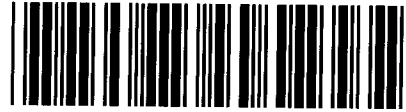


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Addendum StartPage: 0

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PUC DOCKET NO. 44046

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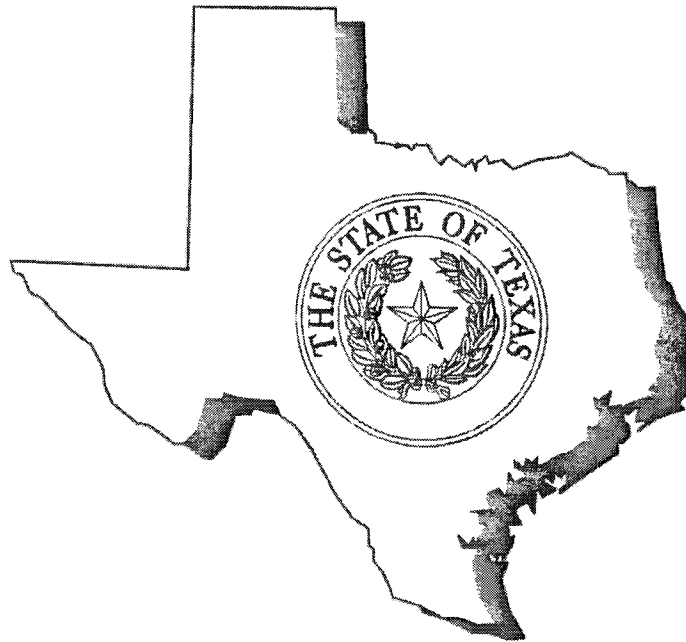
OF

ADMINISTRATIVE

HEARINGS

APPLICATION OF LAGUNA VISTA,
LTD. AND LAGUNA TRES, INC. FOR
SALE, TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE OF
CONVENIENCE RIGHTS IN HOOD
COUNTY

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DIRECT TESTIMONY OF
HEIDI GRAHAM
WATER UTILITY DIVISION
PUBLIC UTILITY COMMISSION OF TEXAS
JULY 28, 2016

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Attachment HG-4	TCEQ Plan Review Letters

1 **I. PROFESSIONAL QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. Heidi Graham, Public Utility Commission of Texas, 1701 N. Congress Avenue, Austin,
4 Texas 78711-3326.

5 **Q. By whom are you currently employed and in what capacity?**

6 A. I have been employed by the Public Utility Commission of Texas (Commission) since
7 September 1, 2014, as an Engineering Specialist V in the Water Utilities Division. I was
8 promoted to Engineering Specialist VII, team lead in May of 2016.

9 **Q. What are your principal responsibilities at the Commission?**

10 A. My responsibilities include: reviewing and processing applications to obtain or amend
11 certificates of convenience and necessity (CCN); reviewing rate filings and participating in
12 negotiating settlements; preparing testimony and exhibits for contested case matters
13 involving investor-owned, non-profit and governmental water and sewer utilities; and
14 conducting rate-related inspections of water or sewer utility systems within the state. I also
15 lead the technical team of experts who analyze and provide recommendations for
16 depreciation studies, quality of service evaluations and rate design for rate applications and
17 provide technical recommendations for Certificate of Convenience and Necessity (CCN)
18 applications.

19 **Q. Have you testified as a regulatory technical expert before the Commission or the State
20 Office of Administrative Hearings (SOAH)?**

21 A. Yes. Attachment HG-1 provides a summary of the dockets in which I have filed direct
22 testimony or memoranda in lieu of testimony.

23 **Q. Please state your educational background and professional experience.**

24 A. I have provided a summary of my educational background and professional regulatory
25 experience in Attachment HG-2 to my direct testimony.

1 **Q. On whose behalf are you testifying?**

2 A. I am testifying on behalf of the Staff of the Public Utility Commission (Staff).

3 **II. PURPOSE AND SCOPE OF TESTIMONY**

4 **Q. What is the purpose of your testimony in this proceeding?**

5 A. The purpose of my testimony is to present Staff's recommendation of Laguna Tres, Inc.'s
6 (Buyer), Certificate of Convenience and Necessity (CCN) No. 11609, technical capability to
7 provide continuous and adequate service to the area currently served by Laguna Vista, Ltd.'s
8 (Seller), CCN No. 11983 and 20766, with regard to the criteria in Texas Water Code (TWC)
9 Chapter 13 and Title 16 of the Texas Administrative Code (TAC) Chapter 24 and 30 TAC
10 Chapter 290.

11 **Q. What is the scope of your review?**

12 A. I reviewed the original application, all of the discovery responses, the pre-filed testimony of
13 the Applicant, and the pre-filed testimony of Staff Financial Analyst, Ms. Emily Sears.

14 **Q. Which of the requirements in the TWC and TAC are you addressing in your testimony?**

- 15 • TWC § 13.139(d): Standards of Service.
- 16 • TWC § 13.246(c)(1): The adequacy of service currently provided to the requested area.
- 17 • TWC § 13.301(b): The technical capability for providing continuous and adequate
18 service to the requested area and any areas currently certificated to the person.
- 19 • 16 TAC §§ 24.93(1) and (3): Adequacy of water utility service.
- 20 • 16 TAC §§ 24.102(a)(1), (d)(9) and (a)(2): Criteria for considering and granting
21 certificates or amendments and the effect on the land to be included in the certificated
22 area;
- 23 • 16 TAC § 24.109(e)(5)(B): The adequacy of service currently provided to the area;
- 24 • 16 TAC § 24.109(e)(5)(E): The ability of the person purchasing or acquiring the water
25 or sewer system to provide adequate service;

-
- 1 • 16 TAC § 24.109(e)(5)(H): The environmental integrity;
- 2 • 30 TAC § 290.45(b)(2): Subchapter D: Rules And Regulations For Public Water
- 3 Systems, Minimum Water System Capacity Requirements; and
- 4 • 30 TAC § 291.93(3): 85% Capacity Rule for Retail Public Utilities holding a CCN.

5 **Q. What public water system is associated with CCN No. 11609?**

6 A. It is Laguna Tres Subdivision Water System, Public Water System (PWS) No. 1110019.

7 **Q. Did you review the latest TCEQ Comprehensive Compliance Investigation report**

8 **(CCI) for Laguna Tres Subdivision Water System, Public Water System (PWS) No.**

9 **1110019 and Laguna Vista Subdivision, PWS No. 1110095?**

10 A. Yes, I reviewed the CCI for the Laguna Tres Subdivision Water System and Laguna Vista

11 Subdivision. I have attached them to my testimony as Attachment HG-3.

12 **Q. If Laguna Vista, Ltd.'s application in this case is granted, how many additional water**

13 **connections will the Laguna Tres Subdivision Water System have to serve?**

14 A. As of the last TCEQ CCI from October 19, 2015, Laguna Vista, Inc. serves 214

15 connections. See Attachment HG-3 at Bates No. 57.

16 **Q. Have any rule exceptions been granted to the Laguna Tres Subdivision Water System**

17 **with regard to TCEQ's rules for public water systems and specifically for capacity?**

18 A. No.

19 **Q. How many water connections does the Laguna Tres Subdivision Water System**

20 **currently serve?**

21 A. According to the latest TCEQ CCI from October 14, 2015, Laguna Tres Subdivision Water

22 System serves 233 connections. See Attachment HG-3 at Bates No. 32.

1 **Q. Based on the TCEQ minimum water system capacity requirements outlined in 30 TAC**
2 **§ 290.45(b)(2), what capacities are required to serve 447 connections and how do they**
3 **compare that with what the combined systems, Laguna Tres Subdivision Water System**
4 **and the Laguna Vista Subdivision, are able to provide?**

5 **A. The combined Laguna Tres Subdivision Water System and the Laguna Vista Subdivision**
6 **must provide:**

Plant	TCEQ Minimum Capacity	# of Combined Connections	Required Capacity	Provided Capacity (Laguna Tres/Laguna Vista)	% Combined Plant Capacity
Wells	0.6 gallons per minute (gpm) per connection	447	268.2 gpm	206.5 gpm/90 gpm (296.5 gpm)	90.4%
Storage	200 gallons per connection	447	89,400 gallons	45,000 gallons/45,000 gallons (90,000 gallons)	99.3%
Service Pumps	2.0 gpm per connection	447	894 gpm	400 gpm/660 gpm (1060 gpm)	84.3%
Pressure	20 gallons per connection	447	8,940 gallons	12,750/5,000 gallons (17,750 gallons)	50.3%

7 I used TCEQ Region 4's public water system data sheets from the CCIs for Laguna Tres
8 Subdivision Water System, PWS ID No. 1110019 and Laguna Vista Subdivision, PWS ID
9 No. 1110095, to determine the combined capacities provided by each facility type within the
10 water systems. See Attachment HG-3 at Bates Nos. 32 and 57.

11 **Q. Based on TWC 13.139(d) and 30 TAC § 291.93(3), do any facilities exceed 85% of the**
12 **combined system's required capacity?**

13 **A. Yes. Production and storage capacity exceed 85% of the required capacity. Per 30 TAC §**
14 **291.93(3) and TWC § 13.139(d), a retail public utility that possesses a CCN, is required to**
15 **file a planning report no later than the 90th day after the retail public utility reaches 85% of its**

1 capacity, as compared to TCEQ's minimum capacity requirements for a public water system
2 under 30 TAC Chapter 290, Subchapter D. The planning report must include details of how
3 the retail public utility will provide the expected service to the remaining areas within the
4 boundaries of the certificated area and must be filed with both TCEQ and the Commission
5 per 16 TAC § 24.93(3). The combined water systems, using the total number of connections
6 for the combined systems of 447, are at 90.4% of their production capacity, 99.3% of its
7 storage capacity, 84.3% of its service pump capacity and 50.3% of its pressure capacity.

8 **Q. In your opinion what is the adequacy of water service currently provided by the Laguna**
9 **Tres Subdivision Water System for the area requested in this application?**

10 A. Water service to the requested area is currently provided by Laguna Vista, Ltd. through its
11 Laguna Vista Subdivision, PWS ID 1110095. Laguna Vista Subdivision is also owned by Ike
12 Thomas, who is the owner of Laguna Tres, Inc. Laguna Tres, Inc. owns Laguna Tres
13 Subdivision Water System, PWS ID No. 1110019. Both the Laguna Vista Subdivision and
14 the Laguna Tres Subdivision Water System are TCEQ approved public water systems, which
15 are not in compliance with TCEQ rules and regulations. They have outstanding violations
16 according to the TCEQ's Central Registry database. The TCEQ's Central Registry database
17 is accessible on TCEQ's website. The link for the Central Registry database is:
18 https://www.tceq.texas.gov/permitting/central_registry. The water service, for both systems,
19 does not meet the TCEQ's minimum requirements, outlined in 30 TAC § 290.45(b)(2), as
20 required by the Texas Water Code and the Commission's Chapter 24 rules. In addition, on
21 September 11, 2013, there was a request to the TCEQ for emergency construction for an
22 interconnection between the Laguna Tres Subdivision Water System and the Laguna Vista
23 Subdivision. The interconnection would provide needed production capacity. The request was
24 approved with the condition that within 30 days of construction, a licensed professional
25 engineer must submit plans and specifications showing how the construction met TCEQ

1 public water system rules in 30 TAC 290, Subchapter D. The plans and specifications were
2 not submitted within 90 days of construction completion. The plans and specifications have
3 since been submitted to TCEQ for review, but to date the interconnection has not been
4 approved by TCEQ. See Attachment HG-4 at Bates No. 78. In addition, plans and
5 specifications for two wells and a storage tank construction are under review at TCEQ.
6 However, to date the wells and storage tank have not been approved for use. The wells and
7 storage tank, if approved for use, will provide needed production and storage capacity. See
8 Attachment HG-4 at Bates Nos. 66 and 73.

9 **Q. What are the outstanding violations that are still pending at the TCEQ for the Laguna**
10 **Tres Subdivision Water System and the Laguna Vista Subdivision?**

11 A. The current violations for both water systems, that can be found on TCEQ's website, within
12 the Central Registry database, are below. The link for the Central Registry database is:
13 https://www.tceq.texas.gov/permitting/central_registry.

Central Registry

The Customer Name displayed may be different than the Customer Name associated to the Additional IDs related to the customer. This name may be different due to ownership changes, legal name changes, or other administrative changes.

Detail of: **Public Water System/Supply Registration 1110095**

For:

LAGUNA VISTA SUBDIVISION (RN101276806)

Notice of Violations

NOV Date	Status	Citation/Requirement Provision	Allegation
05/10/2016	ACTIVE	30 TAC Chapter 290, SubChapter D 290.46(r) (Not applicable to CH)	Failure to maintain a minimum pressure of 35 psi throughout the distribution system under normal operating conditions.
10/24/2013	ACTIVE	30 TAC Chapter 288, SubChapter B 288.20(c) (Not applicable to CH)	Failure to update the drought contingency plan. EIC C3 MIN(3)(C)
10/24/2013	ACTIVE	30 TAC Chapter 290, SubChapter D 290.46(t) (Not applicable to CH)	Failure to provide a proper ownership sign at the public water system facilities. EIC C4 MIN(3)(D)

Detail of: **Public Water System/Supply Registration 1110019**

For:

LAGUNA TRES SUBDIVISION WATER SYSTEM (RN101275451)

Notice of Violations

NOV Date	Status	Citation/Requirement Provision	Allegation
10/27/2015	ACTIVE	30 TAC Chapter 290, SubChapter D 290.46(t) (Not applicable to CH)	Failure to post ownership signs at well site #6 and #8.
10/27/2015	ACTIVE	30 TAC Chapter 290, SubChapter D 290.41(c)(3)(N) (Not applicable to CH)	Failure to provide a working well meter for Well #2.
10/27/2015	ACTIVE	30 TAC Chapter 290, SubChapter D 290.41(c)(3)(P) (Not applicable to CH)	Failure to provide all-weather access roads to well sites.
09/17/2012	ACTIVE	30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(ii) (Not applicable to CH)	Failure to provide a total storage capacity of at least 200 gallons per connection. EIC C7 MIN(3)(D)
10/27/2015	ACTIVE	30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(ii) (Not applicable to CH)	Failure to provide a total storage capacity of at least 200 gallons per connection. EIC C7 MIN(3)(D)

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1 **Q. In your opinion what is the adequacy of sewer service currently provided by the Laguna**
2 **Tres Subdivision Water System for the area requested in this application?**

3 A. Adequate sewer service is provided for the Laguna Tres Subdivision Water System under
4 Water Quality Permit No. WQ0014069001. Per the Central Registry database on TCEQ's
5 website, its sewer system has no outstanding capacity violations. The link for the Central
6 Registry database is: https://www.tceq.texas.gov/permitting/central_registry.

7 **Q. Per 16 TAC 24.109(e)(5)(H), will the environmental integrity be affected if this**
8 **application is approved?**

9 A. No, the water system to be transferred already exists and no additional facilities need
10 to be constructed at this time.

11 **Q. Per 16 TAC § 24.102(d)(9), what will be the effect on the land in the certificated area if**
12 **this application is approved?**

13 A. There will be no effect on the land at this time because the Laguna Tres Subdivision Water
14 System and Laguna Vista Subdivision's facilities are already in place and there is currently
15 no need for construction.

16 **CONCLUSION**

17 **Q. Does this conclude your direct, pre-filed testimony?**

18 A. Yes, but I reserve the right to supplement this testimony during the course of the proceeding
19 as new evidence is presented.

Heidi Graham, EIT
Public Utility Commission of Texas (PUC)
List of Previous Testimonies

Testimonies for TCEQ Staff

Docket	Company	Application Type
SOAH 582-08-4354	James Maib dba H2O Systems Plus	Rate Application - Water
SOAH 582-08-2863	Lower Colorado River Authority	Rate Appeal - Water
SOAH 582-08-4353	Interim-La Ventana	Sale, Transfer, Merger - Water
SOAH 582-09-0660	North San Saba WSC	Rate Appeal - Water
SOAH 582-09-0592	City of Nixon	CCN Amendment - Water
SOAH 582-10-3422	Denton Co. WCID No. 1	Rate Appeal - Water
SOAH 582-10-5999	City of Kerrville	CCN Amendment - Water
SOAH 582-13-4616	HHJ dba Decker Utilities	Rate Application - Water and Sewer
SOAH 582-13-4616	M.E.N. WSC	Cost of Service Appeal - Water

Testimonies for PUC Staff

PUC Docket	SOAH Docket	Company	Application Type
42858	473-14-0366	SJWTX, Inc. dba Canyon Lake Water Service Co.	Rate Application - Water
42942	473-15-0623.WS	Castle Water, Inc. dba Horseshoe Bend Water System	Rate Application - Water
42857	473-14-5138	City of Austin	Wholesale Appeal
42866	473-14-5144.WS	West Travis County PUA	Wholesale Appeal
42924	473-15-0371	Crystal Springs Water Co. Inc.	CCN Amendment - Water
42862	473-14-5139	Town of Woodloch	Rate Appeal – Water and Sewer
42860	473-14-5140	Douglas Utility Company	Rate Settlement – Water and Sewer
43554	473-15-1230.WS	Mansions of Turkey Creek	Rate Appeal – Water and Sewer
44657	473-16-0927.WS	Interim-La Ventana	Sale Transfer Merger
43076	473-16-2049.WS	Consumers Water, Inc.	Rate Application - Water

Heidi Graham
1701 N. Congress Ave.
PO Box 13326
Austin, Texas 78711-3326
512-936-7139
heidi.graham@puc.texas.gov

Work Experience

Engineering Specialist VII

5/2016 – Present Public Utility Commission, Austin, Texas

Perform senior-level work on a broad range of water and sewer utility issues. Lead the technical team of experts who analyze and provide recommendations for depreciation studies, quality of service evaluations and rate design for rate applications and provide technical recommendations for Certificate of Convenience and Necessity (CCN) applications. Testify in hearings.

Engineering Specialist V

12/2006 – 8/2014 Texas Commission on Environmental Quality, Austin, Texas

Review plans, specifications and engineering reports for new or modified public water systems to ensure compliance with Federal and State standards. Process Convenience and Necessity (CCN) applications. Perform depreciation studies, quality of service evaluations, design rates for rate applications and testify in hearings.

Project Manager

6/2006 - 12/2006 Gunze Electronics USA, Austin, Texas

Developed schedules establishing sequence and time frame of manufacturing operations in order to meet production requirements for Electroluminescent Lamps and External Gasket production lines. Reviewed orders, shipping needs, plant capacity and inventory before drawing up schedules. Review engineering drawings and bill of materials (BOM) for accuracy before releasing to production. Responsible for materials database implementation.

Shift Manager

8/2005 - 4/2006 Bealls, Bastrop, Texas

Accountable for managing all aspects of retail clothing store.

Assistant Store Manager

8/2003 - 5/2005 McDonalds, Elgin, Texas

Accountable for managing all aspects of fast food restaurant, including inventory, cash management and scheduling.

Inventory Control/Production Control Planner

4/1994 - 4/2003 Applied Materials, Austin, Texas

Created and maintained documents in the Quality Management System. Provided inventory and production forecast and scheduling using Oracle materials database. Built, developed and tested Thin Film Technology (TFT) prototypes.

Aircraft Maintenance Officer

12/1988 - 12/1992 U.S. Air Force, Holloman Air Force Base, New Mexico

Led, trained and equipped 75 to 250 maintenance personnel at home base and deployed locations. Managed maintenance and modification of 25 fighter aircraft and associated equipment. Maintained workforce discipline and responded to personnel issues while balancing workforce availability and skill levels with operational requirements. Ensured adherence to technical data, policy, procedures and safe maintenance practices. Maintained aircraft configuration: daily aircraft servicing, weapons loading, launch recovery and repair, periodic aircraft maintenance inspections and requirements.

Education

5/1988 University of Missouri, Rolla, Missouri

Bachelor's Degree in Mechanical Engineering

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 27, 2015

E SIGNATURE CONFIRMATION # 91 3499 9991 7030 0057 7419

Mr. Ike Thomas, President
Laguna Tres Inc.
911 E. Highway 377, Suite 11
Granbury, Texas 76048

Re: Notice of Violation for Public Water Supply Comprehensive Compliance Investigation at:
Laguna Tres Subdivision, Granada Calle, Granbury, Hood County, Texas
RN101275451, PWS ID No. 1110019, Investigation No. 1286426

Dear Mr. Thomas:

On September 9, 2015, Ms. Ariel Yeh 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. Enclosed is a summary which lists the investigation findings. During the investigation, concerns were noted and resolved based on subsequent corrective actions. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **November 27, 2015**, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for 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 Regional 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 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. Jeff Tate, Water Section Manager, 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 • tceq.texas.gov • How is our customer service? tceq.texas.gov/customer-survey

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Mr. Ike Thomas, Owner
Page 2
October 27, 2015

If you or members of your staff have any questions, please feel free to contact Ms. Yeh in the D/FW Regional Office at 817-588-5878.

Sincerely,



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

CM/acy

Enclosure: Summary of Investigation Findings

Cc: Mr. Michael Halder, Texas Rain Holdings Company, 2004 Southwest Parkway,
Granbury Texas 76048

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Summary of Investigation Findings

LAGUNA TRES SUBDIVISION WATER SYSTEM	Investigation # 1286426
, HOOD COUNTY,	Investigation Date: 09/09/2015
Additional ID(s): 1110019	

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

Track No: 476279 Compliance Due Date: 11/27/2015
30 TAC Chapter 290.45(b)(1)(C)(ii)

Alleged Violation:

Investigation: 1022813

Comment Date: 08/20/2012

Failure to provide a total storage capacity of at least 200 gallons per connection.

During the comprehensive compliance investigation on August 2, 2012, it was noted that the water system does not provide the minimum required storage capacity of 200 gallons per connection. The public water system currently serves 231 community connections and therefore is required to provide a storage capacity of at least 0.0462 million gallons (MG). During the investigation, it was documented that the water system is equipped with one ground storage tank measuring 0.045 MG in capacity. Based on this information, the water system's total storage capacity is approximately 2.5 percent (%) deficient.

30 TAC 290.45(b)(1)(C)(ii) states community groundwater systems serving 50 to 250 connections must meet a total storage capacity of 200 gallons per connection.

Investigation: 1075391

Comment Date: 03/27/2013

Failure to provide a total storage capacity of at least 200 gallons per connection.

During the file record review investigation, the investigator reviewed documentation from the water system. Included in the documentation was a statement that a new larger ground storage tank was planned to be installed at the water plant. The letter requested an extension of one year to prepare for and install the new tank. This violation remains outstanding documentation is received which confirms the total storage capacity has been increased to meet the minimum requirement.

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a total storage capacity of 200 gallons per connection.

30 TAC 290.45(b)(1)(C)(ii) states that the water system must provide a total storage capacity of 200 gallons per connection.

During the investigation, it was noted that the water system was required to provide at least 0.0466 million gallon (MG) of storage based on the number of connections. The water system only provided 0.045 MG. This is a 3.4% deficiency.

Recommended Corrective Action: Increase the total storage capacity in order to meet the minimum requirement of 200 gallons per connection.

Please note that if changes are made to the water storage 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 the existing system 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, Utilities Technical Review Team, MC-159, PO Box 13087, Austin, TX 78711-3087; phone (512) 239-4691.

The water system also has the option to request an exception to these requirements by writing to the TCEQ Water Supply Division, Technical Review and Oversight Team, at the address listed in the paragraph above.

Please submit compliance documentation to the TCEQ Region 4 Office which describes the corrective action taken by the water system. Please include a copy of the notification if a significant change is made or a copy of the granted exception request from the Technical Review and Oversight Team, if applicable.

Track No: 585987 Compliance Due Date: 11/27/2015
30 TAC Chapter 290.41(c)(3)(P)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to provide all-weather access roads to well sites.

30 TAC 290.41(c)(3)(P) states that an all-weather access road shall be provided to each well site.

During the investigation, it was noted that all-weather access roads were not provided for well site #5, #6, #7 and #8.

Recommended Corrective Action: Submit documentation verifying that all-weather access roads are provided for well site #5, #6, #7 and #8.

Track No: 585988 Compliance Due Date: 11/27/2015
30 TAC Chapter 290.41(c)(3)(N)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a working well meter for Well #2.

30 TAC 290.41(c)(3)(N) states that flow measuring devices shall be provided for each well to measure production yields and provide for the accumulation of water production data. These devices shall be located to facilitate daily reading.

During the investigation, a well meter was observed on Well #2; however, the well meter was not working.

Recommended Corrective Action: Submit documentation to the regional office verifying that a working well meter is installed on Well #2.

Track No: 585989 Compliance Due Date: 11/27/2015
30 TAC Chapter 290.46(t)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to post ownership signs at well site #6 and #8.

30 TAC 290.46(t) states that all community water systems shall post a legible sign at each of its production, treatment, and storage facilities. The sign shall be located in plain view of the public and shall provide the name of the water supply and an emergency telephone number

where a responsible official can be contacted.

During the investigation, ownership signs were not observed at well site #6 and #8. On September 29, 2015, a photograph was received at the regional office demonstrating that an ownership sign was posted at well site #8.

Recommended Corrective Action: Submit documentation verifying that an ownership sign is posted at well site #8.

Track No: 585992 Compliance Due Date: 11/27/2015
30 TAC Chapter 290.45(b)(1)(C)(iii)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a total service pump capacity of 2.0 gpm per connection. 30 TAC 290.45(b)(1)(C)(iii) states that the water system must provide two or more pumps having a total capacity of 2.0 gpm per connection at each pump station or pressure plane. For systems which provide an elevated storage capacity of 200 gallons per connection, two service pumps with a minimum combined capacity of 0.6 gpm per connection are required at each pump station or pressure plane. If only wells and elevated storage are provided, service pumps are not required.

During the investigation, it was noted that the water system was required to provide at least 466 gpm of service pump capacity based on the number of connections. The water system only provided 400 gpm during the investigation. This is a 14% deficiency.

Recommended Corrective Action: Submit documentation to the regional office verifying that a total service pump capacity of 2.0 gpm per connection is provided.

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

Track No: 476323
30 TAC Chapter 290.42(b)(6)

Alleged Violation:

Investigation: 1022813

Comment Date: 08/20/2012

Failure to provide a suitable sample tap at the entry point to the distribution system.

During the comprehensive compliance investigation on August 2, 2012, it was noted that the faucet for the entry point sample tap was broken.

30 TAC 290.42(b)(6) states all groundwater systems shall provide sampling taps for raw water, treated water, and at a point representing water entering the distribution system at every entry point.

Investigation: 1075391

Comment Date: 03/27/2013

Failure to provide a suitable sample tap at the entry point to the distribution system.

During the file record review investigation, the investigator reviewed documentation from the water system. Included in the documentation was a statement that the sample tap is to be upgraded in the future. This violation remains outstanding until documentation is received which confirms the repair or replacement of the entry point sample tap is completed.

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a suitable sample tap at the entry point to the distribution system

Recommended Corrective Action: Repair or replace the entry point sample tap at the water plant. Submit a letter describing the actions taken and a photograph, purchase receipts/invoice, or other supporting documentation to the TCEQ Region 4 Office to document that the alleged violation has been corrected.

Resolution: During the investigation, a sample tap was observed.

Track No: 476324

30 TAC Chapter 290.43(d)(3)

Alleged Violation:

Investigation: 1022813

Comment Date: 08/20/2012

Failure to provide a proper sight glass on the pressure tank.

During the comprehensive compliance investigation on August 2, 2012, it was noted that the pressure tank at the water plant did not have a functioning sight glass to readily determine the air-water-volume in the tank.

30 TAC 290.43(d)(3) states facilities shall be provided for maintaining the air-water-volume at the design water level and working pressure. Air injection lines must be equipped with filters or other devices to prevent compressor lubricants and other contaminants from entering the pressure tank. A device to readily determine air-water-volume must be provided for all tanks greater than 1,000 gallon capacity. Galvanized tanks which are not provided with the necessary fittings and which were installed before July 1, 1988 shall be exempt from this requirement.

Investigation: 1075391

Comment Date: 03/27/2013

Failure to provide a proper sight glass on the pressure tank.

During the file record review investigation, the Investigator reviewed documentation from the water system. Included in the documentation was a statement that the sight glass would be properly installed once the other improvements to the water plant were completed. This violation remains outstanding until documentation is received which confirms the proper installation of a sight glass on the pressure tank.

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a proper sight glass on the pressure tank.

Recommended Corrective Action: Repair or replace the sight glass on the pressure tank in order to provide a device to readily determine the air-water-volume in the tank, as required. Submit a letter stating the actions taken in response to the violation and a photograph, purchase receipt/invoice for the repairs, or other supporting documentation to the TCEQ Region 4 Office to document that the alleged violation has been corrected.

Resolution: During the investigation, a sight glass was observed on the pressure tank.

Track No: 585981

30 TAC Chapter 290.46(n)(3)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to maintain copies of the well driller's logs.

30 TAC 290.46(n)(3) states that 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.

During the investigation, copies of the well driller logs for Well #2, #4, #5, #6 and #7 was not available for review.

Recommended Corrective Action: Submit a copy of the well driller logs to the regional office.

Resolution: On September 29, 2015, copies of the well driller logs for Well #2, #4, #5, #6 and #7 were received at the TCEQ D/FW Regional Office.

Track No: 585982

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

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to provide a sanitary control easement for the wells.

30 TAC 290.41(c)(1)(F) states that a sanitary control easement, or approved substitute, covering land within 150 feet of the well must be secured from adjacent landowners and recorded at the county courthouse to ensure that hazards will not develop in each well area. Residential type wells with this easement must be constructed to public water well standards. A copy of the recorded document must be submitted for our records.

During the investigation, copies of the sanitary control easements for Well #1, #2, #4, #5, #6 and #7 were not available for review.

Recommended Corrective Action: Submit copies of the sanitary control easements to the regional office.

Resolution: On September 29, 2015, copies of the well driller logs for Well #1, #2, #4, #5, #6 and #7 were received at the TCEQ D/FW Regional Office.

Track No: 585983

30 TAC Chapter 290.41(c)(3)(K)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to maintain a well casing vent for Well #1, Well #2 and Well #5.

30 TAC 290.41(c)(3)(K) states that wellheads and pump bases shall be sealed by a gasket or sealing compound and properly vented to prevent the possibility of contaminating the well water. A well casing vent shall be provided with an opening that is covered with 16-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well. Wellheads and well vents shall be at least two feet above the highest known watermark or 100-year flood elevation, if available, or adequately protected from possible flood damage by levees.

During the investigation, a well casing vent was not observed on Well #1. The well casing vents on Well #2 and Well #5 were not screened.

Recommended Corrective Action: Submit documentation to the regional office verifying that a well casing vent is installed on Well #1 and the casing vents on Well #2 and Well #5 are screened.

Resolution: On September 29, 2015, photographs were received at the TCEQ D/FW Regional Office. The photographs verified that a well casing vent was installed on Well #1 and the casing vents on Well #2 and Well #5 were screened.

Track No: 585985

30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to utilize good maintenance and housekeeping practices to ensure the public water system are in good working condition and/or properly upkeep the general appearance of the system's facilities equipment.

30 TAC 290.46(m) states that good maintenance and housekeeping practices should be utilized to ensure the public water system are in good working condition and/or properly upkeep the general appearance of the system's facilities equipment. 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.

During the investigation, overgrowing vegetation was observed at well site #2 and #5. The well casing vents for Well #2 and #5 were not screened. The sample tap for Well #5 was leaking.

Recommended Corrective Action: Submit documentation to the regional office verifying that the wells and well sites are being maintained.

Resolution: On September 29, 2015, photographs were received at the TCEQ D/FW Regional Office. The photographs verified that the vegetation was trimmed, the well casing vents were screened and the leaking sample tap was repaired.

PWS/ 10019/CO/09-09-15/CCI

**Texas Commission on Environmental Quality
Investigation Report**

The TCEQ is committed to accessibility. If you need assistance in accessing this document, please contact oee@tceq.texas.gov

**Customer: Laguna Tres, Inc.
Customer Number: CN600695985**

Regulated Entity Name: LAGUNA TRES SUBDIVISION WATER SYSTEM

Regulated Entity Number: RN101275451

Investigation # 1286426	Incident Numbers
Investigator: ARIEL YEH	Site Classification GW 51-250 CONNECTION
Conducted: 09/09/2015 -- 09/09/2015	SIC Code: 4941
Program(s): PUBLIC WATER SYSTEM/SUPPLY	
Investigation Type: Compliance Investigation	Location: CORNER OF GRANADA CALLE & CASAS DEL SUR IN GRANBURY TEXAS
Additional ID(s): 1110019	

Address: ,	Local Unit: REGION 04 - DFW METROPLEX
	Activity Type(s): PWSCCIGWCM - CCI GW PURCHASE - COMMUNITY MANDATORY

Principal(s):

Role	Name
RESPONDENT	LAGUNA TRES INC

CC

Contact(s):

Role	Title	Name	Phone
NOTIFIED	OPERATOR	MR MICHAEL HALDER	Work (817) 579-8100 Cell (817) 504-1417
PARTICIPATED IN	OPERATOR	MR MICHAEL HALDER	Work (817) 579-8100
REGULATED ENTITY CONTACT	OPERATOR	MR MICHAEL HALDER	Cell (817) 504-1417 Work (817) 579-8100
REGULATED ENTITY MAIL CONTACT	OWNER	IKE THOMAS	Work (817) 279-1444 Fax (817) 579-8444 Cell (817) 219-4700

Other Staff Member(s):

Role	Name
Investigator	DANIELA HILL
QA Reviewer	CHARLES MARSHALL
Supervisor	CHARLES MARSHALL
Investigator	MERISSA GREEN

Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
PWS EMERGENCY POWER INITIATIVE	EPI 1110019
PWS INVESTIGATION - EQUIPMENT	EMS 1110019
MONITORING AND SAMPLING revised 06/2013	
PWS STANDARD FIELD	CCI 1110019

Investigation Comments:

INTRODUCTION

On September 9, 2015, Ms. Ariel Yeh, Texas Commission on Environmental Quality (TCEQ) Environmental Investigator, conducted a Comprehensive Compliance Investigation (CCI) at Laguna Tres Subdivision (Laguna Tres). Texas Rain is the contracted water operating company. The purpose of the investigation was to determine compliance with applicable public water system rules and regulations.

The investigator contacted Mr. Michael Halder, Texas Rain Operator, on August 27, 2015, to schedule the investigation. In addition, a records request form, which listed the documents to be reviewed during the investigation, was sent to the water system.

On September 9, 2015, the investigator, Ms. Merissa Green, and Ms. Daniela Hill, TCEQ Environmental Investigators, arrived at the Texas Rain Office and met with Mr. Halder to begin the investigation. The Texas Water Development Board Financial Assistance Program form was provided to the water system and the Area of Concern (AOC) policy was explained. An exit interview was conducted with Mr. Halder on the day of the investigation and a TCEQ Exit Interview Form was emailed to Mr. Halder. An additional Exit Interview Form was emailed to Mr. Halder on October 12, 2015.

A Notice of Violation (NOV) was sent to the water system as a result of the investigation.

GENERAL FACILITY AND PROCESS INFORMATION

Laguna Tres is a community water system that serves a total of 233 connections and an approximate population of 699 individuals based on three persons per connection. It consists of seven active groundwater wells that supply one pump station and one pressure plane. The water system also provides treated water to Laguna Vista Subdivision (PWS ID 1110095) during emergencies.

The Pump Station is located at 116 Granada Calle, Granbury, Hood County. Water pumped from the wells is disinfected with gas chlorine prior to entering the ground storage tank. Two service pumps pump water from storage to the distribution system. One pressure tank provides the necessary pressure and storage maintenance.

Mr. Halder stated that new wells (Well #9 and Well #10) were drilled and are in the process of obtaining approval. See the investigation attachments for a copy of the Water System Diagram, Water System Summary Sheet, and PWS Database Printout for further information.

Exception/Alternative Capacity Requirement

N/A

BACKGROUND

The previous CCI, Investigation Number 1022813, was conducted on August 2, 2012. Several alleged violations were cited and a NOV was issued to Laguna Vista on September 17, 2012, as a result of the investigation. Some violations were resolved during a File Record Review (FRR) Investigation (Investigation Number 1075391) conducted on March 18, 2013. The violations remained outstanding: Violation Track Number (VTN) 476279 for failure to provide a total storage capacity of at least 200 gallons per connection; VTN 476323 for failure to provide a suitable sample tap at the entry point to the distribution system; VTN 476324 for failure to provide a proper sight glass on the pressure tank.

No complaints have been lodged against the water system within the past five years.

ADDITIONAL INFORMATION

Record Review

During the investigation, the following records were reviewed: sanitary control easements for Well #3 and Well #6, well driller's logs for Well #1 and Well #8, plant operations manual, drought contingency plan, monitoring plan, distribution map, customer service agreement, customer complaints records, NSF certifications, monthly operating reports, flushing records, and bacteriological sampling records for the previous twelve months.

The following records were not available for review during the investigation: sanitary control easements for Well #1, #2, #4, #5, #6, and #7, well driller's log for Well #2, #4, #5, #6, and #7, the annual tank inspection forms and the well meter calibration records. Mr. Halder stated that the tank inspection forms and the well meters calibration records would be submitted later. This was noted as a records request. Mr. Halder also stated that they had an updated drought contingency plan, which would also be submitted later. During the investigation, a copy of the monitoring plan and plant operations manual were available for review; however, they were dated 2009 and did not contain the most recent water system information.

On September 29, 2015, documentation was received at the TCEQ D/FW Regional Office. The following documentation was received: an updated drought contingency plan, plant operations manual and monitoring plan, sanitary control easements for Well #1, #2, #4, #5, #6, and #7, well driller's logs for Well #2, #4, #5, #6, and #7, tank inspection forms and well meters calibration records. The requested records were submitted and would not be noted as violations. The well driller's logs and sanitary control easements violations were noted and resolved.

Operation and Maintenance

An evaluation of the water production and distribution facilities was conducted next. The following noncompliances were noted at the time:

- Failure to provide an all-weather access road to well site #5, #6, #7 and #8.
- Failure to maintain a well casing vent on Well #1 and to provide a screen on the well casing vent on Well #2.
- Failure to maintain the grounds at Well #2: overgrown vegetation.
- Failure to provide a working meter for Well #2; therefore, the production capacity for Well #2 could not be determined.
- Failure to provide an ownership sign for Well #6 and Well #8.
- Failure to maintain the grounds at Well #5. Overgrown vegetation and the sample tap was leaking.

The sample tap at the entry point was repaired and a proper sight glass was provided on the pressure tank; therefore, VTN 476323 and VTN 476324 were resolved.

On September 29, 2015, photographs were received at the TCEQ Regional Office. The photographs verified that the vegetation was trimmed at Well #2 and #5, a well casing was installed on Well #1, the casing vent at Well #2 was screened, the sample tap was repaired on Well #5, and an ownership sign was provided for Well #6; therefore, these violations were resolved. Documentation for the all-weather access road, working meter for Well #2 and ownership sign for Well #8 was not received; therefore, the violations remained outstanding.

For information on the licensed operators employed by the water system, see the Certification and Employment Report.

Capacity

During the investigation, the water system capacities were evaluated. According to 30 TAC 290.45(b)(1)(C)(ii), the system is required to provide a total storage capacity of 200 gallons per connection, and based on the number of connections, the water system must provide at least 0.0466 million gallon (MG) of storage. The water system provided 0.045 MG during the investigation. This is a 3.4% deficiency; therefore, VTN 476279 remained outstanding.

According to 30 TAC 290.45(b)(1)(C)(iii), the system is required to provide two or more pumps having a total capacity of 2.0 gallons per minute (gpm) per connection, and based on the number of connections, the water

system must provide at least 466 gpm of service pump capacity. The water system provided 400 gpm during the investigation. This is a 14% deficiency.

Specific facility information and capacity calculations such as tank volumes, pump capacities, etc. can be found in the Public Water System Database Sheet attached to this CCI report.

Field Monitoring Activities

The disinfectant residual and distribution pressure were measured at 3216 N. Chaparral with a residual of 1.98 milligrams per liter (mg/L) free chlorine and a pressure of 47 pounds per square inch (psi).

Attachments

- 1) Water System Diagram, Water System Summary Sheet, and PWS Database Printout
- 2) Certification and Employment Report
- 3) Exit Interview Form
- 4) Water System Correspondence

NOV Date	10/27/2015	Method	WRITTEN
OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION			

Track Number: 476279

Compliance Due Date: 11/27/2015

Violation Start Date: 8/2/2012

30 TAC Chapter 290.45(b)(1)(C)(ii)

Alleged Violation:

Investigation: 1022813

Comment Date: 08/20/2012

Failure to provide a total storage capacity of at least 200 gallons per connection.

During the comprehensive compliance investigation on August 2, 2012, it was noted that the water system does not provide the minimum required storage capacity of 200 gallons per connection. The public water system currently serves 231 community connections and therefore is required to provide a storage capacity of at least 0.0462 million gallons (MG). During the investigation, it was documented that the water system is equipped with one ground storage tank measuring 0.045 MG in capacity. Based on this information, the water system's total storage capacity is approximately 2.5 percent (%) deficient.

30 TAC 290.45(b)(1)(C)(ii) states community groundwater systems serving 50 to 250 connections must meet a total storage capacity of 200 gallons per connection.

Investigation: 1075391

Comment Date: 03/27/2013

Failure to provide a total storage capacity of at least 200 gallons per connection.

During the file record review investigation, the investigator reviewed documentation from the water system. Included in the documentation was a statement that a new larger ground storage tank was planned to be installed at the water plant. The letter requested an extension of one year to prepare for and install the new tank. This violation remains outstanding documentation is received which confirms the total storage capacity has been increased to meet the minimum requirement.

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a total storage capacity of 200 gallons per connection.

30 TAC 290.45(b)(1)(C)(ii) states that the water system must provide a total storage capacity of 200 gallons per connection.

During the investigation, it was noted that the water system was required to provide at least 0.0466 million gallon (MG) of storage based on the number of connections. The water system only provided 0.045 MG. This is a 3.4% deficiency.

Recommended Corrective Action: Increase the total storage capacity in order to meet the minimum requirement of 200 gallons per connection.

Please note that if changes are made to the water storage 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 the existing system 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, Utilities Technical Review Team, MC-159, PO Box 13087, Austin, TX 78711-3087; phone (512) 239-4691.

The water system also has the option to request an exception to these requirements by writing to the TCEQ Water Supply Division, Technical Review and Oversight Team, at the address listed in the paragraph above.

Please submit compliance documentation to the TCEQ Region 4 Office which describes the corrective action taken by the water system. Please include a copy of the notification if a significant change is made or a copy of the granted exception request from the Technical Review and Oversight Team, if applicable.

Track Number: 585987 **Compliance Due Date:** 11/27/2015

Violation Start Date: Unknown

30 TAC Chapter 290.41(c)(3)(P)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to provide all-weather access roads to well sites.

30 TAC 290.41(c)(3)(P) states that an all-weather access road shall be provided to each well site.

During the investigation, it was noted that all-weather access roads were not provided for well site #5, #6, #7 and #8.

Recommended Corrective Action: Submit documentation verifying that all-weather access roads are provided for well site #5, #6, #7 and #8.

Track Number: 585988 **Compliance Due Date:** 11/27/2015

Violation Start Date: Unknown

30 TAC Chapter 290.41(c)(3)(N)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a working well meter for Well #2.

30 TAC 290.41(c)(3)(N) states that flow measuring devices shall be provided for each well to measure production yields and provide for the accumulation of water production data. These devices shall be located to facilitate daily reading.

During the investigation, a well meter was observed on Well #2; however, the well meter was not working.

Recommended Corrective Action: Submit documentation to the regional office verifying that a working well meter is installed on Well #2.

Track Number: 585989

Compliance Due Date: 11/27/2015

Violation Start Date: Unknown

30 TAC Chapter 290.46(t)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to post ownership signs at well site #6 and #8.

30 TAC 290.46(t) states that all community water systems shall post a legible sign at each of its production, treatment, and storage facilities. The sign shall be located in plain view of the public and shall provide the name of the water supply and an emergency telephone number where a responsible official can be contacted.

During the investigation, ownership signs were not observed at well site #6 and #8. On September 29, 2015, a photograph was received at the regional office demonstrating that an ownership sign was posted at well site #6.

Recommended Corrective Action: Submit documentation verifying that an ownership sign is posted at well site #8.

Track Number: 585992

Compliance Due Date: 11/27/2015

Violation Start Date: Unknown

30 TAC Chapter 290.45(b)(1)(C)(iii)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a total service pump capacity of 2.0 gpm per connection.

30 TAC 290.45(b)(1)(C)(iii) states that the water system must provide two or more pumps having a total capacity of 2.0 gpm per connection at each pump station or pressure plane. For systems which provide an elevated storage capacity of 200 gallons per connection, two service pumps with a minimum combined capacity of 0.6 gpm per connection are required at each pump station or pressure plane. If only wells and elevated storage are provided, service pumps are not required.

During the investigation, it was noted that the water system was required to provide at least 466 gpm of service pump capacity based on the number of connections. The water system only provided 400 gpm during the investigation. This is a 14% deficiency.

Recommended Corrective Action: Submit documentation to the regional office verifying that a total service pump capacity of 2.0 gpm per connection is provided.

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

Track Number: 476323

Resolution Status Date: 10/14/2015

Violation Start Date: 8/2/2012

Violation End Date: 9/9/2015

30 TAC Chapter 290.42(b)(6)

Alleged Violation:

Investigation: 1022813

Comment Date: 08/20/2012

Failure to provide a suitable sample tap at the entry point to the distribution system.

During the comprehensive compliance investigation on August 2, 2012, it was noted that the faucet for the entry point sample tap was broken.

30 TAC 290.42(b)(6) states all groundwater systems shall provide sampling taps for raw water, treated water, and at a point representing water entering the distribution system at every entry point.

Investigation: 1075391

Comment Date: 03/27/2013

Failure to provide a suitable sample tap at the entry point to the distribution system.

During the file record review investigation, the investigator reviewed documentation from the water system. Included in the documentation was a statement that the sample tap is to be upgraded in the future. This violation remains outstanding until documentation is received which confirms the repair or replacement of the entry point sample tap is completed.

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a suitable sample tap at the entry point to the distribution system

Recommended Corrective Action: Repair or replace the entry point sample tap at the water plant. Submit a letter describing the actions taken and a photograph, purchase receipts/invoice, or other supporting documentation to the TCEQ Region 4 Office to document that the alleged violation has been corrected.

Resolution: During the investigation, a sample tap was observed.

Track Number: 476324

Resolution Status Date: 10/14/2015

Violation Start Date: 12/1/2013

Violation End Date: 9/9/2015

30 TAC Chapter 290.43(d)(3)

Alleged Violation:

Investigation: 1022813

Comment Date: 08/20/2012

Failure to provide a proper sight glass on the pressure tank.

During the comprehensive compliance investigation on August 2, 2012, it was noted that the pressure tank at the water plant did not have a functioning sight glass to readily determine the air-water-volume in the tank.

30 TAC 290.43(d)(3) states facilities shall be provided for maintaining the air-water-volume at the design water level and working pressure. Air injection lines must be equipped with filters or other devices to prevent compressor lubricants and other contaminants from entering the pressure tank. A device to readily determine air-water-volume must be provided for all tanks greater than 1,000 gallon capacity. Galvanized tanks which are not provided with the necessary fittings and which were installed before July 1, 1988 shall be exempt from this requirement.

Investigation: 1075391

Comment Date: 03/27/2013

Failure to provide a proper sight glass on the pressure tank.

During the file record review investigation, the investigator reviewed documentation from the water system. Included in the documentation was a statement that the sight glass would be properly installed once the other improvements to the water plant were completed. This violation remains outstanding until documentation is received which confirms the proper installation of a sight glass on the pressure tank.

Investigation: 1286426

Comment Date: 10/14/2015

Failure to provide a proper sight glass on the pressure tank.

Recommended Corrective Action: Repair or replace the sight glass on the pressure tank in order to provide a device to readily determine the air-water-volume in the tank, as required. Submit a letter stating the actions taken in response to the violation and a photograph, purchase receipt/invoice for the repairs, or other supporting documentation to the TCEQ Region 4 Office to document that the alleged violation has been corrected.

Resolution: During the investigation, a sight glass was observed on the pressure tank.

Track Number: 585981

Resolution Status Date: 10/14/2015

Violation Start Date: Unknown

Violation End Date: 9/29/2015

30 TAC Chapter 290.46(n)(3)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to maintain copies of the well driller's logs.

30 TAC 290.46(n)(3) states that 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.

During the investigation, copies of the well driller logs for Well #2, #4, #5, #6 and #7 was not available for review.

Recommended Corrective Action: Submit a copy of the well driller logs to the regional office.

Resolution: On September 29, 2015, copies of the well driller logs for Well #2, #4, #5, #6 and #7 were received at the TCEQ D/FW Regional Office.

Track Number: 585982

Resolution Status Date: 10/13/2015

Violation Start Date: Unknown

Violation End Date: 9/29/2015

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

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to provide a sanitary control easement for the wells.

30 TAC 290.41(c)(1)(F) states that a sanitary control easement, or approved substitute, covering land within 150 feet of the well must be secured from adjacent landowners and recorded at the county courthouse to ensure that hazards will not develop in each well area. Residential type wells with thin the easement must be constructed to public water well standards. A copy of the recorded document must be submitted for our records.

During the investigation, copies of the sanitary control easements for Well #1, #2, #4, #5, #6 and #7 were not available for review.

Recommended Corrective Action: Submit copies of the sanitary control easements to the regional office.

Resolution: On September 29, 2015, copies of the well driller logs for Well #1, #2, #4, #5, #6 and #7 were received at the TCEQ D/FW Regional Office.

Track Number: 585983

Resolution Status Date: 10/14/2015

Violation Start Date: Unknown

Violation End Date: 9/29/2015

30 TAC Chapter 290.41(c)(3)(K)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/14/2015

Failure to maintain a well casing vent for Well #1, Well #2 and Well #5.

30 TAC 290.41(c)(3)(K) states that wellheads and pump bases shall be sealed by a gasket or sealing compound and properly vented to prevent the possibility of contaminating the well water. A well casing vent shall be provided with an opening that is covered with 16-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well. Wellheads and well vents shall be at least two feet above the highest known watermark or 100-year flood elevation, if available, or adequately protected from possible flood damage by levees.

During the investigation, a well casing vent was not observed on Well #1. The well casing vents on Well #2 and Well #5 were not screened.

Recommended Corrective Action: Submit documentation to the regional office verifying that a well casing vent is installed on Well #1 and the casing vents on Well #2 and Well #5 are screened.

Resolution: On September 29, 2015, photographs were received at the TCEQ D/FW Regional Office. The photographs verified that a well casing vent was installed on Well #1 and the casing vents on Well #2 and Well #5 were screened.

Track Number: 585985

Resolution Status Date: 10/13/2015

Violation Start Date: Unknown

Violation End Date: 9/29/2015

30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1286426

Comment Date: 10/13/2015

Failure to utilize good maintenance and housekeeping practices to ensure the public water system are in good working condition and/or properly upkeep the general appearance of the system's facilities equipment.

30 TAC 290.46(m) states that good maintenance and housekeeping practices should be utilized to ensure the public water system are in good working condition and/or properly upkeep the general appearance of the system's facilities equipment. 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.

During the investigation, overgrowing vegetation was observed at well site #2 and #5. The well casing vents for Well #2 and #5 were not screened. The sample tap for Well #5 was leaking.

Recommended Corrective Action: Submit documentation to the regional office verifying that the wells and well sites are being maintained.

Resolution: On September 29, 2015, photographs were received at the TCEQ D/FW Regional Office. The photographs verified that the vegetation was trimmed, the well casing vents were screened and the leaking sample tap was repaired.

Signed [Signature]
Environmental Investigator

Date 10/14/15

Signed [Signature]
Supervisor

Date 10/14/15

Attachments: (in order of final report submittal)

- Enforcement Action Request (EAR)
- Letter to Facility (specify type) : NOV
- Investigation Report
- Sample Analysis Results
- Manifests
- Notice of Registration
- Maps, Plans, Sketches
- Photographs
- Correspondence from the facility
- Other (specify):
1) Data sheets
2) Certificate
3) EIP

PUBLIC WATER SYSTEM DATA

Name of System:	Laguna Tres Subdivision		
CCN Number:	11609	PWS ID:	1110019
Classification:	Not Applicable	Type:	Community
Region Number:	4		

Interconnect with Other PWS:	Yes	Name of PWS I/C:	Laguna Vista
Type I/C:	Emergency		

Retail Service Connections:	233	Retail Meters:	233
Retail Population:	699		

Wholesale Master Meters:	0	Wholesale Service Connections:	0
Wholesale Population:	0		

Total Well Capacity:	206.5 GPM 0.297 MGD		
Raw Capacity:	0 GPM 0 MGD		

Total Elevated Storage:	0 MG	Total Storage Capacity:	0.045 MG
Pressure Tank Capacity:	0.01275		

Maximum Daily Usage:	n/a MGD	Date:	09/09/9999
Average Daily Usage:	0.056 MGD	Time Period:	09/01/2014 to 08/31/2015
Wholesale Contract:	No	Maximum Purchase Rate :	
No. of Samples Required:	1	No. of Samples Submitted:	1
No. of Raw Samples Required:	0	No. of Raw Samples Submitted:	0
Non-Comm Dates of Operation:	09/09/9999 to 09/09/9999		

WATER STORAGE TANKS

Type	Capacity	Material	Location
HD	0.01275 MG	ST	Water Plant - 116 Granada Calle
GR	0.045 MG	ST	Water Plant - 116 Granada Calle

WATER SOURCES

EP No	Source Code	Owner's Des	Location	Status	Pump Type	Tst. GPM	Est. GPM	Tst/Est. Date	GBM
0	G1110019C	Old Well #3	Chaparral Estates	P	n/a	n/a	n/a	09-SEP-15	
1	G1110019A	Well #1	116 Granada Calle	O	sub	17.5	0	09-SEP-15	

1	G1110019B Well #2	Casa Del Norte at Granada Calle	O	sub	unk	2.5	09-SEP-15
1	G1110019G Well #7	South of Well #1	O	sub	38	0	09-SEP-15
1	G1110019D Well #4	FM 51 at Granada Calle	O	sub	32	0	09-SEP-15
1	G1110019E Well #5 (#3 Replacement)	Chaparral Estates	O	sub	22	0	09-SEP-15
1	G1110019F Well #6	Chaparral Estates	O	sub	52	0	09-SEP-15
1	G1110019H Well #8	South of Well #6	O	sub	45	0	09-SEP-15

SERVICE PUMPS

Pump Number	Output	Location
1	10 HP/ 200 GPM	Water Plant - 116 Granada Calle
2	10 HP/ 200 GPM	Water Plant - 116 Granada Calle

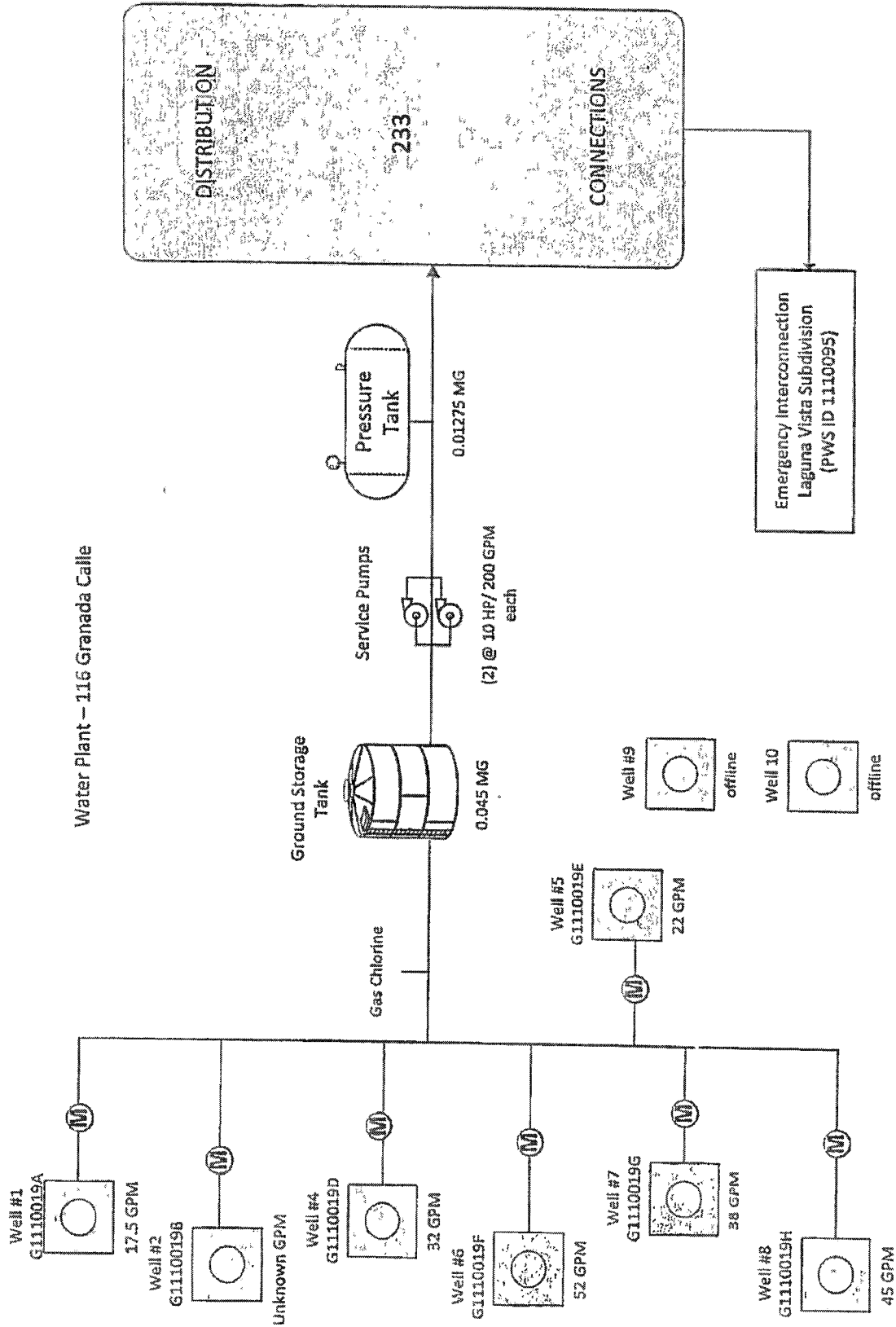
SYSTEM CAPACITIES

Pressure Plane Number: 1 Name: Laguna Tres Subdivision

System Capacities			Required	Provided
Well Production	0.6	GPM Conn X 233	Conn = 139.8	GPM 206.5
Elevated Pressure Storage	20	Gal/Conn X 233	Conn = 0.00466	MG 0.01275
Ground/Total Storage	200	Gal/Conn X 233	Conn = 0.0466	MG 0.045
Service Pump Capacity	2.0	GPM/Conn X 233	Conn = 466	GPM 400
Service Pump Peaking Factor		MDD/1440 X	**	GPM
Tested PSI: 47 Tested CL2: 1.98 Free Location: 3216 N. Chaparral				

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
PUBLIC WATER SYSTEM DIAGRAM

Laguna Tres Subdivision
PWS ID# 1110019
Investigator: Ariel Yeh
Investigation Date: 09/09/2015



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

Regulated Entity/Site Name	Laguna Trcs		TCEQ Add. ID No. (optional)	1110019
Investigation Type	CC	Contact Made In-House (Y/N)	N	Purpose of Investigation
Regulated Entity Contact	Mike Halder	Telephone No.		Date Contacted
Title		Fax No.		Date Faxed

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

Issue		For Records Request: identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues: include the rule in question with the clearly described potential problem. Other type of issues: fully describe		
No.	Type!	Rule Citation (if known)	Description of Issue	
1	AV	30 TAC 290	FAILURE TO MAINTAIN COPIES OF SANITARY CONTROL PAPERWORK FOR WELL #1, 2, 4, 5, 6 AND 7	
1	AV	30 TAC 290	FAILURE TO MAINTAIN WELL CHLORINE LOG FOR WELL #2, 4, 5, 6 & 7	
1	AV	30 TAC 290	FAILURE TO HAVE AN IN-STATE WELDRER FOR WELL #5, 6, AND 7 & 8	
1	AV	30 TAC 290	FAILURE TO HAVE AN AIR VENT ON WELL #1	
1	AV	30 TAC 290	FAILURE TO MAINTAIN APPROVAL FOR WELL #2 & WELL #5 ON PAPERWORK	
1	AV	30 TAC 290	FAILURE TO PROVIDE WORKING WELL METER FOR WELL #2	

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

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

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

Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date
<i>[Signature]</i>	9/9/15	Mike Halder	9/9/15

If you have questions about any information on this form, please contact your local TCEQ Regional Office. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512-239-3282.

White Copy: Regulated Entity Representative Yellow Copy: TCEQ

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

Regulated Entity/Site Name	LAGUNA W/ TICS		TCEQ Add. ID No. RN No. (optional)	1110019
Investigation Type	111	Contact Made In-House (Y/N)	Purpose of Investigation	FDL + MLC
Regulated Entity Contact	MIKE HALDEN		Telephone No.	
Title			Fax No.	
			Date Contacted	
			Date Faxed	

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

No.	Type	Rule Citation (if known)	Description of Issue
1	AV	30 TAC 290	FAILURE TO HAVE AN OWNERSHIP SIGN FOR WELL #6 & #8
1	AV	30 TAC 290	FAILURE TO MAINTAIN GUIDANCE FOR WELLS (NOT PROPERLY SCREENED, PARKING SIGNIFICANTLY DEGRADED)
1	PR		TANK INSPECTION FORMS
1	PR		WELL CALIBRATION RECORDS
1	AE		UPDATE MAINTENANCE PLAN
1	AI		UPDATE OPERATION MANUAL

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

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

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

 Investigator Name (Signed & Printed)	9/9/15 Date	 Regulated Entity Representative Name (Signed & Printed)	9/9/15 Date
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If you have questions about any information on this form, please contact your local TCEQ Regional Office. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512-239-3232.

(Note: Use additional pages as necessary) Page 1 of 2

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

Laguna Tres Subdivision

Regulated Entity/Site Name	Laguna Tres Subdivision			TCEQ Add. ID No. (Optional)	1110019
Investigation Type	CCI	Contract Made in House (Y/N)	Purpose of Investigation	Routine	
Regulated Entity/Contact	Mr. Michael Halder/ Mr. Greg Long		Telephone No.		10/12/15
			FAX/Email Address		10/12/15

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

Issue: For Records Request, identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation, issues include the rule citation, the type of violation, and a description of the potential problem. Other type of issues, fully describe.

No.	Type	Rule Citation (if known)	Description of Issue
1	AV	30TAC290.45(b)(1)(C)(ii)	Failure to provide a total storage capacity of 200 gallons per connection
1	AV	30TAC290.45(b)(1)(C)(iii)	Failure to provide a total service pump capacity of 2.0 gpm

Note 1: Issue Type Can Be One or More of: AV (Alleged Violation), FV (Potential Violation), O (Other), or RR (Records Request)

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

Document Acknowledgment. Signature on this document establishes only that the regulated entity (RE) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, the document will be sent via FAX or Email to RE; therefore, the RE signature is not required.

Investigator Name (Signed & Printed)	10/12/15 Date	Michael Halder Regulated Entity Representative Name (Signed & Printed)
		Date

If you have questions about any information on this form, please contact your local TCEQ Regional Office. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512/239-3282.

White Copy: Regulated Entity Representative
 Yellow Copy: TCEQ

Texas Commission on Environmental Quality	Office of Water	Public Drinking Water Section
County Map of TX	Water System Search	Office of Compliance and Enforcement

09/04/2015
02:09:03

Texas Commission on Environmental Quality
DWW Water System Summary Sheet

PWS ID	PWS Name	Central Registry RN
TX1110019	LAGUNA TRES SUBDIVISION	RN101275451

Organization/Customer *	Central Registry CN
LAGUNA TRES INC	CN600695985

*Regulatory mail will be addressed to this organization/person

All Water System Contacts			
Type	Contact	Communication	
AC - Administrative Contact - PRESIDENT	THOMAS, HARVEY, IKE PO BOX 2337 GRANBURY, TX 76048-7337	Electronic Type	Value
		Phone Type	Value
		BUS - Business	682-498-8062
		BUS - Business	817-279-1444
EC - Emergency Contact - OWNER <i>Operator</i>	<i>Halder, Michael</i> HIGGINS, JERRY, J 2004 SOUTHWEST PKWY GRANBURY, TX 76048-5672	Electronic Type	Value
		Phone Type	Value
		FAX - Facsimile	817-579-8444
		MOB - Mobile	817-408-0186
ECS - Emergency Contact - Secondary - PRESIDENT <i>Operator</i>	<i>Long, Greg</i> THOMAS, HARVEY, IKE PO BOX 2337 GRANBURY, TX 76048-7337	Electronic Type	Value
		Phone Type	Value
		BUS - Business	682-498-8062
		BUS - Business	817-279-1444
OW - Owner	LAGUNA TRES INC PO BOX 2337 GRANBURY, TX 76048-7337	817-371-3207	
PWS - Public Water System Contact - OPERATOR	<i>Halder, Michael</i> MARTIN, BILLY 2004 SOUTHWEST PKWY GRANBURY, TX 76048-5672	Electronic Type	Value
		Phone Type	Value
		BUS - Business	817-579-8100
		MOB - Mobile	940-445-7725

817-579-8111
817-504-1417
817-379-8100
817-379-8100
817-504-1417

Operator Grade	Number
GROUND WATER TREATMENT OPERATOR Grade <i>B C</i>	<i>X 2</i>
WATER OPERATIONS COMPANY	1

Water Operator Licenses	
License Holder:	HIGGINS, JERRY J JR

CURRENT	Class: b - GROUND WATER TREATMENT OPERATOR	WG0001972
License Holder:	TEXAS RAIN HOLDING COMPANY INC	
CURRENT	Class: NONE - WATER OPERATIONS COMPANY	WC0000077

Owner Type	Owner Type Options: COUNTY, DISTRICT, FEDERAL GOVERNMENT, INVESTOR OWNED, MUNICIPALITY, NATIVE AMERICAN, PRIVATE, STATE GOVERNMENT, WATER SUPPLY CORPORATION
Investor Owned	

System Type	System Type Options: COMMUNITY, TRANSIENT/NON-COMMUNITY, NON-PUBLIC, NON-TRANSIENT/NON-COMMUNITY
C - Community	

Population Type	Population Served	# of Connect	# I/C w/other PWS
Residential	693 699	231 235	81

Total Product (MGD)	Average Daily Consump.	Max Daily Demand (MGD)	Total Storage (MG)	Elev. Storage (MG)	Service Pump Cap.	Max. Purchase Cap. (MGD/GPM)	Pressure Tank Cap. (MG)
0.297	0.056	-	0.045	-	400 GPM	-	0.01275

Activity Status	Deactivation Date	Reason
A - ACTIVE		

Last Survey Date	Surveyor	Survey Type	Region	County
08/02/2012	MERISSA LUDWIG	Sanitary Survey	ARLINGTON	HOOD
06/25/2009	IMRAN, A KHAWAJA	Sanitary Survey	ARLINGTON	HOOD
03/02/2007	BRANDON COOPER	Sanitary Survey	ARLINGTON	HOOD

09/09/2015 ARIEL YPM

(Treatment Plant)

Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	Plant Num	Chemical Mon Type	Chem Sample Point	Distribution Mon Type	Dist Sample Point
EP001	TRT-TAP / Ground Water(A)	PLANT 1 - GRANADA CALLE(A)	TP7803		NO		NO

Train:	Unnamed
--------	---------

(Treatments)

Disinfection Zone	Treatment Sequence	Objective	Process	Treatment

null	null	D	403	GASEOUS CHLORINATION, PRE
------	------	---	-----	---------------------------

(Active Sources)						
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G1110019D	4 - GRANADA CALLE / FM 51 (A)	P	G	180	23 GPM	50 GPM
Drill Date		Source Summary				
05/26/1985		TWIN MOUNTAIN -				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller		
32.482053	-97.789902	0	05/11/2009	Not Purchasing		
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G1110019A	1 - HWY 51 / GRANADA CALLE (A)	P	G	155	16.5 GPM	72 GPM
Drill Date		Source Summary				
04/20/1972		TWIN MOUNTAIN -				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller		
32.482961	-97.788007	0	05/11/2009	Not Purchasing		
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G1110019F	6 - CHAPARRAL ESTATES (A)	P	G	180	42 GPM	48 GPM
Drill Date		Source Summary				
01/10/2003		TWIN MOUNTAIN -				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller		
32.484971	-97.788065	0	05/11/2009	Not Purchasing		
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G1110019E	5 - CHAPARRAL ESTATES REPL (A)	P	G	175	17 GPM	30 GPM
Drill Date		Source Summary				
07/26/1993		TWIN MOUNTAIN -				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller		
32.485357	-97.788327	0	05/11/2009	Not Purchasing		
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G1110019B	2 - CASA DEL NORTE (A)	P	G	180	25 GPM	20 GPM

Drill Date		Source Summary		
07/10/1978		TWIN MOUNTAIN -		
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller
32.485141	-97.784242	713	04/17/2006	Not Purchasing

(Inactive/Offline Sources)			
SourceNumber	Name	Status	Depth

Code Explanations
Monitoring Type Codes: (GW) GROUND WATER, (GUP) GROUND WATER UNDER THE INFLUENCE - PURCHASED, (SWP) SURFACE WATER - PURCHASED, (GU) GROUND WATER UNDER THE INFLUENCE OF SURFACE WATER, (N) NO SOURCES, (SW) SURFACE WATER
Activity Status Codes: (A) ACTIVE, (D) DELETED/DISSOLVED, (I) INACTIVE, (P) PROPOSED,
Operational Status Codes: (E) EMERGENCY, (I) INTERIM/PEAK (O) OTHER, (P) PERMANENT, (S) SEASONAL
Source Types: (G) GROUND WATER, (S) SURFACE WATER, (U) GROUND WATER UNDER THE INFLUENCE

- End of Report -

At the time of your query this data was the most current information available from our database, which is in real time. Every effort was made to retrieve it according to your query. Thank-you for using DWW.

G1110019G 7-Granada Calle P G 38GPM
 G1110019H 8-Chaparral ESTATE P G 45GPM



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
CERTIFICATION AND EMPLOYMENT REPORT

PWS Name: Laguna Tres Subdivision County: Hood
PWS ID #: 1110019 CCI Date: 09/09/2015

<i>Operator Name</i>	<i>License Class and Type</i>	<i>License Number</i>	<i>Expiration Date</i>
Gregory K. Long	Ground Water Operator C	WG0007058	01/22/2017
Michael K. Halder	Ground Water Operator C	WG0015160	09/09/2017

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 23, 2015

E SIGNATURE CONFIRMATION # 91 3499 9991 7030 0057 7402

Mr. Ike Thomas, President
Laguna Tres Inc.
911 E. Highway 377, Suite 11
Granbury, Texas 76048

Re: Notice of Violation for Public Water Supply Comprehensive Compliance Investigation at:
Laguna Vista Subdivision, 402 Aqua Vista Drive, Granbury, Hood County, Texas
RN101276806, PWS ID No. 1110095, Investigation No. 1282846

Dear Mr. Thomas:

On September 9, 2015, Ms. Ariel Yeh 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. Enclosed is a summary which lists the investigation findings. During the investigation, concerns were noted which was an alleged noncompliance that have been resolved based on subsequent corrective action. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **November 23, 2015**, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for 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 Regional 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 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. Jeff Tate, Water Section Manager, 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 • tceq.texas.gov • How is our customer service? tceq.texas.gov/customer/survey

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Mr. Ike Thomas
Page 2
October 23, 2015

If you or members of your staff have any questions, please feel free to contact Ms. Yeh in the D/FW Regional Office at 817-588-5878.

Sincerely,



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

CM/acy

Enclosure: Summary of Investigation Findings

Cc: Mr. Michael Halder, Texas Rain Holdings Company, 2004 Southwest Parkway,
Granbury Texas 76048

Summary of Investigation Findings

LAGUNA VISTA SUBDIVISION 3207 TIN TOP HWY GRANBURY, HOOD COUNTY, TX 76048	Investigation # 1282846 Investigation Date: 09/09/2015
Additional ID(s): 1110095	

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

Track No: 585878 Compliance Due Date: 11/23/2015
30 TAC Chapter 290.42(e)(4)(A)

Alleged Violation:

Investigation: 1282846

Comment Date: 10/09/2015

Failure to have a full-face self-contained breathing apparatus or supplied air respirator readily accessible outside the chlorinator room.

30 TAC 290.42(e)(4)(A) states that when chlorine gas is used, a full-face self-contained breathing apparatus or supplied air respirator that meets Occupational Safety and Health Administration (OSHA) standards for construction and operation, and a small bottle of fresh ammonia solution (or approved equal) for testing for chlorine leakage shall be readily accessible outside the chlorinator room and immediately available to the operator in the event of an emergency.

During the investigation, it was noted that a full-face self-contained breathing apparatus or supplied air respirator is not readily accessible outside the gas chlorinator room.

Recommended Corrective Action: Submit documentation to the regional office verifying that a SCBA or supplied air respirator is readily accessible outside the chlorinator room.

Track No: 585879 Compliance Due Date: 11/23/2015
30 TAC Chapter 290.41(c)(3)(O)

Alleged Violation:

Investigation: 1282846

Comment Date: 10/09/2015

Failure to maintain an intruder-resistant fence or locked building around Well #2 (G1110095B).

30 TAC 290.41(c)(3)(O) states that all completed well units shall be protected by intruder-resistant fences, the gates of which are provided with locks or shall be enclosed in locked, ventilated well houses to exclude possible contamination or damage to the facilities by trespassers. The gates or well house shall be locked during periods of darkness and when the plant is unattended.

During the investigation, an intruder-resistant fence was observed around Well #2; however, the fence was damaged by a recent storm and could not properly secured the well.

Recommended Corrective Action: Submit documentation verifying that Well #2 is secured by an intruder-resistant fence or a locked building.

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

Track No: 585875
30 TAC Chapter 290.46(n)

Alleged Violation:

Investigation: 1282846

Comment Date: 10/09/2015

Failure to maintain a copy of the well driller log for Well #1 (G1110095A).

30 TAC 290.46(n) states that 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.

During the investigation, a copy of the well driller log for Well #1 was not available for review.
Recommended Corrective Action: Submit a copy of the well driller log for Well #1 to the regional office.

Resolution: On September 29, 2015, a copy of the well driller log for Well #1 was received at the TCEQ D/FW Regional Office.

Track No: 585878**30 TAC Chapter 290.46(m)****Alleged Violation:**

Investigation: 1282846

Comment Date: 10/09/2015

Failure to utilize good maintenance and housekeeping practices to ensure the public water system are in good working condition and/or properly upkeep the general appearance of the system's facilities equipment.

30 TAC 290.46(m) states that good maintenance and housekeeping practices should be utilized to ensure the public water system are in good working condition and/or properly upkeep the general appearance of the system's facilities equipment. 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.

During the investigation, overgrowing vegetation was observed at Well #1 site and at the pump station.

Recommended Corrective Action: Submit documentation to the regional office verifying that the vegetation at Well #1 site and at the pump station was trimmed.

Resolution: On September 28, 2015, photographs were received at the TCEQ D/FW Regional Office. The photographs verified that the vegetation was trimmed.

Track No: 585877**30 TAC Chapter 290.41(c)(3)(K)****Alleged Violation:**

Investigation: 1282846

Comment Date: 10/09/2015

Failure to seal the wellhead for Well #2 (G1110095B).

290.41(c)(3)(K) states that wellheads and pump bases shall be sealed by a gasket or sealing compound and properly vented to prevent the possibility of contaminating the well water. A well casing vent shall be provided with an opening that is covered with 18-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well. Wellheads and well vents shall be at least two feet above the highest known watermark or 100-year flood elevation, if available, or adequately protected from possible flood damage by levees.

During the investigation, it was noted that the wellhead for Well #2 was not properly sealed.

Recommended Corrective Action: Submit documentation to the regional office verifying that the wellhead for Well #2 is properly sealed.

Resolution: On September 29, 2015, photographs were received at the TCEQ D/FW Regional office. The photographs verified that the wellhead was properly sealed.

ADDITIONAL ISSUES

Description

Item 6

Additional Comments

During the comprehensive compliance investigation on September 9, 2015, it was noted that the water system was operating at approximately 94% of its minimum required total storage capacity. A retail public utility that possesses a certificate of public convenience and necessity that has reached 86% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in 30 TAC 291.93(3) 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 certified area. Please submit an adequate planning report to the TCEQ D/FW Region Office within 90 days.

Item 7

During the comprehensive compliance investigation on September 9, 2015, it was noted that the water system could not provide a total well capacity of 0.6 gpm per connection. Based on the number of connections, the water system is required to provide 128.4 gpm of water to the customer. The water system was providing 90 gpm during the investigation. This is a 30% deficiency. However, the same violation was noted and referred to enforcement during a complaint investigation (Investigation Number 127453) conducted from July 21 to August 17, 2015. The water system shall work with the enforcement department to achieve compliance.

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PWS/111 95/CO/09-09-15/CCI

**Texas Commission on Environmental Quality
Investigation Report**

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**Customer: Laguna Tres, Inc.
Customer Number: CN600695985**

Regulated Entity Name: LAGUNA VISTA SUBDIVISION

Regulated Entity Number: RN101276806

Investigation # 1282846	Incident Numbers
Investigator: ARIEL YEH	Site Classification GW 51-250 CONNECTION
Conducted: 09/09/2015 -- 09/09/2015	NAIC Code: 221310
Program(s): PUBLIC WATER SYSTEM/SUPPLY	SIC Code: 4941
Investigation Type: Compliance Investigation	Location:
Additional ID(s): 1110095	

Address: 3207 TIN TOP HWY,
GRANBURY, TX, 76048

Local Unit: REGION 04 - DFW METROPLEX
Activity Type(s): PWSCCIGWCM - CCI GW PURCHASE
- COMMUNITY MANDATORY

Principal(s):

Role	Name
RESPONDENT	LAGUNA TRES INC

Contact(s):

Role	Title	Name	Phone
REGULATED ENTITY MAIL CONTACT	OWNER	IKE THOMAS	Fax (817) 579-8444 Cell (817) 219-4700 Work (817) 279-1444
REGULATED ENTITY CONTACT	OPERATOR	MR MICHAEL HALDER	Work (817) 579-8100 Cell (817) 504-1417
PARTICIPATED IN	OPERATOR	MR MICHAEL HALDER	Cell (817) 504-1417 Work (817) 579-8100
NOTIFIED	OPERATOR	MR MICHAEL HALDER	Work (817) 579-8100 Cell (817) 504-1417

Other Staff Member(s):

Role	Name
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Investigator	MERISSA GREEN
Investigator	DANIELA HILL
Supervisor	CHARLES MARSHALL