

### III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: TEXAS H<sub>2</sub>O, INC., Docket No. 2013-1268-PWS-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, implement procedures to ensure that copies and certifications of BWNs are provided to the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.46;
  - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision 2.d. below to demonstrate compliance with Ordering Provision No. 2.a;
  - c. Within 180 days after the effective date of this Agreed Order
    - i. Install the necessary valves in the distribution system to ensure that service to customers is not unduly interrupted, in accordance with 30 TEX. ADMIN. CODE § 290.44; and
    - ii. Provide a minimum well capacity of 0.6 gpm per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45.
  - d. Within 195 days after the effective date of this Agreed Order, submit written certification as described below, and include photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.c.i. and 2.c.ii. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Water Section Manager  
Dallas/Fort Worth Regional Office  
Texas Commission on Environmental Quality  
2309 Gravel Drive  
Fort Worth, Texas 76118-6951

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and

accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

7. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

\_\_\_\_\_  
For the Executive Director

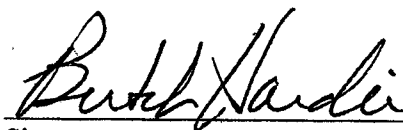
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Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

8.30.13

Date

BUTCH HARDIE

Name (Printed or typed)  
Authorized Representative of  
TEXAS H<sub>2</sub>O, INC.

COO

Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

<b>DATES</b>	<b>Assigned</b>	28-May-2013	<b>Screening</b>	11-Jun-2013	<b>EPA Due</b>	
	<b>PCW</b>	5-Jul-2013				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	TEXAS H2O, INC.	
<b>Reg. Ent. Ref. No.</b>	RN101213411	
<b>Facility/Site Region</b>	4-Dallas/Fort Worth	<b>Major/Minor Source</b> Minor

## CASE INFORMATION

<b>Enf./Case ID No.</b>	47172	<b>No. of Violations</b>	3
<b>Docket No.</b>	2013-1268-PWS-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Jim Fisher
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$110
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	10.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$11
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Notes Enhancement for two NOV's with same/similar violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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Notes The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts \$2,681  
Approx. Cost of Compliance \$21,105

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$121
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## OTHER FACTORS AS JUSTICE MAY REQUIRE

4.1%

<b>Adjustment</b>	\$5
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes Enhancement to capture the avoided cost associated with Violation No. 3.

<b>Final Penalty Amount</b>	\$126
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## STATUTORY LIMIT ADJUSTMENT

<b>Final Assessed Penalty</b>	\$164
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## DEFERRAL

20.0%

<b>Reduction Adjustment</b>	-\$32
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes Deferral offered for expedited settlement.

## PAYABLE PENALTY

\$132

Screening Date 11-Jun-2013

Docket No. 2013-1268-PWS-E

PCW

Respondent TEXAS H2O, INC.

Case ID No. 47172

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101213411

Media [Statute] Public Water Supply

Enf. Coordinator Jim Fisher

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 10%

## &gt;&gt; Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Enhancement for two NOVs with same/similar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 10%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 10%

Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(i)		
Description:	Failure to provide two or more wells having a total capacity of 0.6 gallons per minute (gpm) per connection. EIC B19c(9) MOD(2)(G)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter F 290.121(a)		
Description:	Failure to maintain an up-to-date monitoring plan. EIC C3 MIN(3)(C)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.42(I)		
Description:	Failure to maintain an up-to-date plant operations manual. EIC C3 MIN(3)(C)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.46(f)(3)(A)(iii)		
Description:	Failure to maintain a record of all customer complaints. EIC C3 MIN(3)(C)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.46(m)		
Description:	Failure to maintain the sealing block at Well #3. EIC C4 MIN(3)(D)		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 290, SubChapter D 290.44(d)(5)		
Description:	Failure to provide sufficient valves throughout the distribution system. EIC C4 MIN(3)(D)		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(v)		
Description:	Failure to provide emergency power. EIC B19(c)(9) MOD(2)(G)		

2

<b>Date:</b>	<b>01/29/2013 (1053048)</b>	<b>CN600656201</b>
Self Report?	NO	Classification: Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(q)(1) 30 TAC Chapter 290, SubChapter F 290.122(a)(5) 30 TAC Chapter 290, SubChapter F 290.122(f)	
Description:	Failure to properly notify the agency of the issuance of a boil water notice. EIC C3 MOD(2)(B)	

<b>F. Environmental audits:</b>	N/A
<b>G. Type of environmental management systems (EMSs):</b>	N/A
<b>H. Voluntary on-site compliance assessment dates:</b>	N/A
<b>I. Participation in a voluntary pollution reduction program:</b>	N/A
<b>J. Early compliance:</b>	N/A
<b>Sites Outside of Texas:</b>	N/A

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



## TCEQ Compliance History Report

**PUBLISHED** Compliance History Report for CN600656201, RN101213411, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

**Customer, Respondent, or Owner/Operator:** CN600656201, TEXAS H2O, INC. **Classification:** SATISFACTORY **Rating:** 6.86

**Regulated Entity:** RN101213411, CANYON CREEK ADDITION **Classification:** NOT APPLICABLE **Rating:** N/A

**Complexity Points:** N/A **Repeat Violator:** N/A

**CH Group:** 14 - Other

**Location:** 2406 CHRISTINE DRIVE, HOOD COUNTY, TEXAS

**TCEQ Region:** REGION 04 - DFW METROPLEX

**ID Number(s):** PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1110070 **WATER LICENSING LICENSE** 1110070

**Compliance History Period:** September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

**Date Compliance History Report Prepared:** July 03, 2013

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** June 11, 2008 to June 11, 2013

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Jim Fisher **Phone:** (512) 239-2537

### Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If YES for #2, who is the current owner/operator? N/A
- 4) If YES for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If YES, when did the change(s) in owner or operator occur? N/A

### Components (Multimedia) for the Site Are Listed in Sections A - J

- A. Final Orders, court judgments, and consent decrees:** N/A
- B. Criminal convictions:** N/A
- C. Chronic excessive emissions events:** N/A
- D. The approval dates of investigations (CCEDS Inv. Track. No.):**
- Item 1 August 01, 2008 (687995)
- E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

**1 Date:** 10/25/2012 (1030701) CN600656201

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)

Description: Failure to maintain the interior of the ground storage tank.  
EIC C4 MIN(3)(D)



# Economic Benefit Worksheet

Respondent: TEXAS H2O, INC.

Case ID No. 47172

Reg. Ent. Reference No. RN101213411

Media: Public Water Supply  
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0		\$0
Record Keeping System				0.00	\$0		\$0
Training/Sampling				0.00	\$0		\$0
Remediation/Disposal				0.00	\$0		\$0
Permit Costs				0.00	\$0		\$0
Other (as needed)	\$100	5-Sep-2012	30-Nov-2013	1.24	\$6		\$6

Notes for DELAYED costs

The delayed cost includes the estimated amount to develop a protocol to ensure all necessary public notifications are provided to the Executive Director in a timely manner, calculated from the date of the investigation to the estimated date of compliance.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$5	29-Nov-2012	9-Dec-2012	0.00	\$0	\$5	\$5
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to certify to the Executive Director that a boil water notice was issued, calculated for the period during the which the certification was due.

Approx. Cost of Compliance

\$105

TOTAL

\$11

Screening Date 11-Jun-2013  
Respondent TEXAS H2O, INC.  
Case ID No. 47172  
Reg. Ent. Reference No. RN101213411  
Media [Statute] Public Water Supply  
Enf. Coordinator Jim Fisher

Docket No. 2013-1268-PWS-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 290.46(q)(1)

Violation Description

Failed to provide a copy and certification of a Boil Water Notice ("BWN") to the Executive Director following a BWN that was issued on November 29, 2012.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			X

Percent 1.0%

Matrix Notes

Less than 30% of the rule requirement was not met.

Adjustment \$990

\$10

Violation Events

Number of Violation Events 1

82 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$10

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV		NOV to EDPRP/Settlement Offer
	Extraordinary	Ordinary	
N/A	X		(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$10

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$11

Violation Final Penalty Total \$11

This violation Final Assessed Penalty (adjusted for limits) \$50

# Economic Benefit Worksheet

Respondent TEXAS H2O, INC.

Case ID No. 47172

Reg. Ent. Reference No. RN101213411

Media Public Water Supply

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
Item Description No commas or \$

## Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction	\$6,000	5-Sep-2012	30-Jun-2014	1.82	\$36	\$727
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)			0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to install a sufficient number of valves to prevent undue interruption of service, calculated from the date the violation was initially documented to the estimated date of compliance.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$6,000

TOTAL

\$763

<b>Screening Date</b> 11-Jun-2013 <b>Respondent</b> TEXAS H2O, INC. <b>Case ID No.</b> 47172 <b>Reg. Ent. Reference No.</b> RN101213411 <b>Media [Statute]</b> Public Water Supply <b>Enf. Coordinator</b> Jim Fisher <b>Violation Number</b> 2 <b>Rule Cite(s)</b>	<b>Docket No.</b> 2013-1268-PWS-E <div style="text-align: right;"> <b>PCW</b>  <small>Policy Revision 3 (September 2011)  PCW Revision August 3, 2011</small> </div>															
<b>Violation Description</b> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> 30 Tex. Admin. Code § 290.44(d)(5)   Failed to provide sufficient valves and blowoffs so that necessary repairs can be made without undue interruption of service over any considerable area. Specifically, the investigator documented that the Facility lacks sufficient isolation valves and has had frequent line breaks which often result in a drop in pressure. The lack of sufficient valves throughout the distribution system has led to undue interruptions in service. </div>																
<b>Base Penalty</b>		\$1,000														
<b>Environmental, Property and Human Health Matrix</b>																
OR  <b>Release</b> Actual Potential	<table border="1" style="margin: auto;"> <tr> <th>Major</th> <th>Harm Moderate</th> <th>Minor</th> </tr> <tr> <td></td> <td style="text-align: center;">X</td> <td></td> </tr> </table>	Major	Harm Moderate	Minor		X		<b>Percent</b> 5.0%								
Major	Harm Moderate	Minor														
	X															
<b>Programmatic Matrix</b>																
	<table border="1" style="margin: auto;"> <tr> <th>Falsification</th> <th>Major</th> <th>Moderate</th> <th>Minor</th> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>	Falsification	Major	Moderate	Minor					<b>Percent</b> 0.0%						
Falsification	Major	Moderate	Minor													
<b>Matrix Notes</b>	Failure to provide sufficient distribution system valves could unduly interrupt service and could expose customers to significant amounts of pollutants which would not exceed levels protective of human health.															
<b>Adjustment</b>		\$950														
		\$50														
<b>Violation Events</b>																
Number of Violation Events <span style="border: 1px solid black; padding: 0 10px;">1</span>		<span style="border: 1px solid black; padding: 0 10px;">82</span> Number of violation days														
mark only one with an x	<table border="1" style="margin: auto;"> <tr><td>daily</td><td></td></tr> <tr><td>weekly</td><td></td></tr> <tr><td>monthly</td><td></td></tr> <tr><td>quarterly</td><td style="text-align: center;">X</td></tr> <tr><td>semiannual</td><td></td></tr> <tr><td>annual</td><td></td></tr> <tr><td>single event</td><td></td></tr> </table>	daily		weekly		monthly		quarterly	X	semiannual		annual		single event		<b>Violation Base Penalty</b> \$50
daily																
weekly																
monthly																
quarterly	X															
semiannual																
annual																
single event																
One quarterly event is recommended, calculated from the date of the investigation, March 21, 2013 to the screening date, June 11, 2013.																
<b>Good Faith Efforts to Comply</b>																
<b>0.0% Reduction</b>		\$0														
<table style="width: 100%;"> <tr> <td style="width: 30%;"></td> <td style="width: 30%; text-align: center;">Before NOV</td> <td style="width: 30%; text-align: center;">NOV to EDPRP/Settlement Offer</td> </tr> <tr> <td>Extraordinary</td> <td style="border: 1px solid black; height: 20px;"></td> <td style="border: 1px solid black; height: 20px;"></td> </tr> <tr> <td>Ordinary</td> <td style="border: 1px solid black; height: 20px;"></td> <td style="border: 1px solid black; height: 20px;"></td> </tr> <tr> <td>N/A</td> <td style="text-align: center;">X</td> <td style="text-align: center;">(mark with x)</td> </tr> </table>				Before NOV	NOV to EDPRP/Settlement Offer	Extraordinary			Ordinary			N/A	X	(mark with x)		
	Before NOV	NOV to EDPRP/Settlement Offer														
Extraordinary																
Ordinary																
N/A	X	(mark with x)														
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.															
<b>Violation Subtotal</b>		\$50														
<b>Economic Benefit (EB) for this violation</b>																
<b>Estimated EB Amount</b>		\$763														
<b>Violation Final Penalty Total</b>		\$57														
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$57														

# Economic Benefit Worksheet

Respondent TEXAS H2O, INC.  
Case ID No. 47172  
Reg. Ent. Reference No. RN101213411  
Media Public Water Supply  
Violation No. 1

Percent Interest 5.0  
Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
Item Description No commas or \$

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction	\$15,000	5-Sep-2012	30-Jun-2014	1.82	\$91	\$1,816	\$1,907
Land				0.00	\$0	\$0	\$0
Record Keeping System				0.00	\$0	\$0	\$0
Training/Sampling				0.00	\$0	\$0	\$0
Remediation/Disposal				0.00	\$0	\$0	\$0
Permit Costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to provide a minimum well capacity of 0.6 gpm per connection, calculated from the date the violation was initially documented to the estimated date of compliance.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$15,000

TOTAL

\$1,907

Screening Date 11-Jun-2013

Docket No. 2013-1268-PWS-E

PCW

Respondent TEXAS H2O, INC.

Policy Revision 3 (September 2011)

Case ID No. 47172

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101213411

Media [Statute] Public Water Supply

Enf. Coordinator Jim Fisher

Violation Number

1

Rule Cite(s)

30 Tex. Admin. Code § 290.45(b)(1)(D)(I) and Tex. Health &amp; Safety Code § 341.0315(c)

Violation Description

Failed to provide two or more wells having a total capacity of 0.6 gallons per minute ("gpm") per connection. Specifically, the Facility's 304 connections require a minimum production capacity of 182.4 gpm. However, it was noted that only 163 gpm was provided, which is an 11% deficiency.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		X	

Percent 5.0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Failure to provide adequate well capacity could cause customers to be exposed to low pressures and outages allowing a significant amount of contaminants to enter the water, which would not exceed levels protective of human health.

Adjustment \$950

\$50

## Violation Events

Number of Violation Events 1

82 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$50

One quarterly event is recommended, calculated from the date of the investigation, March 21, 2013, to the screening date, June 11, 2013.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$50

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$1,907

Violation Final Penalty Total \$57

This violation Final Assessed Penalty (adjusted for limits) \$57

<b>Screening Date</b>	11-Jun-2013	<b>Docket No.</b>	2013-1268-PWS-E
<b>Respondent</b>	TEXAS H2O, INC.	<small>Policy Revision 3 (September 2011) PCW Revision August 3, 2011</small>	
<b>Case ID No.</b>	47172		
<b>Reg. Ent. Reference No.</b>	RN101213411		
<b>Media [Statute]</b>	Public Water Supply		
<b>Enf. Coordinator</b>	Jim Fisher		
<b>Violation Number</b>	1		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 290.45(b)(1)(D)(I) and Tex. Health & Safety Code § 341.0315(c)		
<b>Violation Description</b>	Failed to provide two or more wells having a total capacity of 0.6 gallons per minute ("gpm") per connection. Specifically, the Facility's 304 connections require a minimum production capacity of 182.4 gpm. However, it was noted that only 163 gpm was provided, which is an 11% deficiency.		
		<b>Base Penalty</b>	\$1,000

<b>Environmental, Property and Human Health Matrix</b>					
Release	<b>Harm</b>				Percent
	Major	Moderate	Minor		
	Actual	Potential	X		
					5.0%

<b>Programmatic Matrix</b>					
Falsification	<b>Harm</b>				Percent
	Major	Moderate	Minor		
	Actual	Potential	X		
					0.0%

<b>Matrix Notes</b>	Failure to provide adequate well capacity could cause customers to be exposed to low pressures and outages allowing a significant amount of contaminants to enter the water, which would not exceed levels protective of human health.
<b>Adjustment</b>	
\$950	

<b>Violation Events</b>	
Number of Violation Events	1
	82
	Number of violation days

mark only one with an x	daily	weekly	monthly	quarterly	semiannual	annual	single event
	X						

One quarterly event is recommended, calculated from the date of the investigation, March 21, 2013, to the screening date, June 11, 2013.	
--	--

<b>Good Faith Efforts to Comply</b>		0.0%	Reduction	\$0
		Before NOV	NOV to EDRP/Settlement Offer	
Extraordinary	X			
Ordinary				
N/A				
Notes		The Respondent does not meet the good faith criteria for this violation.		
		<b>Violation Subtotal</b>		
		\$50		

<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>	
Estimated EB Amount	\$1,907	Violation Final Penalty Total	\$57
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>	
		\$57	

Mr. Butch Hardie  
Page 2  
August 7, 2013

scheduling the matter for approval by the Commission. We believe that handling this matter expeditiously could save TEXAS H<sub>2</sub>O, INC. and the TCEQ a significant amount of time, as well as the expense associated with litigation.

Enclosed for your convenience is a return envelope. If you agree with the order as proposed, please sign and return the original order **and** the penalty payment (check payable to "TCEQ" and referencing TEXAS H<sub>2</sub>O, INC., Docket No. 2013-1268-PS-E) to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

Should you believe you are unable to pay the proposed administrative penalty, you may claim financial inability to pay part or all of the penalty amount. In order to qualify for financial inability to pay, the penalty must exceed \$3,600 and be greater than 1% of annual gross revenues. If this is the case, please contact us immediately to obtain a list of financial disclosure documents that must be submitted within 30 days of the receipt of this letter. These documents, once properly completed and submitted, will be thoroughly reviewed to determine if we agree with the claim of financial inability. Please be aware that if financial inability is proven to the satisfaction of staff, discussions pertaining to the penalty amount adjustment will focus only on deferral and not on waiver of the penalty amount.

You may be able to perform or pay for a Supplemental Environmental Project ("SEP"), which is a project that benefits the environment, to offset a portion of your penalty. **If you are interested in performing a SEP, you must agree to the penalty amount and submit a SEP proposal within 30 days of receipt of this proposed order.**

**For additional information about the types of SEPs available and eligibility criteria, please go to the TCEQ's web site link at <http://www.tceq.texas.gov/legal/sep/> or contact the Enforcement Coordinator listed below.**

Please note that any agreements we reach are subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).



Mr. Butch Hardie  
Page 3  
August 7, 2013

**If we cannot reach a settlement of this enforcement action or you do not wish to participate in this expedited process, we will proceed with enforcement under the Commission's Enforcement Rules, 30 TEX. ADMIN. CODE ch. 70. Specifically, if the signed order and penalty are not mailed and postmarked within 60 days from the date of this letter, your case will be forwarded to the Litigation Division and this settlement offer, including the penalty deferral, will no longer be available.** The enforcement process described in 30 TEX. ADMIN. CODE ch. 70 requires the staff to prepare and issue an Executive Director's Preliminary Report and Petition to the Commission. If you would like to obtain a copy of 30 TEX. ADMIN. CODE ch. 70, or any other TCEQ rules, the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI-032) are located on our agency website at <http://www.tceq.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from the Central Office Publications Ordering Team at (512) 239-0028.

For any questions or comments about this matter or to arrange a meeting, please contact Mr. Jim Fisher of my staff at 512-239-2537.

Sincerely,



Melissa Cordell, Manager  
Enforcement Division  
Texas Commission on Environmental Quality

MC/jf

Enclosures: Proposed Agreed Order, Return Envelope, Penalty Calculation Worksheet,  
Site Compliance History

cc: Manager, Water Section, Dallas/Fort Worth Regional Office, TCEQ

**From:** David Smith [<mailto:dsmithpe@rushcreekconsult.com>]

**Sent:** Monday, May 12, 2014 2:26 PM

**To:** 'Anne Ruthstrom'

**Subject:** RE: Texas H2O - Canyon Creek Water System (Docket No. 2013-1268-PWS-E); (PWS No. 1110070)

Hi Anne.

To update you, I've left a message with the Technical Review & Oversight Team (TROT, Joel Klumpp) and intend to discuss the existing interconnect between this system and Acton MUD, which had been disconnected during the last inspection but has since been reinstalled (w/ meter). The contract between the two systems has also been renewed as of June 2013. I intend to see what TROT has on file for that interconnect and to confirm that the contracted usage may be used to satisfy the 0.6 gpm/connection well capacity requirement.

Texas H2O has a plan in place to install new isolation valves in several locations within the system, which should satisfy the other outstanding compliance item. We intend to provide a plat map of the subdivision showing the overall distribution system layout and the valves that have either been installed or will be installed as part of the plan.

I'll follow up with you as I find out more, or when Texas H2O prepares the required written certification. Let me know if you have other questions or comments. Thanks.

---

**David M. Smith, P.E. • Vice President • Rush Creek Consulting, Inc.**

P.O. Box 14136 • Arlington, Texas 76013 • (817) 913-8764

TX PE No. 82767 • TBPE Firm Reg F-11856 • <http://rushcreekconsult.com>

# Texas Commission on Environmental Quality Investigation Report

Texas H2O, Inc.  
CN600656201

## CANYON CREEK WWTP

RN101702397

Investigation # 1037595

Incident #

Investigator: DEREK SNYDER

Site Classification

DOMESTIC MINOR

Conducted: 09/27/2012 -- 09/27/2012

SIC Code: 4952

NAIC Code: 221320

Program(s): WASTEWATER

Investigation Type : Compliance Investigation

Location : LOCATED ADJACENT TO LAKE  
GRANBURY APPROXIMATELY 2 MI N OF  
THE INTERSECTION OF FM 2425 AND FM  
3210 IN WALTERS BEND IN HOOD COUNTY

Additional ID(s) : WQ0013786001  
TX0089338

Address : ,

Activity Type : REGION 04 - DFW METROPLEX  
WWCCIDSMIN - WW CCI Discretionary Minor

### Principal(s) :

Role	Name
RESPONDENT	TEXAS H2O INC

### Contact(s) :

Role	Title	Name	Phone
Regulated Entity Mail Contact	GENERAL MANAGER	MR BUTCH HARDIE	Work (817) 473-6080
Regulated Entity Contact	CONTRACT OPERATOR	MR BILLY MARTIN	Work (940) 452-7782

### Other Staff Member(s) :

Role	Name
QA Reviewer	ERIC AGNEW
Supervisor	KAREN SMITH

### Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
WQ DOMESTIC CCI - INTERIM	interim
WQ EMERGENCY POWER INITIATIVE	power
WQ GENERAL CCI CHECKLIST	general
WQ INVESTIGATION - EQUIPMENT MONITORING AND SAMPLING	equipment

### Investigation Comments :

#### INTRODUCTION

The Texas H2O - Canyon Creek Wastewater Treatment Plant was investigated on September 27, 2012 to determine compliance with applicable wastewater treatment regulations. This

COPY

investigation is considered a discretionary investigation. The permittee was notified of the investigation on September 13, 2012. Mr. Billy Martin, Contract Operator, was present during this investigation. An exit interview, explaining the results of the investigation, was emailed and received by Mr. Martin on October 1, 2012. Based on the findings of this investigation, a Notice of Violation (NOV) was issued to facilitate compliance.

#### GENERAL FACILITY AND PROCESS INFORMATION

The Texas H2O - Canyon Creek Wastewater Treatment Plant is permitted to discharge 0.042 MGD at Outfall 001. The facility utilizes chlorine tablets to disinfect the effluent prior to discharge.

The primary source of wastewater for the outfall is domestic. The activated sludge package plant consists of an aeration basin, clarifier, chlorine contact basin, and sludge digester. The collection system consists of approximately 150 individual lift stations located at each residence. Each lift station is equipped with a grinder pump. A portion of the package plant underwent reinforcement, sealing, and painting in 2009 to address corrosion issues. Additional repairs are slated to take place at the start of 2013.

IMC, Transporter #20639, hauls sludge from this facility to Liquid Waste Processing in Wichita Falls for further processing and disposal. The annual sludge report for monitoring period ending July 31, 2012, was received on August 30, 2012.

Compliance with the emergency power requirements was verified, and the facility is compliant with these requirements. A portable 35 kW standby generator belonging to the operator is available for use.

The flow measuring device includes a 60-degree V-notch weir with staff gauge. A flow accuracy check was not performed since only one flow measuring device is installed.

There is no fresh water at the facility.

The effluent samples collected by Mr. Martin are analyzed by Environmental Monitoring Laboratory (EML) for: BOD-5 and TSS. The operator performs chlorine residual analysis, dissolved oxygen, and pH analyses. The contract laboratory used by the permittee is accredited by TCEQ to perform analytical methods for the permitted parameters.

Effluent samples were collected after the final treatment unit following the V-notch weir. Sample analysis results were compliant with permit limits and the COC is attached to this report. At the time of the investigation, the receiving water body (Lake Granbury) appeared in normal condition with no floating solids or foam at the point of discharge.

#### BACKGROUND

The previous investigation was conducted on November 5, 2009. The following violations were noted- failure to prevent an unauthorized discharge, failure to submit non-compliance notification and effluent exceedances (BOD/TSS). These violations were resolved during a Compliance Investigation File Review that was conducted on May 5, 2010.

No SSO's have been reported since the previous November 5, 2009 investigation.

#### ADDITIONAL INFORMATION

According to a November 05, 2009 investigation, additional repairs were scheduled for 2010 but as of the date of this investigation additional repairs are needed but have not been made. During the investigation, numerous pinhole leaks showing rust and signs of leakage were noted and this issue will be addressed in this report. No significant collection system upgrades have occurred since the last comprehensive investigation.

The operator for this facility is Mr. Billy Martin who has a "B" Wastewater License, license No. WW0042514.

<b>NOV Date</b>	<b>Method</b>
11/15/2012	WRITTEN

---

**OUTSTANDING ALLEGED VIOLATION(S)  
ASSOCIATED TO A NOTICE OF VIOLATION**

---

**Track No:** 480030

**Compliance Due Date:** 12/17/2012

**Violation Start Date:** 9/27/2012

**30 TAC Chapter 305.125(5)**

**PERMIT , TPDES Permit WQ0013786-001**

Page 13, under Operational Requirements

**Alleged Violation:**

Investigation: 1037595

Comment Date: 11/15/2012

Failure to maintain clarifier. While inspecting the clarifier, hard-packed sludge has collected in a corner pocket where decant water leaves the clarifier and enters the chlorine contact chamber. Layers of sludge were also observed stuck to the surface of the clarifier trough that directs effluent into the chlorine contact chamber. So long as this part of the clarifier is being utilized it should be kept free of sludge and other debris.

**Recommended Corrective Action:** Remove the sludge that has collected and keep it free and clear of all debris in the future. Send photographs to the DFW Region Office showing the sludge has been removed.

---

**Track No:** 482331

**Compliance Due Date:** 12/17/2012

**Violation Start Date:** 9/27/2012

**30 TAC Chapter 305.125(1)**

**PERMIT , TPDES Permit WQ0013786-001**

Page 13, under OPERATIONAL REQUIREMENTS, #1

**Alleged Violation:**

Investigation: 1037595

Comment Date: 11/13/2012

Failure to maintain V-notch weir, primary flow measuring device. While inspecting the V- notch weir, concerns were noted regarding its deteriorating condition and its ability to accurately measure flow.

**Recommended Corrective Action:** Since the V-notch weir is the operators only means to measure flow, it will need to be replaced due to its current condition. Once it has been replaced and to demonstrate compliance, send to the DFW Region Office photos and/or completed work orders and receipts for review.

---

**Track No:** 482425

**Compliance Due Date:** 12/17/2012

**Violation Start Date:** 9/27/2012

**30 TAC Chapter 319.11(d)**

**Alleged Violation:**

Investigation: 1037595

Comment Date: 11/14/2012

Failure to measure the head at the proper location. Based on observations made during the facility walk through, the staff gauge isn't positioned away from the v-notch as needed in order to accurately measure flow and c-clamp cannot be a permanent way to mount the staff gauge.

**Recommended Corrective Action:** Relocate the staff gauge upstream of the v-notch at a distance of 2-3 times the expected flow rate. Example, if you expect the flow be an average of 2 inches during peak, then the staff gauge should be at least 4-6 inches away from the v-notch. When anchoring the

staff gauge, refrain from using a c-clamp as an anchoring mechanism. To demonstrate compliance, send to the DFW Region Office photos of the newly placed staff gauge for review.

**ALLEGED VIOLATION(S) NOTED AND RESOLVED  
ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 482345

Resolution Status Date: 11/13/2012

Violation Start Date: 9/27/2012

Violation End Date: 10/18/2012

30 TAC Chapter 319.7(a)

**Alleged Violation:**

Investigation: 1037595

Comment Date: 11/13/2012

Failure to maintain and have available all chain of custodies. While examining sampling records and lab results, multiple COC's were noted as missing and not available for review. The following months were not available- July, August, October and November 2011.

**Recommended Corrective Action:** To demonstrate compliance, send to the DFW Region Office for review the chain of custody forms that were noted as missing during the inspection.

**Resolution:** The missing COC's noted in this violation were received by the DFW Region Office on October 18, 2012.

Track No: 482347

Resolution Status Date: 11/15/2012

Violation Start Date: 9/27/2012

Violation End Date: 9/27/2012

30 TAC Chapter 305.125(1)

PERMIT , TPDES Permit WQ0013786-001

Page 2 under Effluent Limitations and Monitoring Requirements

**Alleged Violation:**

Investigation: 1037595

Comment Date: 11/15/2012

Failure to adhere to permit effluent limitations. While examining ICIS/DMR data, it was noted that daily average BOD5 and TSS limits were violated during the February 2011 monitoring period.

**Recommended Corrective Action:** Make necessary and beneficial adjustments to plant operations and begin monitoring BOD5 and TSS more closely. Also, note that self-reporting effluent violations may be subject to enforcement, including penalties, upon review by the Enforcement Division.

**Resolution:** This violation will be resolved based on subsequent compliance.

**Others**

**ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 479895

Compliance Due Date: 05/31/2013

Violation Start Date: 9/27/2012

30 TAC Chapter 305.125(5)

PERMIT , TPDES Permit WQ0013786-001

Page 13, #1 under Operational Requirements

**Alleged Violation:**

Investigation: 1037595

Comment Date: 11/15/2012

Failure to maintain the wastewater treatment facility. While inspecting the perimeter of the facility, it was noted that several signs of pinhole leaks were seen on various parts of the above ground package plant. The plant wasn't leaking per se but the presence of rust

indicates leaks have occurred in the past. It was noted that half of the facility (the section that houses the aeration basin and digester) underwent maintenance in 2009. The remaining half (clarifier and chlorine contact chamber) of the facility was supposed to be done on 2010 according to Mr. Billy Martin, Contract Operator but as of the date of this inspection it has not been done. Some of the pinhole leaks and structural issues involved the second half of the plant.

Additionally, since the last investigation (November 2009) the V-notch weir has become noticeably more corroded and it has begun to structurally break down. While repairs are being made to the second half of the plant, take this opportunity to install a new corroded resistant V-notch weir and permanently mounted (without the use of a C-clamp) staff gauge since this is the facility's only means of accurately measuring flow.

**Recommended Corrective Action:** Make the necessary repairs in order to restore the structural integrity of the package plant as required by your TPDES permit. To demonstrate compliance, submit a compliance plan and time schedule for repairs to be made for review. Once the plan and schedule is reviewed and approved, the facility will be required to send in photographs of the repairs as they are being performed and final documentation demonstrating the repairs have been made such as completed work orders, receipts, photos and any other supporting documentation.

### Additional Issues

**Description** Are adequate sludge disposal records maintained?

#### Additional Comments

The facility only has copies of manifests with generator and hauler information filled out. The operator needs to follow up with the disposal facility and obtain final copies with disposal site signature and date.

Signed

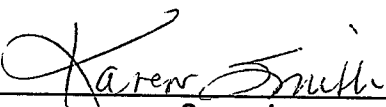


Environmental Investigator

Date

11-15-12

Signed



Supervisor

Date

11/15/2012

#### Attachments: (in order of final report submittal)

☐ Enforcement Action Request (EAR)

☒ Letter to Facility (specify type) : NOV

Investigation Report

☒ Sample Analysis Results

☐ Manifests

☐ NOR

☐ Maps, Plans, Sketches

☒ Photographs

☒ Correspondence from the facility

☒ Other (specify) :

ICIS/DMR Data, Exit Interview

# Texas Rain Holding

2004 Southwest Pkwy  
Granbury, TX 76048

*Phone (817)-279-1444*

---

12/16/12

TCEQ Region 4  
c/o Derek Snyder  
2309 Gravel Dr  
Ft. Worth, TX 76118

Dear TCEQ,

In regards to investigation No. 1037595 at Canyon Creek WWTP TX0089338 in Hood Cnty. In Granbury TX. The following alleged violations have been addressed and or resolved and are as follows. Track No. 480030; The hard packed sludge has been removed and photos are available. Track No. 482331; The condition of the V-notch appears to be worse than it actually is. This particular one has only been in place for one year and the surface buildup of rust is not that significant. It will be completed at the same time as the final repairs and photos will be available at a later date. Track No. 482425; The staff gauge in place is only temporarily placed at its position and will be permanently mounted when final repairs are complete. Photos will be available at a later time. Track No. 482345; Resolved. Track No. 482347; Resolved. Track No. 479895; A time line for repairs was received by the commission on November 1, 2012. Additional issues; Final copies of sludge manifests are available. Any assistance from TCEQ is greatly appreciated.

Sincerely,

Billy Martin/Office Manager and Operator



Bryan W. Shaw, Ph.D., *Chairman*  
Buddy Garcia, *Commissioner*  
Carlos Rubinstein, *Commissioner*  
Mark R. Vickery, P.G., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

February 10, 2012

**E SIGNATURE CONFIRMATION #91 3408 2133 3932 0302 2392**

Mr. Jess Lewellyn, Jr, Vice President  
Texas H2O  
PO Box 613  
Mansfield, Texas 76063

COPY

Re: Notice of Violation for the Public Water Supply Comprehensive Compliance Investigation at:  
Ridge Utilities, Granbury, Hood County, Texas  
RN102690153, PWS ID No.: 1110084, Investigation No.: 982008

Dear Mr. Lewellyn:

On December 14, 2011, Ms. Merissa Ludwig of the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water supply in response to a complaint. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **May 10, 2012**, a written description of the corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

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 D/FW Region Office at (817) 588-5800 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. 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 violation(s) documented in this notice. Should you choose to do so, you must notify the D/FW Regional Office within 10 days from the date of this letter. At that time, Mr. Charles Marshall, Public Water Supply Section 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 any or all of the contested violations.

TCEQ Region 4-Dallas/Fort Worth • 2309 Gravel Dr. • Fort Worth, Texas 76118-6951 • 817-588-5800 • Fax 817-588-5700

Austin Headquarters: 512-239-1000 • [www.tceq.state.tx.us](http://www.tceq.state.tx.us) • How is our customer service? [www.tceq.state.tx.us/goto/customersurvey](http://www.tceq.state.tx.us/goto/customersurvey)

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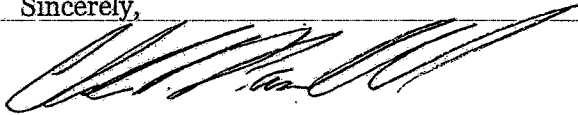
Mr. Jess Lewellyn, Jr., Vice President  
February 10, 2012  
Page 2

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If you or members of your staff have any questions, please feel free to contact Ms. Ludwig in the D/FW Regional Office at (817) 588-5846.

Sincerely,

---



Charles Marshall  
Team Leader, Public Water Supply Section  
TCEQ D/FW Regional Office

CLM/ml

Enclosures: Summary of Investigation Findings

## Summary of Investigation Findings

RIDGE UTILITIES

Investigation # 982008

6450 KELLY DR

Investigation Date: 12/14/2011

GRANBURY, HOOD COUNTY, TX 76048

Additional ID(s): 1110084

### OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 457078

Compliance Due Date: 05/10/2012

30 TAC Chapter 290.46(m)(1)(B)

#### Alleged Violation:

Investigation: 982008

Comment Date: 1/27/2012

Failure to inspect the interior of the pressure tank at least once every five years.

During the comprehensive compliance investigation on December 14, 2011, it was noted that the water system had not inspected the interior of the pressure tank within the last five years.

30 TAC 290.46(m)(1) states each of the system's ground, elevated, and pressure tanks shall be inspected annually by water system personnel or a contracted inspection service.

30 TAC 290.46(m)(1)(B) states pressure tank inspections must determine that the pressure release device and pressure gauge are working properly, the air-water ratio is being maintained at the proper level, the exterior coating systems are continuing to provide adequate protection to all metal surfaces, and the tank remains in watertight condition. Pressure tanks provided with an inspection port must have the interior surface inspected every five years.

**Recommended Corrective Action:** Inspect the interior of the pressure tank. Complete a tank inspection form documenting the results of the inspection and submit a copy of the completed form to the TCEQ Region 4 Office to document that the alleged violation has been corrected.

## **Texas H2O**

P.O. Box 613  
Mansfield, Tx 76063

*Phone (817)-473-6080, Granbury Office (817)279-1444*

---

5/18/12

Merissa Ludwig  
TCEQ Compliance Investigator  
Region 4

Dear Merissa,

Regarding Investigation No.982008 ,PWS ID No. 1110084, Track No.457078 : The pressure tank was inspected on May 1, 2012 and a copy of the inspection accompanies this letter. Thank you for your assistance.

Sincerely,  
Billy Martin/Manager

**Alleged Violation:**

Investigation: 1049537

Comment Date: 11/29/2012

Failure to have the required records available for review. While reviewing chain of custody forms and sample results, it was noted that February, March and April of 2011 were not available for review.

**Recommended Corrective Action:** To demonstrate compliance, produce the following paperwork- COC's and sample results for February, March and April of 2011 and describe how facility paperwork (COC's, lab results, sludge manifests) will be tracked and maintained in the future and made available for review by a TCEQ investigator.

**ALLEGED VIOLATION(S) NOTED AND RESOLVED  
ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 485115

Resolution Status Date: 12/6/2012

Violation Start Date: 10/24/2012

Violation End Date: 10/24/2012

30 TAC Chapter 305.125(1)

**PERMIT , TPDES Permit WQ0013025-001**

Page 2, under Effluent Limitations and Monitoring Requirements

**Alleged Violation:**

Investigation: 1049537

Comment Date: 12/06/2012

Failure to adhere to permit effluent limitations. While examining ICIS/DMR data, it was noted that BOD daily average was exceeded during the month of February (14 mg/L) and November (14 mg/L) 2011. Both of these exceedances were exactly 40% of the permit limit of 10 mg/L. A Water Quality Noncompliance notification was received documenting each event even though the 40% threshold was not exceeded.

**Recommended Corrective Action:** Continue to monitor BOD and TSS closely and document/report additional exceedances to the DFW Region Office and the Compliance Monitoring Team in Austin if they occur. Also, note that self-reporting effluent violations may be subject to enforcement, including penalties, upon review by the Enforcement Division.

**Resolution:** This violation will be resolved based on subsequent compliance.

**Others  
ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 485136

Compliance Due Date: 06/30/2013

Violation Start Date: 10/24/2012

30 TAC Chapter 305.125(5)

**Alleged Violation:**

Investigation: 1049537

Comment Date: 11/29/2012

Failure to maintain the wastewater treatment facility. While inspecting the perimeter of the facility, it was noted that the outer perimeter of the package plant displayed signs of rust and age. The foundation of the plant needs to be fortified to prevent further erosion. The interior of the plant (notably the interior walls, support beams, influent trough) displayed significant signs of rust and corrosion while compromising the functionality of the package plant. Future plans to refurbish the facility are in the planning stages and are expected to be carried out in order to prevent further deterioration.

**Recommended Corrective Action:** Make the necessary repairs in order to restore the structural integrity of the package plant as required by your TPDES permit. To demonstrate compliance, submit a compliance plan and time schedule for repairs to be made for review. Once the plan and schedule is reviewed and approved, the facility will be required to send in photographs of the repairs as they

are being performed and final documentation demonstrating the repairs have been made such as completed work orders, receipts, photos and any other supporting documentation.

### Additional Issues

**Description** Are the annual sludge reports submitted, as required by the permit?

#### Additional Comments

While reviewing ICIS/DMR data and annual sludge totals, a discrepancy was noted involving the results submitted for total sludge and sludge disposed by other means. The results should be the same for each, since all of the annual sludge produced was disposed of using IMC Waste. Revise the last 2 annual sludge reports for accuracy.

**Description** Are adequate sludge disposal records maintained?

#### Additional Comments

After sludge has been removed from the facility, contact the disposal facility and arrange to receive a copy of the final manifest with the disposal name and signature.

**Description** Are calibration and maintenance records adequate for any analytical equipment used?

#### Additional Comments

When calibrating the chlorimeter, all of the available standards and ranges must be used. Begin calibrating using all low/high standards available and record the results as part of your calibration record. Each range should include 1 blank sample and 3 live samples. Calibrate utilizing all 4 for both low and high range.

**Description** Does the receiving stream have such conditions as foaming, floating materials, sludge deposits, or color and turbidity?

#### Additional Comments

Even though the outfall is located on private property, the investigator and or operator should always have access to the site in order to inspect or address issues/problems.

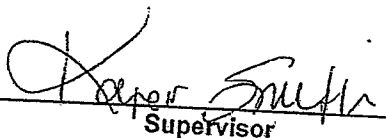
Signed



Environmental Investigator

Date 12-10-12

Signed



Supervisor

Date 12/10/2012

# Texas Commission on Environmental Quality

## Investigation Report

Texas H2O, Inc.  
CN600656201

### RIDGE UTILITIES WWTP

**RN102079605**

Investigation # 1058254

Incident #

Investigator: DEREK SNYDER

Site Classification

DOMESTIC MINOR

Conducted: 02/13/2013 -- 02/13/2013

SIC Code: 4952

NAIC Code: 221320

Program(s): WASTEWATER

Investigation Type : Compliance Invest File Review

Location : LOCATED APPROX 1,700 FT  
NE OF THE INTERSECTION OF HOOD  
COUNTY RD 311-A AND FM 3210 SE IF  
THE CITY OF GRANBURY IN HOOD  
COUNTY TX, SEGMENT 1205 AT  
BRAZOS RIVER BASIN

Additional ID(s) : WQ0013025001  
TX0104833

Address: 4027 MABERY CT;  
GRANBURY, TX 76048

Activity Type : REGION 04 - DFW METROPLEX  
WWFRR - WW NOV File Record Review

Principal(s) :

Role	Name
RESPONDENT	TEXAS H2O INC

Contact(s) :

Role	Title	Name	Phone
Regulated Entity Mail Contact	GENERAL MANAGER	MR BUTCH HARDIE	Work (817) 473-6080

Other Staff Member(s) :

Role	Name
Supervisor	KAREN SMITH

### Associated Check List

Checklist Name  
WQ FILE/RECORD REVIEW

Unit Name  
Texas H2O

Investigation Comments :

#### INTRODUCTION

This NOV file record review was conducted to evaluate the status of a compliance schedule associated with compliance investigation No. 1049537 conducted on October 24, 2012, to determine compliance with applicable wastewater treatment regulations. A notice of violation letter December 10, 2010, requested that a written description of corrective action taken be submitted by January 7, 2013.

GENERAL FACILITY AND PROCESS INFORMATION  
See initial compliance Investigation No. 1049537.

COPY

BACKGROUND  
N/A

ADDITIONAL INFORMATION

The documentation submitted on January 09, 2013 appears to resolve all of the outstanding violations. A final compliance letter was sent to the facility.

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 485107

Resolution Status Date: 2/13/2013

Violation Start Date: 10/24/2012 Violation End Date: 1/9/2013

30 TAC Chapter 305.125(1)

**Alleged Violation:**

Investigation: 1049537

Comment Date: 11/28/2012

Failure to achieve a secondary flow meter accuracy within 10%. The results of the flow meter accuracy calculations yielded an accuracy percentage of 3052%.

Investigation: 1058254

Comment Date: 02/13/2013

An NOV File Record Review was conducted on February 13, 2013, to determine the compliance status of this alleged violation.

**Recommended Corrective Action:** Have the secondary flow meter tested and calibrated and have the staff gauge examined to make sure it is level and mounted at the correct location. To demonstrate compliance, send to the DFW Region office a recent flow meter calibration certificate and test results along with results from weekly flow accuracy checks (within +/- 10%) for 4 consecutive weeks.

**Resolution:** The facility's flow meter was calibrated on 12/07/2012, following the last CCI. Independent accuracy checks will be waived but the operator will be encouraged to periodically perform flow accuracy checks for QC purposes in between calibration events.

Track No: 485130

Resolution Status Date: 2/13/2013

Violation Start Date: 10/24/2012 Violation End Date: 1/9/2013

30 TAC Chapter 319.7(c)

**Alleged Violation:**

Investigation: 1049537

Comment Date: 11/29/2012

Failure to have the required records available for review. While reviewing chain of custody forms and sample results, it was noted that February, March and April of 2011 were not available for review.

Investigation: 1058254

Comment Date: 02/13/2013

An NOV File Record Review was conducted on February 13, 2013, to determine the compliance status of this alleged violation.

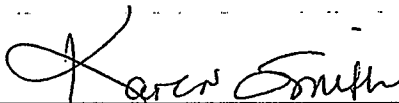
**Recommended Corrective Action:** To demonstrate compliance, produce the following paperwork- COC's and sample results for February, March and April of 2011 and describe how facility paperwork (COC's, lab results, sludge manifests) will be tracked and maintained in the future and made available for review by a TCEQ investigator.

**Resolution:** Copies of COC's and sample results were received for Feb, Mar and Apr 2011.



Signed   
Environmental Investigator

Date 2-13-13

Signed   
Supervisor

Date 2/14/2013

**Attachments: (in order of final report submittal)**

☐ Enforcement Action Request (EAR)  
☒ Letter to Facility (specify type) : Final  
Investigation Report Compliance  
☐ Sample Analysis Results  
☐ Manifests  
☐ NOR

☐ Maps, Plans, Sketches  
☒ Photographs  
☒ Correspondence from the facility  
☐ Other (specify) :  
\_\_\_\_\_  
\_\_\_\_\_

# Texas Rain Holding

2004 Southwest Pkwy  
Granbury, TX 76048

Phone (817)-279-1444

---

1/7/13

TCEQ Region 4  
c/o Derek Snyder  
2309 Gravel Dr  
Ft. Worth, TX 76118

RECEIVED

JAN - 9 2013

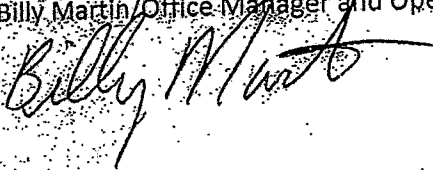
DFW REGION-4

Dear TCEQ,

In regards to investigation No. 1049537 at the Ridge WWTP TX ID No. 0104833 in Hood Cnty. in Granbury TX. The following alleged violations have been addressed and or resolved and are as follows. Track No. 485105; The flow meter has been re-calibrated and a copy of record is available. Track No. 485107; The flow meter has been re-calibrated and a copy of record is available. Track No. 485130; Copies of February, March and April 2011 COC's and Lab results are available. Track No. 485136; A compliance schedule was received by the TCEQ on 11/20/12, comments withdrawn. Track No. 485115; Resolved. Additional issues; The sludge reports for 2010 and 2011 sludge reports have been corrected. Final copies of sludge manifests will be attained and started in November 2011. Any assistance from TCEQ is greatly appreciated.

Sincerely,

Billy Martin / Office Manager and Operator



# Texas Commission on Environmental Quality Investigation Report

Texas H2O, Inc.  
CN600656201

## LONG CREEK WATER CO

RN101455780

Investigation # 1041821

Incident # 173304

Investigator: MERISSA LUDWIG

Site Classification

GW 51-250 CONNECTION

Conducted: 09/04/2012 -- 09/17/2012

SIC Code: 4941

Program(s): PUBLIC WATER  
SYSTEM/SUPPLY

Investigation Type : Compliance Invest File Review

Location : JUST S OF HWY 51 ON  
THOMAS RD NEAR GRANBURY

Additional ID(s) : 1110017

Address: ; ,

Activity Type : REGION 04 - DFW METROPLEX  
PWSCMPL - PWS ComplaintPrincipal(s) :

Role	Name
RESPONDENT	TEXAS H2O INC

Contact(s) :

Role	Title	Name	Phone
Regulated Entity Contact	FIELD OFFICE MANAGER	MR BILLY B MARTIN	Work (817) 279-1444 Cell (940) 445-7725
Participated in Investigation	OPERATOR	MR GREG LONG	(817) 473-6026
Participated in Investigation	FIELD OFFICE MANAGER	MR BILLY B MARTIN	Work (817) 473-6080 Work (817) 279-1444
Regulated Entity Mail Contact	GENERAL MANAGER	MR BUTCH HARDIE	Work (817) 473-6080 Fax (817) 473-6026

Other Staff Member(s) :

Role	Name
QA Reviewer	CHARLES MARSHALL
Supervisor	CHARLES MARSHALL

### Associated Check List

Checklist Name

PWS COMPLAINT INVESTIGATION

Unit Name

CMPL 1110017

Investigation Comments :

## INTRODUCTION

On September 4, 2012, the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office received a complaint from a customer of Long Creek Water regarding a water outage. The complaint, identified as Incident Number 173304, was assigned to Environmental Investigator Ms. Merissa Ludwig for further investigation.

COPY

The complaint was investigated by Ms. Ludwig on September 4-17, 2012. A copy of the investigation report was mailed to the complainant following the investigation.

#### GENERAL FACILITY AND PROCESS INFORMATION

Long Creek Water Company is a community water system owned by Texas H2O, Inc., and operated by Texas Rain Holdings Company, Inc., which serves a total of 114 connections and an approximate population of 342 individuals. The water system consists of one groundwater well that supplies two water plants and two pressure plane. The water system is located approximately five miles north of Granbury in Hood County, Texas.

For additional facility and process information see Investigation Number 982807.

#### BACKGROUND

The most recent Comprehensive Compliance Investigation (CCI), Investigation Number 982807, was performed on December 21, 2011. Several violations were noted, and a Notice of Violation (NOV) was issued to the public water system as a result of the investigation.

Three complaints have been lodged against Long Creek Water Company within the past five years. Incident Number 117931, received on December 18, 2008, was in regards to poor quality of water. Incident Number 122708, received on April 13, 2009, was in regards to poor quality of water. Incident Number 161323, received on November 2, 2011, was in regards to hazardous chemicals being used at the water system. No violations were noted as a result of any of the subsequent complaint investigations.

#### ADDITIONAL INFORMATION

On September 3, 2012, the investigator was contacted by Mr. Billy Martin, Texas Rain Field Office Manager. Mr. Martin stated that a boil water notice had been issued to the Lantana Subdivision, a portion of the Long Creek Water distribution system. The notice was hand-delivered to the affected customers and signs were put out at the subdivision entrance. Mr. Martin stated that two water leaks had been found after a loss of distribution pressure was reported.

On September 4, 2012, Ms. Ludwig was contacted by the complainant regarding the boil water notice. The complainant stated that they were experiencing problems with the water quality and was aware of the boil water notice, but could not get additional information from the water system operating company office. The complainant stated that the phone number for their office was not being answered and there was no emergency number to contact after hours. The investigator informed the complainant that each problem would be investigated.

On September 6, 2012, Ms. Ludwig contacted Mr. Martin regarding the water service at Long Creek. Mr. Martin stated that several more line leaks were located after the first repairs were made, and so the water system was still experiencing low pressure since the storage tanks were at a low level. The investigator discussed the complainant's concerns regarding contacting the operating company office by phone during business hours and after hours. Mr. Martin stated that the office staff do their best to answer all calls that come in. The office phone line has an answering machine which gives two cell phone numbers to call in case a customer needs to report an emergency. One of these numbers is for Mr. Martin directly.

Following the discussion with the water system official, Ms. Ludwig contacted the complainant. The complainant stated that they were again experiencing low water pressure and were concerned about the safety of the water. The investigator stated that the boil water notice would remain in place until all leaks were repaired, normal operating pressure returned, and bacteriological samples were collected and analyzed to confirm that there was no threat to the potability of the water.

On September 7, 2012, a copy of the boil water notice and the Certificate of Delivery of Public Notice to Customers form were received at the TCEQ Region 4 Office. The form documented that the boil water notice was issued on September 4, 2012.

On September 7, 2012, the investigator phoned the Texas Rain Office after hours to confirm that emergency contact numbers are listed on the answering machine recording.

On September 10, 2012, the water system operator, Mr. Greg Long, contacted the investigator to discuss the status of the water system. Mr. Long stated that normal operating pressure had been restored on or about September 6, 2012, and no further interruptions had been experienced. The boil water notice was left in place until the water level in the ground storage tanks had recovered. A bacteriological sample would be collected the following day.

On September 13, 2012, Mr. Martin contacted the investigator and stated that the boil water notice had been rescinded after the bacteriological sampling confirmed the absence of coliform bacteria in the water. The rescind information was shown on a sign at the subdivision entrance and was listed in the local newspaper.

On September 17, 2012, a copy of the boil water rescind notice and the Certificate of Delivery of Public Notice to Customers form were received at the TCEQ Region 4 Office. The form documented that the boil water notice was lifted on September 13, 2012.

#### Investigation Findings

The public water system issued a boil water notice from September 4, 2012 to September 13, 2012, due to several water line breaks that occurred in the distribution system. The boil water notice was necessary as a special precaution due to the loss of pressure that resulted from the line breaks. No alleged violations were noted during the complaint investigation. It appears no further action is necessary at this time.

**No Violations Associated to this Investigation**

Signed

  
Environmental Investigator

Date

11/9/12

Signed

  
Supervisor

Date

11/15/12

**Attachments: (in order of final report submittal)**

☐ Enforcement Action Request (EAR)

☒ Letter to Facility (specify type) : complaint

☐ Investigation Report

☐ Sample Analysis Results

☐ Manifests

☐ NOR

☐ Maps, Plans, Sketches

☐ Photographs

☒ Correspondence from the facility

☐ Other (specify) :  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Bryan W. Shaw, Ph.D., *Chairman*  
Buddy Garcia, *Commissioner*  
Carlos Rubinstein, *Commissioner*  
Mark R. Vickery, P.G., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

February 10, 2012

**E SIGNATURE CONFIRMATION #91 3408 2133 3932 0302 2408**

Mr. Jess Lewellyn, Jr, Vice President  
Texas H2O  
PO Box 613  
Mansfield, Texas 76063

COPY

Re: Notice of Violation for the Public Water Supply Comprehensive Compliance Investigation at:  
Boynton Water, Granbury, Hood County, Texas  
RN101992188, PWS ID No.: 1110042, Investigation No.: 982009

Dear Mr. Lewellyn:

On December 14, 2011, Ms. Merissa Ludwig of the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water supply in response to a complaint. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **May 10, 2012**, a written description of the corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

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 D/FW Region Office at (817) 588-5800 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. 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 violation(s) documented in this notice. Should you choose to do so, you must notify the D/FW Regional Office within 10 days from the date of this letter. At that time, Mr. Charles Marshall, Public Water Supply Section 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 any or all of the contested violations.

TCEQ Region 4-Dallas/Fort Worth • 2309 Gravel Dr. • Fort Worth, Texas 76118-6951 • 817-588-5800 • Fax 817-588-5700

Austin Headquarters: 512-239-1000 • [www.tceq.state.tx.us](http://www.tceq.state.tx.us) • How is our customer service? [www.tceq.state.tx.us/goto/customersurvey](http://www.tceq.state.tx.us/goto/customersurvey)

printed on recycled paper using soy-based ink

Mr. Jess Lewellyn, Jr., Vice President  
February 10, 2012  
Page 2

If you or members of your staff have any questions, please feel free to contact Ms. Ludwig in the D/FW Regional Office at (817) 588-5846.

Sincerely,



Charles Marshall  
Team Leader, Public Water Supply Section  
TCEQ D/FW Regional Office

CLM/ml

Enclosures: Summary of Investigation Findings



## Summary of Investigation Findings

BOYNTON WATER SUPPLY

Investigation # 982009

4509 JACKSON BEND CT

Investigation Date: 12/14/2011

GRANBURY, HOOD COUNTY, TX 76049

Additional ID(s): 1110042

### OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 353804

Compliance Due Date: 05/10/2012

30 TAC Chapter 291.93(3)

#### Alleged Violation:

Investigation: 721785

Comment Date: 1/12/2009

Failure, by a retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in Chapter 290 T.A.C., to submit to the executive director a planning report that clearly explains how the retail public utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area.

A Capacity of .6 gallons per minute per connection (Required =  $65 \times 0.6 = 39$  GPM compared with 40 GPM well capacity provided ) or 97.5 %.

A Capacity of 20 gallon/connection pressure tank capacity (Required =  $65 \times 20 = 1,300$  gallons compared with 1,400 gallons of pressure tank provided) or 92.85%.

Investigation: 982009

Comment Date: 1/30/2012

Failure to submit a planning report.

During the comprehensive compliance investigation on December 14, 2011, it was noted that the water system has exceeded 85% of its production and pressure tank capacity and has failed to submit a planning report which explains how the utility will provide service to the remaining areas of its certificated area.

30 TAC 291.93(3) states a retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in Chapter 290 of this title shall submit to the executive director a planning report that clearly explains how the retail public utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area.

**Recommended Corrective Action:** Submit a planning report to the TCEQ Utility Technical Review Team which clearly explains how the utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area. Submit a letter and a copy of the planning report to the TCEQ Region 4 Office to document that the alleged violation has been resolved.

Bryan Shaw, Ph.D., *Chairman*  
Carlos Rubinstein, *Commissioner*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*

PWS/1110042/CO

**Texas Commission on Environmental Quality**  
*Protecting Texas by Reducing and Preventing Pollution*

April 3, 2013

Mr. David M. Smith, P.E.  
Rush Creek Consulting, Inc.  
P.O. Box 14136  
Arlington, TX 76013

Subject: Boynton Water – PWS ID No. 1110042  
Request for Minimum Alternative Capacity Requirements  
Hood County, Texas

RN 101992188;

CN 600656201

Dear Mr. Smith:

On January 16, 2013, the Texas Commission on Environmental Quality (TCEQ) received your letter dated January 14, 2013, with supporting technical information for the Boynton Water system. Your letter requests that minimum Alternative Capacity Requirements (ACRs) be granted under Title 30 of the Texas Administrative Code (TAC). The regulations specified in rule §290.45(b)(1)(C)(i) require that each groundwater system which serves 50 to 250 connections must maintain a minimum well capacity of 0.6 gallons per minute (gpm) per connection. Based on our review of the submitted daily-usage data, we are **granting** the following **minimum ACRs**:

<b>Total Production (Purchased + Groundwater):</b>	<b>0.31 gpm/connection</b>
<b>Total Storage:</b>	<b>104.0 gallons/connection</b>
<b>Pressure Tank Capacity:</b>	<b>10.4 gallons/connection</b>
<b>Elevated Storage Capacity:</b>	<b>52.0 gallons/connection</b>
<b>Service Pump Capacity:</b>	<b>1.04 gpm/connection</b>

Your submitted daily-usage data indicated that a maximum daily demand of 24,300 gallons occurred on May 28, 2012, with 62 active connections. An equivalency ratio (ER) of 0.52 was calculated using a safety factor of 1.15. The above minimum ACRs were calculated using this ER and the specifications in 30 TAC §290.45(g)(2).

These minimum ACRs are contingent upon the continuing collection of daily-usage data and the maintenance of these records for a minimum of three years. All minimum ACRs are subject to periodic review. They may be amended, revised, or revoked if water demand conditions change or if evidence is found that granting any of the ACRs has resulted in the degradation of potable water quality or quantity. This letter must be kept on file for as long as these ACRs are valid, and made available to TCEQ staff upon request.

Mr. David M. Smith, P.E.

Page 2 of 2

April 3, 2013

Please note that this ACR is not intended to waive compliance with any other TCEQ requirement in 30 TAC Chapter 290. This ACR cannot be used as a defense in any enforcement action resulting from noncompliance with any other requirement of 30 TAC Chapter 290.

If you have any questions concerning this letter, please contact Bill Melville, P.E., by email at [Bill.Melville@tceq.texas.gov](mailto:Bill.Melville@tceq.texas.gov), or by telephone at (512) 239-4729, or by correspondence at the following address:

Technical Review & Oversight Team (MC 159)  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

Sincerely,



Joel Klumpp, Team Leader  
Technical Review & Oversight Team  
Plan & Technical Review Section  
Water Supply Division

JPK/WRM

cc: TCEQ Dallas/Fort Worth Regional Office – R4  
Mr. Butch Hardie, President, Texas H<sub>2</sub>O, P.O. Box 613, Mansfield TX 76063-0613

Bryan W. Shaw, Ph.D., *Chairman*  
Carlos Rubinstein, *Commissioner*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

August 8, 2013

Mr. W.R. "Butch" Hardie, Manager  
Texas H2O, Inc.  
P.O. Box 613  
Mansfield, Texas 76063

Re: Notice of Compliance with Agreed Order  
Texas H2O, Inc. dba Sunset Canyon Water Moore Estates; RN102690203  
Docket No. 2012-1927-PWS-E; Enforcement Case No. 45056

Dear Mr. Hardie:

This letter is to inform you that a review of Texas Commission on Environmental Quality (TCEQ) records concerning the above-referenced enforcement matter indicates that Texas H2O, Inc. has fulfilled the requirements of the Agreed Order effective on March 21, 2013. Specifically, Texas H2O, Inc. has fulfilled the technical requirements and has paid the administrative penalty assessed in the Agreed Order. Based upon this, we conclude that your response has been satisfactory and no further action is necessary at this time with respect to this enforcement matter. The Order will terminate on March 21, 2018, provided Texas H2O, Inc. maintains compliance with all terms and conditions of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Ms. Anne Ruthstrom at (512) 239-0855.

Sincerely,

A handwritten signature in black ink, appearing to read "Melinda Johnston".

Melinda Johnston, Work Leader  
Enforcement Division

cc: Manager, Water Section, Dallas/Fort Worth Regional Office, TCEQ  
Mr. David Smith, P.E., Rush Creek Consulting, P.O. Box 14136, Arlington, Texas  
76013

Bryan W. Shaw, Ph.D., *Chairman*  
Carlos Rubinstein, *Commissioner*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

September 5, 2012

### **E SIGNATURE CONFIRMATION # 91 3408 2133 3931 8423 1639**

Mr. Jess Lewellyn, President  
Texas H2O, Inc.  
PO Box 613  
Mansfield, Texas 76063

Re: Notice of Enforcement for Public Water Supply File Record Review Investigation at:  
Sunset Canyon Water Moore Estates, Granbury, Hood County, Texas  
RN 102690203, PWS ID No. 1110102, Investigation No. 1027227

Dear Mr. Lewellyn:

On August 9, 2012, Ms. Merissa Ludwig of the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for public water supply systems. During this investigation, certain outstanding alleged violations were documented. Enclosed is a summary which lists the investigation findings and recommended corrective actions. Additional recommended corrective actions may be provided by the Enforcement Division.

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 D/FW Regional Office at (817) 588-5800 or the Central Office Publications Ordering Team at 512-239-0028.

Also, please be advised that the Legislature has granted enforcement powers to the TCEQ to carry out its mission to protect human health and the environment. Due to the apparent seriousness of the alleged violation(s), formal enforcement action has been initiated, and additional violations may be cited upon further review. We encourage you to immediately begin taking actions to address the outstanding alleged violation(s).

**In responding with prompt corrective action, the administrative penalty to be assessed may be limited.**

The Commission recognizes that the great majority of the regulated community wants to prevent pollution and to comply with environmental laws. We dedicate considerable resources toward making voluntary compliance achievable. But where compliance has not been met it is

Mr. Jess Lewellyn, President

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September 5, 2012

our duty to protect the public and the environment by enforcing the state's environmental laws, regulations, and permits.

Also, if you believe the violations documented in this notice have been cited in error, **and** you have additional information that we are unaware of, you may request a meeting to discuss this enforcement matter. To request a meeting, send a letter describing the additional information to the address shown below.

Manager, Drinking Water Section  
Enforcement Division, MC 219  
Re: Enforcement Meeting Request  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

If you or members of your staff have any questions, please feel free to contact Ms. Ludwig in the D/FW Regional Office at (817) 588-5846.

Sincerely,



Charles Marshall  
Team Leader, Public Water Supply Program  
D/FW Regional Office  
Texas Commission on Environmental Quality

CM/ml

Enclosure: Summary of Investigation Findings

cc: Mr. Billy Martin, Texas Rain Holdings Company, Inc., Field Office Manager,  
2004 Southwest Parkway, Granbury, Texas 76048

## Summary of Investigation Findings

SUNSET CANYON WATER MOORE ESTATES

Investigation #

1027227

Investigation Date: 08/09/2012

, HOOD COUNTY,

Additional ID(s): 1110102

### OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF ENFORCEMENT

Track No: 457406

Compliance Due Date: To Be Determined

30 TAC Chapter 290.46(m)

#### Alleged Violation:

Investigation: 982809

Comment Date: 02/01/2012

Failure to maintain the ground storage tanks.

During the comprehensive compliance investigation on December 21, 2011, it was noted that both of the ground storage tanks had excessive rust around the roof opening where the hatch seals with the raised curbing. The exterior of the ground storage tanks was also covered in mildew and needed to be cleaned and repainted.

30 TAC 290.46(m) states the maintenance and housekeeping practices used by a public water system shall ensure the good working condition and general appearance of the system's facilities and equipment. The grounds and facilities shall be maintained in a manner so as to minimize the possibility of the harboring of rodents, insects, and other disease vectors, and in such a way as to prevent other conditions that might cause the contamination of the water.

Investigation: 1027227

Comment Date: 08/14/2012

Failure to maintain the ground storage tanks.

Compliance documentation has not been submitted by the water system in response to this alleged violation. The respondent, therefore, did not correct the alleged violation within the established time frame given in the February 17, 2012, NOV.

**Recommended Corrective Action:** Perform maintenance activities on the ground storage tanks.

Track No: 457407

Compliance Due Date: To Be Determined

30 TAC Chapter 290.45(b)(1)(B)(i)

#### Alleged Violation:

Investigation: 982809

Comment Date: 02/01/2012

Failure to provide a well production capacity of at least 0.6 gallons per minute (gpm) per connection.

During the comprehensive compliance investigation on December 21, 2011, it was noted that the water system does not provided the minimum required well capacity of 0.6 gpm per connection. The public water system currently serves 38 community connections and therefore is required to provide a well capacity of at least 22.8 gpm. During the investigation it was documented that Well #1 produces 19.5 gpm. Based on this information, the water system's well capacity is approximately 14 percent (%) deficient.

30 TAC 290.45(b)(1)(B)(i) states community groundwater systems serving fewer than 50 connections with ground storage must meet a well capacity of 0.6 gpm per connection.

Investigation: 1027227

Comment Date: 08/14/2012

Failure to provide a well production capacity of at least 0.6 gallons per minute (gpm) per connection.

Compliance documentation has not been submitted by the water system in response to this alleged violation. A request for a compliance due date extension was received on August 9, 2012, which was denied. The respondent, therefore, did not correct the alleged violation within the established time frame given in the February 17, 2012, NOV.

**Recommended Corrective Action:** Increase the total production capacity in order to meet the minimum required capacity of 0.6 gpm per connection.

Please note that if any changes are made to the water production facilities in order to correct this alleged violation which will result in any increase or decrease in capacity, notification as outlined below will be required.

Public water systems shall notify the executive director prior to making any significant change or addition to the system's production, treatment, storage, pressure maintenance, or distribution facilities. Public water systems shall submit plans and specifications for the proposed changes upon request. The following is considered to be significant: proposed changes to existing systems which result in an increase or decrease in production, treatment, storage, or pressure maintenance capacity.

Please notify the TCEQ in writing if a significant change has or will occur. After notification, the TCEQ will determine if plans and specifications prepared by a licensed engineer will be required. Send the notification to: TCEQ, Water Supply Division, Technical Review and Oversight Team, MC 155, P.O. Box 13087, Austin, TX 78711-3087; phone: (512) 239-4961.



Bryan Shaw, Ph.D., *Chairman*  
Carlos Rubinstein, *Commissioner*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*

PWS/1110102/CO

## Texas Commission on Environmental Quality

*Protecting Texas by Reducing and Preventing Pollution*

April 3, 2013

Mr. David M. Smith, P.E.  
Rush Creek Consulting, Inc.  
P.O. Box 14136  
Arlington, TX 76013

Subject: Sunset Canyon Water Moore Estates – PWS ID No. 1110102  
Request for Minimum Alternative Capacity Requirements  
Hood County, Texas

RN 102690203;

CN 600656201

Dear Mr. Smith:

On January 16, 2013, the Texas Commission on Environmental Quality (TCEQ) received your letter dated January 14, 2013, with supporting technical information for the Sunset Canyon Water Moore Estates water system. Your letter requests that minimum Alternative Capacity Requirements (ACRs) be granted under Title 30 of the Texas Administrative Code (TAC). The regulations specified in rule §290.45(b)(1)(B)(i) require that each groundwater system which serves fewer than 50 connections and provides ground storage must maintain a minimum well capacity of 0.6 gallons per minute (gpm) per connection. Based on our review of the submitted daily-usage data, we are **granting** the following **minimum ACRs**:

<b>Total Production (Purchased + Groundwater):</b>	<b>0.32 gpm/connection</b>
<b>Total Storage:</b>	<b>108.0 gallons/connection</b>
<b>Pressure Tank Capacity:</b>	<b>10.8 gallons/connection</b>
<b>Elevated Storage Capacity:</b>	<b>54.0 gallons/connection</b>
<b>Service Pump Capacity:</b>	<b>1.08 gpm/connection</b>

Your submitted daily-usage data indicated that a maximum daily demand of 13,900 gallons occurred on July 2, 2010, with 34 active connections. An equivalency ratio (ER) of 0.54 was calculated using a safety factor of 1.15. The above minimum ACRs were calculated using this ER and the specifications in 30 TAC §290.45(g)(2).

These minimum ACRs are contingent upon the continuing collection of daily-usage data and the maintenance of these records for a minimum of three years. All minimum ACRs are subject to periodic review. They may be amended, revised, or revoked if water demand conditions change or if evidence is found that granting any of the ACRs has resulted in the degradation of potable water quality or quantity. This letter must be kept on file for as long as these ACRs are valid, and made available to TCEQ staff upon request.

Mr. David M. Smith, P.E.

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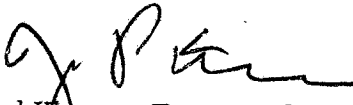
April 3, 2013

Please note that this ACR is not intended to waive compliance with any other TCEQ requirement in 30 TAC Chapter 290. This ACR cannot be used as a defense in any enforcement action resulting from noncompliance with any other requirement of 30 TAC Chapter 290.

If you have any questions concerning this letter, please contact Bill Melville, P.E., by email at [Bill.Melville@tceq.texas.gov](mailto:Bill.Melville@tceq.texas.gov), or by telephone at (512) 239-4729, or by correspondence at the following address:

Technical Review & Oversight Team (MC 159)  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

Sincerely,



Joel Klumpp, Team Leader  
Technical Review & Oversight Team  
Plan & Technical Review Section  
Water Supply Division

JPK/WRM

cc: TCEQ Dallas/Fort Worth Regional Office – R4  
Mr. Butch Hardie, President, Texas H<sub>2</sub>O, P.O. Box 613, Mansfield TX 76063-0613