

Section 3.2 Authority of Buyer. Buyer is duly organized, validly existing and in good standing under the laws of the State of Texas, and Buyer has all requisite legal power and authority to enter into, execute and deliver this Agreement and to perform the obligations to be performed by Buyer hereunder and thereunder, respectively. The execution, delivery and compliance by Buyer with the terms of this Agreement and the documents contemplated hereby to be executed by Seller and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all necessary legal action by Buyer. This Agreement has been duly executed and delivered by Buyer and this Agreement constitutes, and the documents contemplated hereby to be executed by Buyer upon their execution and delivery as herein provided will constitute, the legal, valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms.

Section 3.3 No Conflicts. The execution and delivery of this Agreement do not, and compliance by Buyer with the terms hereof and consummation by Buyer of the transaction contemplated hereby will not, violate or conflict with any existing term or provision of any law, statute, ordinance, rule, regulation, order, writ, judgment, injunction or decree applicable to Buyer or conflict with or result in a breach of or default under any of the terms, conditions or provisions of any agreement or instrument to which a Buyer is a party or otherwise subject.

ARTICLE 4 NOTICES

All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly received, if so given) by facsimile transmission, personal delivery or reliable overnight courier service such as UPS or Federal Express for delivery on the next business morning, to the parties at the following addresses, with copies by email as provided below:

If to Buyer, to:

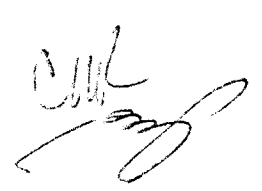
NERRO SUPPLY, LLC
c/o Black Swan Water Resources, LLC
718 Westcott Street
Houston, TX 77007
Attn: Gregory Pappas
Fax: (713) 526-9810
Email: pappas@blackswanrep.com

PHW



With a copy to:

Hughes Arrell Kinchen LLP
Norfolk Tower
2211 Norfolk, Suite 1110
Houston, TX 77098
Attn: Greg Arrell
Fax: (713) 942-2266
Email: garrell@hakllp.com



Contract of Sale

If to Seller, to:

BRAZOS VALLEY SEPTIC & WATER, INC.
3033 Cain Road
College Station, Texas 77845
Attn: Mr. Charles M. Rutledge
Fax: 979-764-8775
Email: bvseptic@yahoo.com

With a copy to:

Mark Zeppa
Law Offices of Mark H. Zeppa, P.C.
4833 Spicewood Springs Road, Suite 202
Austin, TX 78759
Fax: 512 346-6847
Email: markzeppa@austin.tx.com

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Any party from time to time may change its address for the purpose of notices to that party by giving a similar notice specifying a new address, but no such notice shall be deemed to have been given until it is actually received by the party sought to be charged with the contents.

ARTICLE 5
DEFAULTS; CLOSING CONDITIONS

Section 5.1 Remedies for Default. (a) If Buyer defaults on its obligation to purchase the Assets hereunder, Seller's sole remedy shall be to retain the Earnest Money as liquidated damages, it being agreed that Seller's damages in case of Buyer's default might be impossible to ascertain and that the Earnest Money constitutes a fair and reasonable amount of damages under the circumstances and is not a penalty.

(b) If Seller defaults on its obligation to purchase the Assets hereunder, Buyer shall have such remedies as Buyer shall be entitled to at law or in equity including but not limited to specific performance.

Section 6.2 Conditions to Closing. All of Seller's obligations hereunder are expressly conditioned upon Buyer having performed, observed and complied with all material covenants, agreements, and conditions required of this Agreement to be performed, observed and complied with on its part prior to or as of the Purchase Closing hereunder, and upon Buyer's representations and warranties set forth herein being true and accurate in all material respects as of the date of Purchase Closing. All of Buyer's obligations hereunder are expressly conditioned upon Seller having performed, observed and complied with all material covenants, agreements, and conditions required of this Agreement to be performed, observed and complied with on its part prior to or as of the Purchase Closing hereunder, and upon Seller's representations and warranties set forth herein being true and accurate in all material respects as of the date of Purchase Closing. In the event any condition to Seller's obligation to proceed with the Closing is not satisfied, Seller may elect to terminate this Agreement, at Seller's option, in which case the Earnest Money shall be immediately returned to Buyer. In the event any condition to Buyer's obligation to proceed with the Closing is not satisfied, Buyer may elect to terminate this Agreement, at Buyer's option, in which case the Earnest Money shall be immediately returned to Buyer.

Ch. Rutledge
4/18/2014

ARTICLE 6 MISCELLANEOUS

Section 6.1 Incorporation of Schedules and Appendices: Entire Agreement. The appendices and schedules attached hereto are an integral part of this Agreement and are incorporated herein by this reference and the specific references thereto contained herein. This Agreement supersedes all prior discussions and agreements among the parties with respect to the subject matter of this Agreement, and this Agreement, including the appendices and schedules to be delivered in connection herewith, contains the sole and entire agreement among the parties hereto with respect to the subject matter hereof.

Section 6.2 Waiver. Any term or condition of this Agreement may be waived at any time by the party which is entitled to the benefit thereof; such waiver shall be in writing and shall be executed by the chairman, president or a vice president of each of the parties, as applicable. A waiver on one occasion shall not be deemed to be a waiver of the same or any other matter on a future occasion.

Section 6.3 Amendment. This Agreement may be modified or amended only by a writing duly executed by or on behalf of all the parties hereto.

Section 6.4 Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Section 6.5 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 6.6 Governing Law. This Agreement and all rights and obligations hereunder, including matters of construction, validity and performance shall be governed by the laws of the State of Texas without giving effect to the principles of conflicts of laws thereof.

Section 6.7 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; *provided, however*, that this Agreement or any right or part hereunder shall not be voluntarily assigned by either party hereto without the prior written consent of the other party hereto.

Section 6.8 Further Assurances. Seller, on the one hand, and Buyer, on the other hand, at any time after the Closing Date, will promptly execute, acknowledge and deliver any further deeds, assignments, conveyances and other assurances, documents and instruments of transfer, reasonably requested by the other parties and necessary to comply with the representations, warranties and covenants contained herein and will take any action consistent with the terms of this Agreement that may reasonably be requested by the other parties for the purpose of assigning, transferring, granting, conveying, vesting and confirming ownership in or to Buyer, or reducing to Buyer's possession, any or all of the Assets and the Assumed Contracts.

Section 6.9 Exclusivity of Remedies. The parties hereto have voluntarily agreed to define their rights, liabilities and obligations respecting the subject matter of this Agreement exclusively in contract pursuant to the express terms and provisions of this Agreement. Furthermore, the parties each hereby acknowledge that this Agreement embodies the justifiable expectations of sophisticated parties derived from arm's length negotiations; and all parties to this Agreement specifically acknowledge that no party has any special relationship with another party that would justify any expectations beyond that of any ordinary buyer and an ordinary seller in an arm's length transaction.

Section 6.10 Effective Date. The Effective Date of this Agreement shall be the date a fully executed copy hereof is receipted by the Seller.

Section 6.11 Assignment. Buyer may assign its interest in this Agreement to any entity in which Buyer (or an affiliate thereof) owns an equity interest. As used in this section, "affiliate" shall mean any entity controlling, controlled by, or under common control with Buyer.

Section 6.12 Condemnation. If at any time prior to the date of Purchase Closing greater than 5% of the area of the Property is condemned or taken (or threatened in writing to be condemned or taken) by eminent domain proceeding by any public authority, then at Buyer's option, which must be exercised in writing within five (5) business days after notice of such taking or threatened taking (and Seller shall be obligated to promptly deliver such notice), this Agreement shall terminate, and the Earnest Money shall be refunded to Buyer, and except as expressly set forth herein, neither party shall have any further liability or obligation to the other hereunder. If (a) Buyer elects not to terminate this Agreement, and the Property had a condemnation action with respect to 5% or greater of its respective area, or (b) if less than 5% of the area of the Property is affected, the parties shall proceed to the Purchase Closing without a reduction in the Purchase Price and all condemnation proceeds paid or payable to Seller shall belong to Buyer and shall be paid over and assigned to Buyer at Closing.

Section 6.13 Damage and Destruction. If, at any time prior to the date of Purchase Closing, a material portion of the Property is destroyed or damaged as a result of fire or any other casualty, then at Buyer's option which must be exercised in writing within five (5) business days after notice of such damage or destruction (and Seller shall be obligated to promptly deliver such notice), this Agreement shall terminate, the Earnest Money shall be returned to Buyer, and except as expressly set forth herein, neither party shall have any further liability or obligation to the other hereunder. For purposes hereof, the term "material" shall be deemed to be either (i) a damage or destruction in excess of \$50,000.00 or (ii) any damage or destruction which is not covered by Seller's insurance (other than Seller's reasonable deductible), unless Seller agrees to pay for such uninsured damage. If less than a material portion of the Property is damaged or destroyed, or if a material portion of the Property is damaged or destroyed and Buyer elects not to terminate this Agreement, the parties shall proceed to the Closing without reduction in the Purchase Price other than by the amount of the deductible under Seller's insurance policy and all insurance proceeds paid or payable to Seller shall belong to Buyer and shall be paid over and assigned to Buyer when available.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

SELLER:

BRAZOS VALLEY SEPTIC & WATER, INC., a
Texas corporation

By: Charles M. Rutledge
Name: Charles M. Rutledge
Title: President

BUYER:

NERRO SUPPLY, LLC, a Texas limited liability
company

By: BlackSwan Water Resources, LLC, Its
Member

By: Gregory Pappas
Name: Gregory Pappas
Title: Chairman

A fully executed copy of this Agreement has been received by the undersigned on this
____ day of _____, 2014 (the "Effective Date").

ALAMO TITLE COMPANY, a Texas corporation

By: _____
Name: Chris Underbrink
Title: Vice President

Schedule 1.1

(List of Assets; Legal Description of Property)

EXHIBIT A

BILL OF SALE

[Need to see]

BRAZOS VALLEY SEPTIC & WATER, INC., a
Texas corporation

By: _____

Name: Charles M. Rutledge

Title: President

Contract of Sale

Exhibit B

Special Warranty Deed

RECORD & RETURN TO:
NERRO SUPPLY, LLC

718 Westcott Street
Houston, TX 77007

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

BRAZOS VALLEY SEPTIC & WATER, INC., a Texas corporation ("**Grantor**"), in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration in hand paid by NERRO SUPPLY, LLC, a Texas limited liability company ("**Grantee**"), the receipt and sufficiency of which are hereby acknowledged, hereby GRANTS, BARGAINS, SELLS and CONVEYS unto Grantee the real property located in Walker County, Texas, which is more particularly described on **Exhibit "A-1"** attached hereto and made a part hereof, together with all and singular, all of Grantor's right, title and interest in and to any and all rights, benefits, privileges, easements, tenements, and appurtenances thereon, and together with all of Grantor's right, title and interest in and to the structures, fixtures and improvements, located thereunder and thereon (collectively called the "**Property**"), subject to, however, those matters set forth in **Exhibit "B-1"** attached hereto and made a part hereof to the extent valid, in existence and affecting the Property (said exceptions being called the "**Permitted Exceptions**").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors, legal representatives and assigns forever. Grantor does hereby bind itself, and its legal representatives and successors to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee, its successors, legal representatives and assigns, against every person whomever lawfully claiming or to claim the same or any part thereof, by or under Grantor, but not otherwise, and subject to the Permitted Exceptions.

IN WITNESS WHEREOF, Grantor has executed this deed to be effective as of the _____ day of _____, 2014.

GRANTOR:

BRAZOS VALLEY SEPTIC & WATER, INC., a Texas corporation

By: _____
Name: Charles M. Rutledge

Title: President

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me on _____, 2014, by Charles M. Rutledge, the President of BRAZOS VALLEY SEPTIC & WATER, INC., a Texas corporation, on behalf of said corporation.

Notary Public in and for
the State of _____

Printed Name of Notary

My Commission Expires: _____

Attachments:

Exhibit "A" - Legal Description

Exhibit "B" - Permitted Exceptions

Contract of Sale

EXHIBIT "A-1"
LEGAL DESCRIPTION

EXHIBIT "B-1"
PERMITTED EXCEPTIONS

15. List all neighboring water and /or sewer utilities, cities, and political subdivisions providing the same service within two (2) miles of area affected by this proposed transaction.

List of Neighboring Utilities

CCN NO. 11340 & 21045
WELLBORN SUD
PO BOX 250
WELLBORN, TX 77881

CCN NO. 11544
WICKSON CREEK SUD
PO BOX 4756
BRYAN, TX 77805-4756

CCN NO. 10187 & 20136
CITY OF BRYAN
PO BOX 1000
BRYAN, TX 77805-1000

CCN NO. 20740
SYED HYDER (DBA) RIVER SIDE
WWTP
717B UNIVERSITY DR
COLLEGE STATION, TX 77840

CCN NO. 10177
DEANVILLE WSC
PO BOX 153
DEANVILLE, TX 77852-0153

CCN NO. 12686
POST OAK HILL WSC
RR 1 BOX 924
SOMERVILLE, TX 77879

CCN NO. 11699
WILDERNESS SOUND
2714 FINFEATHER
BRYAN, TX 77801

CCN NO. 12254
CURTIS J SHUPAK
7575 FM 60 W
SOMERVILLE, TX 77879-4000

CCN NO. 13144
BURLESON COUNTY MUD 1
RT 1 BOX 319
SOMERVILLE, TX 77879

CCN NO. 11461
BIRCH CREEK RECREATION WSC
107 LAKE DR STE 200
SOMERVILLE, TX 77879-6382

CCN NO. 11738
CLARA HILLS CIVIC ASSOCIATION
PO BOX 358
LYONS, TX 77863

CCN NO. 20127
CITY OF SOMERVILLE
P.O. BOX 159
SOMERVILLE, TX 77879

CCN NO. 10011
MILANO WSC
PO BOX 181
MILANO, TX 76556

CCN NO. 11329
TUNIS WSC
RT 2 BOX 253
CALDWELL, TX 77836

CCN NO. 10330
BETHANY HEARNE WSC
5454 FM 2549
HEARNE, TX 77859

CCN NO. 10189
LYONS WSC
PO BOX 407
LYONS, TX 77863

N0055
WOODLANDS WEST WATER SYSTEM
PO BOX 317
LYONS, TX 77863-0017

BRAZOS RIVER AUTHORITY
P.O. BOX 7555
WACO, TX 76714

COUNTY OF BRAZOS
300 E. 26TH STREET
SUITE 120
BRYAN, TEXAS 7780

COUNTY OF BURLESON
100 WEST BUCK
CALDWELL, TX 77836

COUNTY OF ROBERTSON
P. O. BOX 1029
FRANKLIN, TX 77856

**16. Financial, Managerial and
Technical information for the
acquiring entity.**

Nerro Supply, LLC
Profit and Loss
January - December 2013

	<u>Total</u>
Income	
IOU Revenue	
Water Revenue - IOU	629,233.93
Total IOU Revenue	\$ 629,233.93
KBR Facility	144,864.00
Parking Lot Rental	550.00
Wildwood Standby Fees	160,523.01
Total Income	\$ 935,170.94
Cost of Goods Sold	
50100 Operations	88,738.23
Phone Tree	0.00
Sewer Operations	82,251.54
Water Operations	131,170.17
Total 50100 Operations	\$ 302,159.94
50200 Operations - Other Services	
Disconnects/Reconnects - IOUs	2,040.00
Mailing & Postage	3,765.17
Meter Reading	22,320.54
Mowing	8,760.00
Total 50200 Operations - Other Services	\$ 36,885.71
50300 Chemicals	
Chemicals - KBR	5,198.28
Chemicals - WasteWater Plants	8,099.87
Chemicals - Water Plants	11,068.92
Total 50300 Chemicals	\$ 24,367.07
50400 Lab Fees	
Lab Fees - Bay Ridge WWTP	8,656.29
Lab Fees - KBR	27,488.28
Wastewater	5,738.75
Water Lab Fees	11,168.54
Total 50400 Lab Fees	\$ 53,051.86
50500 Plant Utilities	-1,472.72
Allendale	2,208.20
Bayridge LS	3,569.02
Bayridge Water	2,414.10
Bayridge WWTP	11,107.49
Hillgreen	2,463.47
KBR Plant Utilities	10,289.36
Loch Ness	2,902.23
Lost Lakes	936.68
Oaks at Houston LS	964.77
Oaks at Houston Water	4,147.90
Pine BLVD-WaterWell	2,686.00
Plant Utilities-Wildwood	1,953.00
River Club	929.99
River Ridge	507.22

Riverwood	4,499.50
Twin Lakes WWTP 1	5,869.00
Twin Lakes-WWTP 2	724.00
Woodhaven	3,185.00
Total 50500 Plant Utilities	\$ 59,884.21
54000 Repairs	
Wastewater Repairs	48,187.47
Water Repairs	56,893.54
Total 54000 Repairs	\$ 105,081.01
55000 Property Taxes	2,828.49
Sludge Haul	10,919.96
Water Fee	2,425.21
KBR Water Fee	2,133.71
Late Payment Penalty	101.03
Permits and Licenses	9,400.86
SJRA Pumpage Fee	11,361.05
Water Application Fee	500.00
Total Water Fee	\$ 25,921.86
Total Cost of Goods Sold	\$ 621,100.11
Gross Profit	\$ 314,070.83
Expenses	
60000 Advertising and Promotion	0.00
60400 Bank Service Charges	1,299.24
64700 Miscellaneous Expense	52.13
64900 Office Expense	168.92
66700 Professional Fees	2,350.00
66800 Utilities	3,468.02
Total Expenses	\$ 7,338.31
Net Operating Income	\$ 306,732.52
Other Income	
MOP Income/(Expense)	-30,000.00
Total Other Income	-\$ 30,000.00
Other Expenses	
Franchise Taxes	4,152.03
Interest Expense	33,942.00
Timing Adjustments	-35,840.16
Total Other Expenses	\$ 2,253.87
Net Other Income	-\$ 32,253.87
Net Income	\$ 274,478.65

Thursday, Apr 24, 2014 12:27:43 PM PDT GMT-5 - Accrual Basis

Nerro Supply, LLC

Balance Sheet

As of December 31, 2013

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
BBVA Compass **7513	10,687.76
Total Bank Accounts	<u>\$ 10,687.76</u>
Accounts Receivable	
Accounts Receivable	62,890.81
Total Accounts Receivable	<u>\$ 62,890.81</u>
Other current assets	
12000 Undeposited Funds	0.00
12100 Inventory Asset (deleted)	0.00
Accounts Receivable-Standby Fees	46,119.47
Intercompany Balances	
Due (to)/from BSH2O	146,767.50
Due (to)/from BSWR	6,000.00
Due (to)/from GUS	-328,252.51
Total Intercompany Balances	<u>-\$ 175,485.01</u>
Total Other current assets	<u>-\$ 129,365.54</u>
Total Current Assets	<u>-\$ 55,786.97</u>
Fixed Assets	
1000 Land	260,386.38
Allendale .444 Acres	9,400.00
Allendale 33.6 Acres	13,281.00
Bayridge Sewer .5104 Acres	10,286.00
Bayridge Water .2010 Acres	4,054.00
Bayridge Water 50.7 Acres	18,765.00
Hillgreen .444 Acres	9,400.00
Hillgreen 33.6 Acres	13,281.00
KBR .46 Acres	29,978.00
KBR 5 Acres	13,351.00
Loch Ness Cove .444 Acres	9,400.00
Loch Ness Cove 33.6 Acres	13,281.00
Oaks Grande .3150 Acres	6,353.00
Oaks Grande 50.7 Acres	18,764.00
Oaks of Houston .51 Acres	51,086.00
Oaks of Houston 38 Acres	68,217.90
River Club .444 Acres	9,399.00
River Club 33.6 Acres	13,280.00
Riverwood .3340 Acres	6,737.00
Riverwood 50.6 Acres	18,746.00
Wildwood Tract 1	47,959.35
Wildwood Tract 2	72,406.00
Wildwood Tract 3	1,625.00
Woodhaven .444 Acres	9,399.00
Woodhaven 33.6 Acres	13,279.17
Total 1000 Land	<u>\$ 742,114.80</u>

1200 Depreciable Assets	
Blowers	19,442.00
Ground Storage Tanks	121,691.00
Lift Stations	100,809.00
Pressure Tanks	72,179.00
Pump House Bldgs/Misc/Fence	115,210.00
Sewage Collection Lines/Taps	468,761.58
Sewage Treatment Plants	360,032.00
System Improvements-Allendale	1,936.60
System Improvements-Bayridge	55,047.54
System Improvements-KBR	14,731.65
System Improvements-Lochness	3,624.00
System Improvements-Wildwood	6,764.77
Water Distribution Lines	391,714.00
Water Meters	69,342.00
Wells & Well Head Equipment	252,023.00
Wildwood Estates Sewer System	151,374.00
Wildwood Estates Site Improve.	4,605.75
Wildwood Estates Water System	139,687.00
	<hr/>
Total 1200 Depreciable Assets	\$ 2,348,974.89
Accumulated Depreciation	-122,106.00
H2O Company Purchase	0.00
	<hr/>
Total Fixed Assets	\$ 2,968,983.69
Other Assets	
Intangible Assets	
Accumulated Amortization	0.00
Goodwill & Customer Base	600,000.00
Total Intangible Assets	\$ 600,000.00
Security Deposit	2,210.00
Total Other Assets	\$ 602,210.00
	<hr/>
TOTAL ASSETS	\$ 3,515,406.72
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	30,702.45
Total Accounts Payable	\$ 30,702.45
Other Current Liabilities	
2110 Direct Deposit Liabilities	0.00
25500 Sales Tax Payable	0.00
Accrued Liabilities (deleted)	0.00
Due To GUS - Intercompany Payab	0.00
HUI Acquisiton Remaining Balanc	0.00
Note Payable to C. Peterson	0.00
Other Liabilities	100.00
PayClix ACH eCheck Fees Payable	0.00
Regulatory Assess-TCEQ Payable	7,371.56
Water Deposits	19,759.02

Total Other Current Liabilities	<u>\$ 27,230.58</u>
Total Current Liabilities	<u>\$ 57,933.03</u>
Long-Term Liabilities	
Note Payable to T&I Taylor	0.00
Payable to Blackswan	0.00
Total Long-Term Liabilities	<u>\$ 0.00</u>
Total Liabilities	<u>\$ 57,933.03</u>
Equity	
32000 Retained Earnings	0.00
Members Equity	
30300 Member Draws-Blackswan	-412,335.12
30400 Member Equity-Blackswan	3,195,330.16
30500 Member Equity-T Taylor (10%)	0.00
30600 Member Draws-T Taylor (10%)	0.00
Partner Loan - Fant Investments	300,000.00
Partner Loan - G Pappas	<u>100,000.00</u>
Total Members Equity	<u>\$ 3,182,995.04</u>
Net Income	<u>274,478.65</u>
Total Equity	<u>\$ 3,457,473.69</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 3,515,406.72</u>

Thursday, Apr 24, 2014 12:35:03 PM PDT GMT-5 - Accrual Basis

17. C. Comprehensive Compliance Evaluation Investigations

Texas Commission on Environmental Quality

Investigation Report

Jim Donahue DBA D And S Water Services
CN602309890

APACHE HILLS

RN102686706

Investigation # 989688

Incident #

Investigator: GILBERT ANGELLE

Site Classification

GW <=50 CONNECTION

Conducted: 02/29/2012 -- 02/29/2012

No Industry Code Assigned

Program(s): PUBLIC WATER
SYSTEM/SUPPLY

Investigation Type : Compliance Invest File Review

Location :

Additional ID(s) : 0260019

RECEIVED

Address: ; ,

Activity Type :

APR 19 2012

TCEQ
CENTRAL FILE ROOM

Principal(s) :

Role

Name

RESPONDENT

JIM DONAHUE DBA D AND S WATER SERVICES

Contact(s) :

Role

Title

Name

Phone

Other Staff Member(s) :

Role

Name

Supervisor

MARK OLIVER

Associated Check List

Checklist Name

Unit Name

COMPLIANCE WITH RESOLUTION RECORD
REVIEW

Cause No. 97-13620 No. 2

COMPLIANCE WITH RESOLUTION RECORD
REVIEW

Cause No. 97-13620 No. 1

COMPLIANCE WITH RESOLUTION RECORD
REVIEW

Cause No. 97-13620 No. 3

Investigation Comments :

Investigation to resolve violations associated to Court Order Cause No. 97-13620. The appointment of a receiver was granted by the Court Order to operate and maintain the water system. A record review of iWUD database documented a change in ownership of the water system. The Court Order will be closed when the violations associated to the resolution are resolved.

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 115221

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.45(b)(1)(E)

ORDER , Docket No. 94-0753-UCR, Item No. 44

Item No. 44 of the Order required Defendant to install pressure tank capacity as provided in 30 Tex. Admin. Code Chapter 290.45(b)(1)(E) by no later than June 7, 1995, at the Apache Hills System. That rule requires a pressure tank capacity of not less than 20 gallons per connection.

Alleged Violation:

Investigation: 150657

Comment Date: 08/18/2003

Item No. 44 of the Order required Defendant to install pressure tank capacity as provided in 30 Tex. Admin. Code Chapter 290.45(b)(1)(E) by no later than June 7, 1995, at the Apache Hills System. That rule requires a pressure tank capacity of not less than 20 gallons per connection.

Investigation: 989688

Comment Date: 02/29/2012

Failure to install pressure tank capacity as provided in 30 Tex. Admin. Code Chapter 290.45(b)(1)(E) by no later than June 7, 1995, at the Apache Hills System. That rule requires a pressure tank capacity of not less than 20 gallons per connection.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 115228

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.46(p)(1)

ORDER , Docket No. 94-0753-UCR, Item No. 37

Item No. 37 of the Order provided that Defendant was to conduct the annual inspection of the storage tank at the Apache Hills System as required by 30 Tex. Admin. Code Chapter 290.46(p)(1). That rule requires that either water system personnel or a contracted inspection service inspect ground storage tanks to ensure that the vents are in place and properly screened, the roof hatches are closed and closed, flap valves and gasketing provide adequate protection against insects, rodents, etc.

Alleged Violation:

Investigation: 150657

Comment Date: 08/18/2003

Item No. 37 of the Order provided that Defendant was to conduct the annual inspection of the storage tank at the Apache Hills System as required by 30 Tex. Admin. Code Chapter 290.46(p)(1). That rule requires that either water system personnel or a contracted inspection service inspect ground storage tanks to ensure that the vents are in place and properly screened, the roof hatches are closed and closed, flap valves and gasketing provide adequate protection against insects, rodents and other vermin, the interior and exterior coating systems are continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition. The Order required Defendant to have completed this inspection by December 9, 1994. Under the rule the results of these inspections must be recorded and maintained for at least five years and made available for review by TNRCC staff.

Investigation: 989688

Comment Date: 02/29/2012

Failure to require either water system personnel or a contracted inspection service inspect ground storage tanks to ensure that the vents are in place and properly screened, the roof hatches are closed and closed, flap valves and gasketing provide adequate protection against insects, rodents and other vermin, etc

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 115259

Resolution Status Date: 2/29/2012

Violation Start Date: 12/19/1996 Violation End Date: 11/6/2006

30 TAC Chapter 290.46(p)(1)

ORDER , Docket No. 94-0753-UCR, Item No. 37

Item No. 37 of the Order provided that Defendant was to conduct the annual inspection of the storage tank at the Apache Hills System as required by 30 Tex. Admin. Code Chapter 290.46(p)(1). That rule requires that either water system personnel or a contracted inspection service inspect ground storage tanks to ensure tht the vents are in place and properly screened, the roof hatches are closed and closed, flap valves and gasketing provide adequate protection against insects, rodents and other ve

Alleged Violation:

Investigation: 150689

Comment Date: 08/18/2003

Item No. 37 of the Order provided that Defendant was to conduct the annual inspection of the storage tank at the Apache Hills System as required by 30 Tex. Admin. Code Chapter 290.46(p)(1). That rule requires that either water system personnel or a contracted inspection service inspect ground storage tanks to ensure tht the vents are in place and properly screened, the roof hatches are closed and closed, flap valves and gasketing provide adequate protection against insects, rodents and other vermin, the interior and exterior coating systems are continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition. The Order required Defendant to have completed this inspection by December 9, 1994. Under the rule the results of these inspections must be recorded and maintained for at least five years and made available for review by TNRCC staff.

Investigation: 989688

Comment Date: 02/29/2012

Failure to conduct the annual inspection of the storage tank at the Apache Hills System as required by 30 Tex. Admin. Code Chapter 290.46(p)(1) That rule requires that either water system personnel or a contracted inspection service inspect ground storage tanks.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 115263

Resolution Status Date: 2/29/2012

Violation Start Date: 12/19/1996 Violation End Date: 11/6/2006

30 TAC Chapter 290.41(c)(1)(F)

ORDER , Docket No. 94-0753-UCR, Item No. 51

Item 51 of the Order to provide sanitary easements, as described in detail in paragraph 5 A.4 in the Order which was to be completed by December 7, 1995

Alleged Violation:

Investigation: 150689

Comment Date: 08/18/2003

Item 51 of the Order to provide sanitary easements, as described in detail in paragraph 5.A.4 in the Order which was to be completed by December 7, 1995.

Investigation: 989688

Comment Date: 02/29/2012

Failure to provide sanitary easements, as described in detail in paragraph 5 A.4 in the Order which was to be completed by December 7, 1995.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006

Track No: 115270

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997 Violation End Date: 11/6/2006

30 TAC Chapter 290.46(f)(2)

ORDER , Docket No. 94-0753-UCR, Item No. 1

Item No. 1 in the Order required Defendant to test the disinfectant residual in the distribution system every seven days and to maintain the test results for at least three years as required by TNRCC Rule 290.46(f)(2)(B).

Alleged Violation:

Investigation: 150695

Comment Date: 08/18/2003

Item No. 1 in the Order required Defendant to test the disinfectant residual in the distribution system every seven days and to maintain the test results for at least three years as required by TNRCC Rule 290.46(f)(2)(B).

Investigation: 989688

Comment Date: 02/29/2012

Failure to test the disinfectant residual in the distribution system every seven days and to maintain the test results for at least three years as required by TNRCC Rule 290.46(f)(2)(B).

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116616

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.113

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to maintain the levels of chloride concentration below the maximum permissible levels for this constituent (300 mg/l).

Investigation: 989688

Comment Date: 02/29/2012

Failure to maintain the levels of chloride concentration below the maximum permissible levels for this constituent (300 mg/l).

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116618

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.113

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to maintain the levels of sulfate concentration below the maximum permissible levels for this constituent (300 mg/l).

Investigation: 989688

Comment Date: 02/29/2012

Failure to maintain the levels of sulfate concentration below the maximum permissible levels for this constituent (300 mg/l).

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116619

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.113

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to maintain the levels of total dissolved solids concentration below the maximum permissible levels for this constituent (1,000 mg/l).

Investigation: 989688

Comment Date: 02/29/2012

Failure to maintain the levels of total dissolved solids concentration below the maximum permissible levels for this constituent (1,000 mg/l).

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116621

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.113

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to maintain the levels of manganese concentration below the maximum permissible levels for this constituent (0.05 mg/l).

Investigation: 989688

Comment Date: 02/29/2012

Failure to maintain the levels of manganese concentration below the maximum permissible levels for this constituent (0.05 mg/l).

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116625

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.45

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to have two or more service pumps with a total capacity of 2.0 gallons per minute per connection.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have two or more service pumps with a total capacity of 2.0 gallons per minute per connection.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116630

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.46(p)
30 TAC Chapter 290.46(p)(2)**Alleged Violation:**

Investigation: 150657

Comment Date: 08/21/2003

Failure to conduct the annual inspections of the pressure tanks, to maintain the results of such inspections for at least five years, and to make such records available for review by TNRCC staff during inspections of the system.

Investigation: 989688

Comment Date: 02/29/2012

Failure to conduct the annual inspections of the pressure tanks, to maintain the results of such inspections for at least five years, and to make such records available for review by TNRCC staff during inspections of the system.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116634

Resolution Status Date: 3/5/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.43(d)(2)

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to have a an accurate and easily readable pressure gauge equipped on the pressure tank.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have a an accurate and easily readable pressure gauge equipped on the pressure tank.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116640

Resolution Status Date: 2/29/2012

Violation Start Date: 11/29/1995 Violation End Date: 11/6/2006

30 TAC Chapter 290.46

Alleged Violation:

Investigation: 150657

Comment Date: 08/21/2003

Failure to have electrical wiring at the water system installed in a securely mounted conduit in compliance with a local or national electrical code.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have electrical wiring at the water system installed in a securely mounted conduit in compliance with a local or national electrical code.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006

Track No: 116682

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.43(c)(2)

Alleged Violation:

Investigation: 150695

Comment Date: 08/21/2003

Failure to have roof hatches at facilities for potable water storage with suitable gaskets to obtain a positive seal when the hatch is closed.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have roof hatches at facilities for potable water storage with suitable gaskets to obtain a positive seal when the hatch is closed.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116690

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.46(t)

Alleged Violation:

Investigation: 150695

Comment Date: 08/21/2003

Failure to maintain all water storage facilities, distribution system lines and related appurtenances in a watertight condition.

Investigation: 989688

Comment Date: 02/29/2012

Failure to maintain all water storage facilities, distribution system lines and related appurtenances in a watertight condition.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116693

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.46(f)(1)

Alleged Violation:

Investigation: 150695

Comment Date: 08/21/2003

Failure to maintain a minimum disinfectant residual of free chlorine of 0.2 mg/l in the far reaches of the distribution system at all times.

Investigation: 989688

Comment Date: 02/29/2012

Failure to maintain a minimum disinfectant residual of free chlorine of 0.2 mg/l in the far reaches of the distribution system at all times.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116699

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.41(c)(3)(K)**Alleged Violation:**

Investigation: 150695

Comment Date: 08/21/2003

Failure to have a well casing vent with an opening that is covered with 16-mesh or finer corrosion-resistant screen, faced downward, elevated and located so as to minimize the drawing of contaminants into the well.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have a well casing vent with an opening that is covered with 16-mesh or finer corrosion-resistant screen, faced downward, elevated and located so as to minimize the drawing of contaminants into the well.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116703

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.43(c)(1)

Alleged Violation:

Investigation: 150695

Comment Date: 08/21/2003

Failure to have roof vents screened with corrosion-resistant material 16-mesh or finer to prevent entry of animals, birds, insect and heavy air contaminants.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have roof vents screened with corrosion-resistant material 16-mesh or finer to prevent entry of animals, birds, insect and heavy air contaminants.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116706

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 150695

Comment Date: 08/21/2003

Failure to have a maintenance program to facilitate cleanliness and improve the general appearance of plant facilities.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have a maintenance program to facilitate cleanliness and improve the general appearance of plant facilities.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116711

Resolution Status Date: 2/29/2012

Violation Start Date: 12/9/1997

Violation End Date: 11/6/2006

30 TAC Chapter 290.41(e)(3)(C)

Alleged Violation:

Investigation: 150695

Comment Date: 08/21/2003

Failure to have the barbed wire at the top to the fence tightened to be more intruder-resistant.

Investigation: 989688

Comment Date: 02/29/2012

Failure to have the barbed wire at the top to the fence tightened to be more intruder-resistant.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116715**Resolution Status Date:** 2/29/2012**Violation Start Date:** 12/9/1997**Violation End Date:** 11/6/2006**30 TAC Chapter 290.46(j)****Alleged Violation:**

Investigation: 150695

Comment Date: 08/21/2003

Failure to complete a customer service inspection certificate prior to providing continuous water service to new construction, on any existing service when the water purveyor has reason to believe that cross-connections or other unacceptable plumbing practices exist, or after any material improvement, correction, or addition to the private plumbing facilities.

Investigation: 989688

Comment Date: 02/29/2012

Failure to complete a customer service inspection certificate prior to providing continuous water service to new construction, on any existing service when the water purveyor has reason to believe that cross-connections or other unacceptable plumbing practices exist, or after any material improvement or correction.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 116718**Resolution Status Date:** 2/29/2012**Violation Start Date:** 12/9/1997**Violation End Date:** 11/6/2006**30 TAC Chapter 290.106****Alleged Violation:**

Investigation: 150695

Comment Date: 08/21/2003

Failure to do bacteriological monitoring of public water systems and failure to provide the results of such monitoring, including the sample collection locations, be made available to the TNRCC.

Investigation: 989688

Comment Date: 02/29/2012

Failure to do bacteriological monitoring of public water systems and failure to provide the results of such monitoring, including the sample collection locations, be made available to the TNRCC.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

Track No: 117218

Resolution Status Date: 3/2/2012

Violation Start Date: 12/30/1997 Violation End Date: 11/6/2006

30 TAC Chapter 290.117(c)

Alleged Violation:

Investigation: 151785

Comment Date: 08/22/2003

Failure that once a sample site selection form is submitted then the owner of the water system is then to actually undertake the sampling for lead and copper.

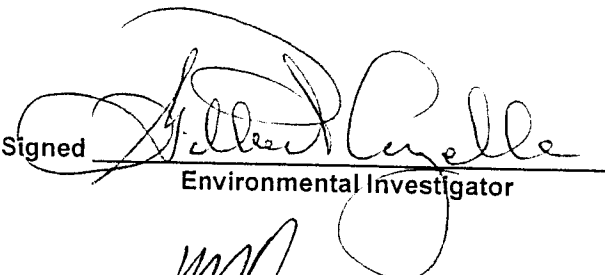
Investigation: 989688

Comment Date: 02/29/2012

Failure that once a sample site selection form is submitted then the owner of the water system is then to actually undertake the sampling for lead and copper.

Resolution: A new owner obtained the water system from a court appoint receiver. Ownership information was updated in iWUD database on November 6, 2006.

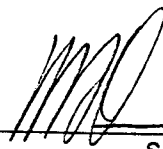
Signed


Environmental Investigator

Date

3/5/12

Signed


Supervisor

Date

3/28/12**Attachments: (in order of final report submittal)**☐ Enforcement Action Request (EAR)☐ Letter to Facility (specify type) : _____☐ Investigation Report☐ Sample Analysis Results☐ Manifests☐ NOR☐ Maps, Plans, Sketches☐ Photographs☐ Correspondence from the facility☐ Other (specify) : _____

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

nv



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 25, 2013

Mr. Charles M. Rutledge, President
Brazos Valley Septic & Water, Inc.
3033 Cain
College Station, Texas 77845

Re: Complaint Investigation at:
Benchley Oaks Subdivision public water supply, Bryan (Brazos County), Texas
Regulated Entity No.: RN102686292, TCEQ ID No.: PWS 0210039

Mr. Rutledge:

On August 22, 2013, Mr. Fred Logan of the Texas Commission on Environmental Quality (TCEQ) Waco Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for a public water supply. No violations are being alleged as a result of the investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Fred Logan in the Waco Regional Office at (254) 751-0335.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Monreal".

Richard Monreal
Water Section Manager
Waco Regional Office

RM/FL/gb

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

October 19, 2012

Mr. Charles M. Rutledge
Brazos Valley Septic and Water, Inc.
3033 Cain Road
Bryan, Texas 77845

Re: Complaint Investigation at:
Benchley Oaks public water supply, Brazos County, Texas
TCEQ ID No.: 0210039; RN102686292

Dear Mr. Rutledge:

On September 19, 2012, Mr. Rick Ciampi of the Texas Commission on Environmental Quality (TCEQ) Waco Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for a public water supply. No violations are being alleged as a result of the investigation, however, please see the enclosed Area of Concern.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Rick Ciampi in the Waco Regional Office at (254)751-0335.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Monreal".

Richard Monreal
Water and Waste Section Work Leader
Waco Regional Office

RM/RC/ps

BENCHLEY OAKS SUBDIVISION

Investigation #

1034532

Investigation Date: 09/19/2012

, BRAZOS COUNTY,

Additional ID(s): 0210039

AREA OF CONCERN

Track No: 479656

30 TAC Chapter 290.46(I)

Alleged Violation:

Investigation: 1034532

Comment Date: 10/15/2012

Failure to flush dead-end mains on a monthly basis.

All dead-end mains must be flushed at monthly intervals. Dead-end lines and other mains shall be flushed as needed if water quality complaints are received from water customers or if disinfectant residuals fall below acceptable levels as specified in §290.110 of this title.

During a September 19, 2012 complaint investigation and through compliance documentation (Monthly Operating Reports) submitted on October 8, 2012, it was noted that Brazos Valley Septic and Water Inc. has not been flushing their dead-end main on Magnolia Street, located in the Benchley Oaks Subdivision water system, on a monthly basis.

Resolution: On October 8, 2012 Brazos Valley Septic and Water Inc. submitted monthly operating reports demonstrating that since September 20, 2012, the dead-end main on Magnolia Street is being flushed.

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

August 30, 2011

Mr. Montel Rutledge, President
Brazos Valley Septic and Water, Inc.
3033 Cain Road
College Station, TX 77845-6268

RECEIVED

JUN 20 2012

TCEQ
CENTRAL FILE ROOM

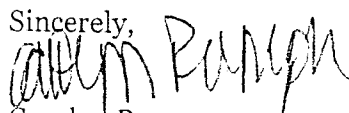
Re: Comprehensive Compliance Investigation at:
Lakeview North Marshall Oaks Water System, Lakeview Drive,
Caldwell (Burleson County), Texas
PWS ID No. 0260010; Regulated Entity No. 102682184

Dear Mr. Rutledge:

On June 23, 2011, Ms. Shea Cockrell of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water supply. No violations are being alleged as a result of the investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Ms. Cockrell in the Austin Region Office at (512) 339-2929.

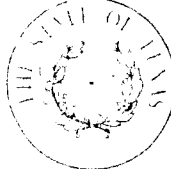
Sincerely,



Carolyn Runyon
Water Section Manager
Austin Region Office

CDR/sc

cc: Mr. Frank Burleson, Water Section Manager, TCEQ, Waco Region Office, 6801 Sanger Avenue, Suite 2500, Waco, Texas 76710-7826



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 16, 2012

**CERTIFIED MAIL 7011 1150 0001 4409 0048
RETURN RECEIPT REQUESTED**

Mr. Charles M. Rutledge, General Manager
Brazos Valley Septic & Water, Inc.
3033 Cain Road
College Station, Texas 77845-6268

Re: ~~Unresolved Alleged Violation for the Comprehensive Compliance Investigation at:~~
Somerville Place public water supply, Somerville, Burleson County, Texas
TCEQ ID No.: PWS 0260021, RN1026994106

Dear Mr. Rutledge:

The Texas Commission on Environmental Quality (TCEQ) Waco Regional Office has previously requested that you submit compliance documentation for the alleged violations noted during the investigation of the above-referenced facility conducted on February 16, 2012. We have received acceptable compliance documentation from you for all of the alleged violations except the one noted in the enclosed summary. Please be advised that you are responsible for correcting the remaining problem. The unresolved alleged violation will be placed in your file to be evaluated during any subsequent investigation.

If you or members of your staff have any questions regarding these matters, please feel free to contact Ms. Laura Fanestiel in the Waco Regional Office at (254) 751-0335.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Monreal", is placed below the word "Sincerely,".

Richard Monreal, R.S.
Water and Waste Section Work Leader
Waco Regional Office

RM/lf/ps

Enclosure: Summary of Unresolved Investigation Findings

SOMERVILLE PLACE

Investigation #

1002938
Investigation Date: 05/07/2012

, BURLESON COUNTY,

Additional ID(s): 0260021

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

Track No: 461038

Compliance Due Date: To Be Determined

30 TAC Chapter 290.43(c)(1)

Alleged Violation:

Investigation: 983676

Comment Date: 03/19/2012

Failure to properly screen the ground storage tank roof vent

Roof vents shall be gooseneck or roof ventilator and be designed by the engineer based on the maximum flow from the tank. Vents shall be installed in strict accordance with current AWWA standards and shall be equipped with approved screens to prevent entry of animals, birds, insects, and heavy air contaminants. Screens shall be fabricated of corrosion-resistant material and shall be 16-mesh or finer. Screens shall be securely clamped in place with stainless or galvanized bands or wires and shall be designed to withstand winds of not less than tank design criteria (unless specified otherwise by the engineer).

During an investigation on February 16, 2012, it was noted that roof venting on the ground storage tank did have a screen mesh. However, the screen was not 16-mesh or finer.

Investigation: 1002938

Comment Date: 05/08/2012

Failure to properly screen the ground storage tank roof vent.

During a May 8, 2012 file review, it was noted that Somerville Place PWS has not submitted compliance documentation that satisfactorily resolves the aforementioned violation. The submitted photograph demonstrates that the corrosion-resistant 16-mesh or finer screen is not securely clamped in place with stainless or galvanized bands or wires. Therefore this violation will not be resolved.

Recommended Corrective Action: The unresolved alleged violation will be placed in your file to be evaluated during any subsequent investigation.

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

Track No: 461300

30 TAC Chapter 290.43(c)(4)

Alleged Violation:

Investigation: 983676

Comment Date: 03/19/2012

Failure to maintain a functioning water level indicator for the ground storage tank.

All clearwells and water storage tanks shall have a liquid level indicator located at the tank site. The indicator can be a float with a moving target, an ultrasonic indicator, or a pressure gauge calibrated in feet of water. If an elevated tank or standpipe has a float with moving target indicator, it must also have a pressure indicator located at ground level. Pressure gauges must not be less than three inches in diameter and calibrated at not more than two-foot intervals. Remote reading gauges at the owner's treatment plant or pumping station will not eliminate the requirement for a gauge at the tank site unless the tank is located at the

During a February 16, 2012 investigation it was noted that the pressure gauge that measures the water level of the ground storage tank measured 7 ft of water, but when investigators inspected the roof access it was found that the tank had over 14 ft of water stored. Investigators concluded that the pressure gauge is malfunctioning.

Investigation: 1002938

Comment Date: 05/08/2012

Failure to maintain a functioning water level indicator for the ground storage tank.

During a May 8, 2012 file review, it was noted that adequate compliance documentation was received for this violation.

Resolution: On April 26, 2012, the TCEQ Waco Regional Office received compliance documentation from Mr. Montel Rutledge. The compliance documentation consisted of photograph illustrating working water level indicator has been installed. The compliance documentation demonstrates proper corrective action has been taken to resolve the alleged violation.

Track No: 461318**30 TAC Chapter 290.109(c)(1)(B)****Alleged Violation:**

Investigation: 983676

Comment Date: 03/19/2012

Failure to collect distribution coliform samples according to the monitoring plan.

Public water systems shall collect distribution coliform samples at locations specified in the system's monitoring plan.

During a February 16, 2012 investigation it was noted that the coliform samples records included samples taken from sites within the system that were not included in the sampling plan provided.

Investigation: 1002938

Comment Date: 05/08/2012

Failure to collect distribution coliform samples according to the monitoring plan.

During a May 8, 2012 file review, it was noted that adequate compliance documentation was received for this violation.

Resolution: On April 26, 2012, the TCEQ Waco Regional Office received compliance documentation from Mr. Montel Rutledge. The compliance documentation consisted of bacteriological samples for August 2011 through April 2012 has been taken according to the monitoring plan. The compliance documentation demonstrates proper corrective action has been taken to resolve the alleged violation.

Track No: 461324**30 TAC Chapter 290.121(a)****Alleged Violation:**

Investigation: 983676

Comment Date: 03/19/2012

Failure by the regulated entity to maintain an up-to-date chemical and microbiological monitoring plan

All public water systems shall maintain an up-to-date chemical and microbiological monitoring plan. Monitoring plans are subject to the review and approval of the executive director. A copy of the monitoring plan must be maintained at each water treatment plant and at a central location.

During a February 16, 2012 investigation it was noted that the system only had a

microbiological plan

. not the complete chemical and microbiologic

in required.

Investigation: 1002938

Comment Date: 05/08/2012

Failure by the regulated entity to maintain an up-to-date chemical and microbiological monitoring plan.

During a May 8, 2012 file review, it was noted that adequate compliance documentation was received for this violation.

Resolution: On April 26, 2012, the TCEQ Waco Regional Office received compliance documentation from Mr. Montel Rutledge. The compliance documentation consisted of an up-to-date chemical and microbiological monitoring plan, effective November 1, 2011. The compliance documentation demonstrates proper corrective action has been taken to resolve the alleged violation.

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

July 14, 2011

CERTIFIED MAIL 7009 2820 0003 4433 5592
RETURN RECEIPT REQUESTED

Mr. Charles Rutledge, General Manager
Brazos Valley Septic & Water, Inc.
3033 Cain Road
College Station, Texas 77845

A handwritten signature, possibly "RR", in dark ink.

RECEIVED

JUL 02 2012

TCEQ
CENTRAL FILE ROOM

Re: Unresolved Alleged Violation for Compliance Evaluation Investigation at:
Lakewood Estates public water supply, Brazos County
Regulated Entity No.: RN102677069, TCEQ ID No.: PWS 0210042

Dear Mr. Rutledge:

The Texas Commission on Environmental Quality (TCEQ) Waco Regional Office has previously requested that you submit compliance documentation for the alleged violations noted during the investigation of the above-referenced facility conducted on March 31, 2011. We have received acceptable compliance documentation from you for all of the alleged violations except the one listed in the enclosed summary. Please be advised that you are responsible for correcting the remaining problem. The unresolved alleged violation will be placed in your file to be evaluated during any subsequent investigation.

If you or members of your staff have any questions, please feel free to contact Mr. Fred Logan in the Waco Regional Office at (254) 751-0335.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard Monreal".

Richard Monreal, R.S.
Water and Waste Section Work Leader
Waco Regional Office

RM/fl/ps

Enclosure: Summary of Unresolved Investigation Findings

LAKWOOD ESTATES

Investigation # 933661

, BRAZOS COUNTY,

Investigation Date: 06/24/2011

Additional ID(s): 0210042

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

Track No: 431331 Compliance Due Date: To Be Determined
30 TAC Chapter 290.41(c)(1)(F)

Alleged Violation:

Investigation: 891378

Comment Date: 4/29/2011

Failure to provide a sanitary easement at the time of this investigation. A sanitary easement covering all property within 150 feet of the well location must be secured from landowners and recorded at the county courthouse to ensure that hazards will not develop in the well area. A copy of the recorded document must be submitted for our records. If an exception to this requirement is found to be necessary, such as for the water plant property, then a written request with supporting documentation must be submitted to the Commission for review. The water system may request an exception to these requirements by writing to TCEQ, Water Supply Division, Public Drinking Water Section, MC 155, P.O. Box 13087, Austin, TX 78711-3087; phone (512)239-6020. It was noted at the time of this investigation that the system does not have a sanitary control easement for the property adjacent to the well site.
Investigation: 933661
Comment Date: 7/7/2011

Failure to provide a sanitary easement at the time of this investigation. During the June 24, 2011, record review it was noted that the sanitary easement was not submitted.

Recommended Corrective Action: This outstanding alleged violation will be placed in your file to be evaluated during a subsequent investigation.

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

Track No: 431321
30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 891378

Comment Date: 4/29/2011

Failure to calibrate flow measuring devices that are required by §290.41(c)(3)(N) of this title. Well meters required by §290.41(c)(3)(N) of this title shall be calibrated at least once every three years. It was noted during this investigation that the well meter had not been calibrated in the last three years.
Investigation: 933661
Comment Date: 6/24/2011

Failure to calibrate flow measuring devices that are required by §290.41(c)(3)(N) of this title.

Resolution: On June 7, 2011, documentation was received at the Waco Regional Office that demonstrated compliance for this violation.

Track No: 431335**30 TAC Chapter 290.46(n)(3)****Alleged Violation:**

Investigation: 891378

Comment Date: 5/2/2011

Failure to maintain copies of well completion data such as well material setting data, geological log, sealing information (pressure cementing and surface protection), disinfection information, microbiological sample results, and a chemical analysis report of a representative sample of water from the well shall be kept on file for as long as the well remains in service. At the time of this investigation, the system did not have the well completion data.

Investigation: 933661

Comment Date: 7/7/2011

Failure to maintain copies of well completion data.

Resolution: On June 7, 2011, documentation was received at the Waco Regional Office that demonstrated compliance for this violation.

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

72 25/0260037/10

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
January 24, 2012

CERTIFIED MAIL 7009 2820 0003 4433 7121
RETURN RECEIPT REQUESTED

RECEIVED

MAY 25 2012

TCEQ
CENTRAL FILE ROOM

Mr. Charles M. Rutledge, Director
Brazos Valley Septic & Water, Inc.
3033 Cain Road
College Station, Texas 77845

Re: Notice of Violation for the Comprehensive Compliance Investigation at:
Little Oak Forest Subdivision, Lyons, Burleson County
Regulated Entity No.: RN102676202, TCEQ ID No.: PWS 0260037

Dear Mr. Rutledge:

On November 30, 2011, Mr. Rick Ciampi of the Texas Commission on Environmental Quality (TCEQ) Waco Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for a public water supply. 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 February 24, 2012 a written description of 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.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 either the Waco Regional Office at 254-751-0335 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 violations documented in this notice. Should you choose to do so, you must notify the Waco Regional Office within 10 days from the date of this letter. At that time, I will schedule a violation review meeting. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of the contested violations.

TCEQ Region 9 • 6801 Singer Ave., Ste. 2500 • Waco, Texas 76710-7826 • 254-751-0335 • Fax 254-772-9241

Austin Headquarters • 512-239-0000 • www.tceq.texas.gov • How is our customer service? www.tceq.texas.gov go to customer service

Summary of Investigation Findings

LITTLE OAK FOREST SUBDIVISION

Investigation # 974806

, BURLESON COUNTY,

Investigation Date: 11/30/2011

Additional ID(s): 0260037

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

Track No: 454607

Compliance Due Date: 02/24/2012

30 TAC Chapter 290.46(I)

Alleged Violation:

Investigation: 974806

Comment Date: 1/18/2012

Failure to flush dead-end mains on a monthly basis.

All dead-end mains must be flushed at monthly intervals. Dead-end lines and other mains shall be flushed as needed if water quality complaints are received from water customers or if disinfectant residuals fall below acceptable levels as specified in §290.110 of this title.

It was noted during the investigation that Little Oak Forest is not flushing their dead-end main at the required frequency.

Recommended Corrective Action: Please submit documentation that demonstrates that dead-end mains are being flushed at the required frequency to the Waco Regional Office.

Track No: 454608

Compliance Due Date: 02/24/2012

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation: 974806

Comment Date: 1/18/2012

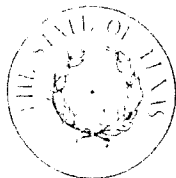
Failure to verify the accuracy of the manual disinfectant residual analyzer as required.

The accuracy of manual disinfectant residual analyzers shall be verified at least once every 3 days using chlorine solutions of known concentrations.

It was noted during the investigation the accuracy of the colorimeter used by Little Oak Forest was not being verified with chlorine solutions of known concentrations.

Recommended Corrective Action: Please provide documentation that the manual disinfectant residual analyzer used by Little Oak Forest has had its accuracy verified for the months of December 2011 and January 2012 to the Waco Regional Office.

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



PWS/1980017/00

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RECEIVED

Protecting Texas by Reducing and Preventing Pollution

June 8, 2012

JUL 11 2012

RR TCEQ
CENTRAL FILE ROOM

Mr. Charles Rutledge, Director
Brazos Valley Septic & Water, Inc.
3033 Cain Road
College Station, Texas 77845

Re: Notice of Compliance with Notice of Violation (NOV) dated November 8, 2011:
Oak Forest Lakeway Manor Public Water Supply, Robertson County, Texas
Regulated Entity No.: PWS 198-0017, RN102688140

Dear Mr. Rutledge:

This letter is to inform you that Texas Commission on Environmental Quality (TCEQ) Waco Regional Office has received adequate compliance documentation on April 26, 2012, to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on October 4, 2011. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Fred Logan in the Waco Regional Office at (254)751-0335.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Monreal".

Richard Monreal, R.S.
Water and Waste Section Work Leader
Waco Regional Office

RM/fl/ps

Summary of Investigation Findings

OAK FOREST LAKEWAY MANOR

Investigation #

1007997
Investigation Date: 05/24/2012

, ROBERTSON COUNTY,

Additional ID(s): 1980017

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 197158

30 TAC Chapter 290.46(f)(2)

Alleged Violation:

Investigation: 348268

Comment Date: 03/18/2005

Failure to provide water system records that needed to be reviewed at the time of the investigation. It must be noted that some of these records are required by rule to be available to TCEQ staff for review during an investigation. Those records that were not available for review are as follows:

- a. Well completion log,
- b. Water monitoring plan,
- c. Sanitary easement records,
- d. Bacteriological samples taken before 6/1/04,
- e. Monthly Operating Records before 6/1/04,
- f. Completed "Customer Service Inspection" Reports,
- g. Verification of Plumbing Code ordinance or Service Agreement,
- h. Drought Contingency Plan
- i. Plant Operating Manual
- j. Distribution map
- k. Engineering plans and drawings, and
- l. Annual tank inspection forms for pressure tank and ground storage tank.

Copies of these records must be submitted to the Waco Regional Office at the address shown on the bottom of the accompanying cover letter for our review. After our review of these records, you will be notified if any additional alleged violations are found.

Investigation: 721914

Comment Date: 12/19/2008

Failure to provide water system records that needed to be reviewed at the time of the investigation.

Water systems must maintain a record of water works operation and maintenance activities and submit periodic operating reports. The public water system's operating records must be accessible for review during inspections.

The records that were not available for review during the December 3, 2008 investigation were:

- 1) A copy of the Sanitary Control Easement,
- 2) The average daily water usage for the previous 12 months, and
- 3) The maximum daily water usage (date and amount) for the previous 12 months.

Submit copies of the missing records to the TCEQ Waco Regional Office for review.

Investigation: 956086

Comment Date: 11/04/2011

Failure to provide water system records that needed to be reviewed at the time of the investigation.

The public water systems operating records must be accessible for review during inspections. Those records that were not available for review during the October 4, 2011 investigation are

as follows:

- a. Sanitary easement records, and
- b. Average daily water usage for the previous 12 months.

Copies of these records must be submitted to the Waco Regional Office at the address shown on the bottom of the accompanying cover letter for our review. After our review of these records, you will be notified if any additional alleged violations are found.

On October 18, 2011, a record of the average daily water usage was received in the Waco Regional Office.

Investigation: 964580

Comment Date: 03/06/2012

Failure to provide water system records that needed to be reviewed at the time of the investigation.

During the records review investigation conducted on March 5, 2012, it was noted that no compliance documentation had been submitted for this violation.

Investigation: 1007997

Comment Date: 05/24/2012

Failure to provide water system records that needed to be reviewed at the time of the investigation.

Resolution: On April 26, 2012, a letter granting an exception to the requirement for a sanitary control easement for the well was received in the TCEQ Waco Regional Office. This document was adequate to resolve the violation.

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



11/13/1980018

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
September 10, 2012

Mr. Charles M. Rutledge, Director
Brazos Valley Septic and Water, Inc.
3033 Cain Road
College Station, Texas 77845-6268

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NOV 01 2012

TCEQ
CENTRAL FILE ROOM

Re: Complaint Investigation at:
Post Oak water supply, Robertson County, Texas
TCEQ ID No.: PWS 1980018, RN102692811

Dear Mr. Rutledge:

On August 28, 2012, Mr. Richard Monreal, R.S., and Ms. Laura Fanestiel of the Texas Commission on Environmental Quality (TCEQ) Waco Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for a public water supply. No violations are being alleged as a result of the investigation.

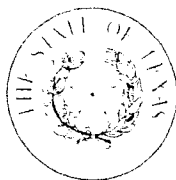
The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Richard Monreal in the Waco Regional Office at (254) 751-0335.

Sincerely,

Frank Burleson
Water and Waste Section Manager
Waco Regional Office

FB/rm/ps

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



PWSI 0210010 ICO

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 7, 2011

Mr. Charles M Rutledge, Director
Brazos Valley Septic & Water Inc.
3033 Cain Rd
College Station, Texas 77845-6268

RECEIVED

JUN 20 2012

TCEQ
CENTRAL FILE ROOM


Re: Comprehensive Compliance Investigation at:
Smetana Forest, 3211 McDonald, College Station, Brazos County, Texas
TCEQ ID No. 0210010, Investigation No. 951731

Dear Mr. Rutledge:

On July 14, 2011, Mr. Cedric Flemming of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced facility to evaluate compliance with the applicable requirements for public water supply systems. No violations are being alleged as a result of the investigation; however, during the investigation, the investigator resolved an apparent instance of noncompliance noted during the previous investigation dated 04/01/2008. Information has been provided which appears to indicate that this outstanding problem has been corrected. No further response from you is necessary concerning this investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Richard Monreal in the Waco Region Office at 254/761-3005.

Sincerely,


Leticia De Leon, Team Leader
Public Water Supply
Houston Region Office

LD/CBF/ra

Enclosure: Summary of Investigation Findings