
No.	Type	Rule Citation (if known)	Description of Issue		
1	AV	301K-317	Must maintain WWTP in intruder resistant - manure Chole infers, hatched wife, the on farm		
2	AV	301K-305.125(1)	excessive algae present in on-site lift station		
3	AV	301K-305.125(1)	operator's maintenance of WWTP: 1 1/2 foot of slope in CCC, excessive foam in AB, clarifier walls have excessive algae, foam in CCC floating solids in clarifier		
4	AV	301K-305.125(19)	change frequency of analysis for Cl ₂ from 05/07 to daily.		
5	AV		most recent TCEQ summary of findings handling records for FY2013.		
6	AV		staff algae, illegible, cannot conduct flow accuracy check.		

Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Did the TCEQ document the regulated entity named above operating without proper authorization?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Did the investigator advise the regulated entity representative that continued operation is not authorized?	<input type="checkbox"/> Yes	<input type="checkbox"/> No, N/A

Document Acknowledgment. Signature on this document establishes only that the regulated entity (company) representative received a copy of this document and associated confirmation pages on the date noted. If contact was made by telephone, document will be faxed to regulated entity; therefore, signature not required.

Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date
Kirk Rick Feb	12/19/13	Megan Smith	12/19/13

WQ Permit No. WQ001120001	EPA ID TX0031461	Permittee DOUGLAS UTILITY	Plant Fountainview WWTP
Team EAST	Investigator RFELAN		

**** Only Data Below May Be Updated ****

Facility Emergency Contact	Facility Contact Phone	Additional Info. (ex: Operator Name, Operator Contact Info, Cell Nos, etc.)

Operations Company/Contract Operator TNG Utility

- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Composts Sludge | <input type="checkbox"/> Accepts Sludge | <input type="checkbox"/> 210 Authorization | <input type="checkbox"/> In-House Lab |
| <input checked="" type="checkbox"/> Wet Hauls Sludge | <input type="checkbox"/> Accepts Leachate | <input type="checkbox"/> Reuse (non210) | SSO Initiative |
| Disposal Facility (Enter WQ No(s) for Receiving WWTP) | <input type="checkbox"/> Accepts Portable Toilet Waste | <input type="checkbox"/> MSW Title V Permi | <input type="checkbox"/> Offered SSO Initiative |
| WQ0004810000 | <input type="checkbox"/> Accepts Septage | <input type="checkbox"/> SW Permit | <input type="checkbox"/> Participating in SSO Initiative |
| | <input type="checkbox"/> Accepts Grease Trap Waste | Other Comment | |
| | <input type="checkbox"/> Accepts Lint | WQ0012237001 | |

If More than One Disposal Facility, Enter Other WQ No(s) Into "Other Comments"

Name of Staff Updating Information Rfelan	Date Information Updated 1/27/2014
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