



Control Number: 44892



Item Number: 10

Addendum StartPage: 0



RE: DOCKET NO. 44892

2015 OCT 28 AM 10:51

PUBLIC UTILITY COMMISSION  
FILING CLERK

Application of the City of Lubbock  
to Amend a Certificate of Convenience and Necessity  
in Lubbock County

Submittal to comply with order #3, curing deficiencies identified by the PUC

Please find enclosed 7 copies of the revised application correcting;

CCN number for the city sewer

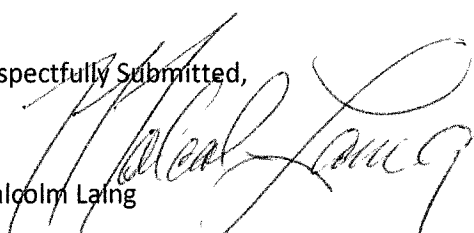
Copy of the TCEQ most recent CCI for the Public Water Supply

Revised large and small scale maps, with CD

List of all neighboring entities within 2 miles

List of PWS's within 2 miles

Respectfully Submitted,

  
Malcolm Laing

Water Resources Manager

City of Lubbock

[mllaing@mylubbock.us](mailto:mllaing@mylubbock.us)

806-775-3513

10





PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER  
SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

## Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

**Docket Number:** \_\_\_\_\_

(this number will be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original, shall be filed with

Public Utility Commission of Texas  
Attention: Filing Clerk  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

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## Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

### Purpose of Application

<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s)	10627
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Sewer CCN#(s)	20230

### 1. Applicant Information

#### Applicant

Utility name: City of Lubbock

Certificate number: 10627

Street address (City/ST/ZIP/Code): Lubbock/402 Municipal Drive/79457

Mailing address(City/ST/ZIP/Code): Lubbock/PO Box 2000/79457

Utility Phone Number and Fax: (806) 775-2852

#### Contact information

Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.

Name: Malcolm Laing

Title: Water Resources Manager

Mailing address: PO Box 2000 Lubbock Texas 79457

Email: mlaing@mylubbock.us

Phone and Fax: (806) 775-3513

List all counties in which service is proposed:

Lubbock

A. Check the appropriate box and provide information regarding the legal status of the applicant:

- ☐ Investor Owned Utility      ☐ Individual      ☐ Partnership
- ☐ Home or Property Owners Association      ☐ For-profit Corporation
- ☐ Non-profit, member-owned, member-controlled cooperative corporation  
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
- ☒ Municipality      ☐ District      ☐ Other - Please explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: \_\_\_\_\_
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

## 2. Location Information

- A. Are there people already living in the proposed area?      ☒ Yes      ☐ No
- If YES, are any currently receiving utility service?      ☐ Yes      ☐ No
- If YES, from WHOM? City of Lubbock

B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

☒ Yes     ☐ No

If YES, provide the following:

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

☒ Yes     ☐ No

If YES, within the corporate limits of: City of Lubbock

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

Expanding CCN to include all annexed areas within the city limits of Lubbock and contiguous city owned or controlled properties. Area for the most part already has water and sewer service. Most recent annexed area has services under construction.

D. Is any portion of the proposed service area inside another utility's CCN area?

☐ Yes     ☒ No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

Dual certification is requested.



### 3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
- B. A map showing only the proposed area by:
  - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
  - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
  - iii. following verifiable natural and man-made landmarks; or
  - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area.
- D. Provide separate and additional maps of the proposed area(s) to show the following:
  - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
  - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

**Note: Failure to provide adequate mapping information may result in the delay or possible denial of your application.**

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

### 4. New System Information or Utilities Requesting a CCN for the First Time

- A. Please provide the following information:
  - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
  - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? ☐ Yes ☐ No

- i. If yes, please provide documentation of the denial of service and go to c.
  - ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.
- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:
- D. Date of plat approval, if required: \_\_\_\_\_  
 Approved by: \_\_\_\_\_
- E. Date Plans & Specifications submitted to the TCEQ for approval: \_\_\_\_\_  
 \_\_\_\_\_ Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.
- F. Date construction is scheduled to commence: \_\_\_\_\_
- G. Date service is scheduled to commence: \_\_\_\_\_

## 5. Existing System Information

- A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.
- i. Water system(s): TCEQ Public Water System identification number(s):
 

1	5	2	0	0	2		
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  - ii. Sewer system(s): TCEQ Discharge Permit number(s)

W Q 1 0 3 5 3 . 0 0 2 ;

W Q . . . . .

W Q . . . . . - . . . . . ;

W Q . . . . . - . . . . .

W Q . . . . . - . . . . . ;

W Q . . . . . - . . . . .

- iii. Date of last TCEQ water and/or sewer system inspection(s): 7/23/2014
- iv. Attach a copy of the most recent TCEQ water and/or sewer inspection report letter(s).
- v. For each system deficiency listed in the TCEQ inspection report letter; attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

B. Provide the following information about the utility's certified water and/or sewer operators

Name	Classes	License Number
See attached lists		

- Attach additional sheet(s) if necessary -

- C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?

- ☐ Yes  
☒ No

Attach a copy of the 85% rule compliance document filed with the TCEQ if the system is operating at 85% or greater of the TCEQ's minimum standard capacity requirements.

- D. In the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial **documentation** and reflect the number of service requests identified in Question 2.b in the application.

TCEQ Water System			TCEQ Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	48,747		Residential	70,569	
1" meter or larger	33,825		Commercial	6,529	
Non-Metered	2		Industrial	14	

TCEQ Water System			TCEQ Sewer System		
Other:			Other:	181	
Total Water	82,172		Total Sewer	77,293	

E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

N/A

F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

N/A

G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i. ☐ No, (skip the rest of this question and go to #6)

ii. ☒ Yes, Water

Purchased on a ☒ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
CRMWA Purchased	58.00%

Water Source	% of Total Treatment
City of Lubbock	42.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density; and
- ii. the land use of the requested area.

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

Most of the area within the requested CCN amended area is already served by both the water and waste water utilities and has been developed as normal housing and small business. The areas most recently annexed will be developed in the same fashion.

## 6. Financial Information

A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:

- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
- ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates

should correlate to the projected growth in connections, shown on the projected profit and loss statement.

- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.

B. For existing water and/or sewer systems:

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
- ii. Attach a proposed rate schedule or tariff.

❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**

C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.

- D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

## 7. Notice Requirements

- A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.
- B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.
- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.
- F. **Notice For Publication:**  
The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. **Notice To Neighboring Utilities:**
  - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
  - ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.
- H. Notice to Customers:  
Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.
- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

**Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.**

# OATH

STATE OF Texas  
COUNTY OF Lubbock

I, Aubrey Spear, being duly sworn,  
file this application as Water Utilities Director (indicate relationship to Applicant,  
that is, owner, member of partnership, title as officer of corporation, or other authorized  
representative of Applicant); that, in such capacity, I am qualified and authorized to file  
and verify such application, am personally familiar with the maps and financial information  
filed with this application, and have complied with all the requirements contained in this  
application; and, that all such statements made and matters set forth therein are true and  
correct. I further state that the application is made in good faith and that this application  
does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended  
from its original form.

**I further represent that the Applicant will provide continuous and adequate  
service to all customers and qualified applicants for service within its certificated  
service area.**

\_\_\_\_\_  
AFFIANT  
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the  
Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,  
This day \_\_\_\_\_ of \_\_\_\_\_ 20 \_\_\_\_

SEAL

\_\_\_\_\_  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

\_\_\_\_\_  
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES \_\_\_\_\_



## Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Lubbock COUNTY(IES), TEXAS

Name of Applicant City of Lubbock has filed an application for a CCN to obtain or amend CCN No. (s) 10627 and to decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

water & sewer

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in

Lubbock

County  
(ies).

The proposed utility service area is located approximately 8 miles in all directions  
[direction] of downtown Lubbock, [City or Town] Texas, and is generally bounded on the north by Bluefield Street; on the east by Loop 289; on the south by 130th street; and on the west by Reese Center

The total area being requested includes approximately 83,200 acres and 82,172 current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number): 402 Municipal Drive Lubbock, TX 79457

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

**Persons who wish to intervene or comment should file with the PUC at the following address:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

***Si desea informacion en Espanol, puede llamar al 1-888-782-8477***

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN

Lubbock COUNTY(IES), TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_  
(Neighboring System, Landowner or City)

\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
City State Zip

Name of Applicant City of Lubbock has filed an application for a  
CCN to obtain or amend CCN No. (s) 10627 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water & Sewer  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Lubbock County(ies).

The proposed utility service area is located approximately 8 miles in all directions  
[direction] of downtown Lubbock, [City or Town] Texas, and is  
generally bounded on the north by Bluefield Street; on the east by  
Loop 289; on the south by 130th street; and on the west by Reese Center

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 83,200 acres and 82,172  
current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

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Filing Clerk  
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within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

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A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-888-782-8477**

## Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN

\_\_\_\_\_ COUNTY(IES), TEXAS

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_

Name of Applicant \_\_\_\_\_ has filed an application for a  
CCN to obtain or amend CCN No. (s) \_\_\_\_\_ and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

utility service in \_\_\_\_\_ (specify 1) water or 2) sewer or 3) water & sewer)  
County(ies).

The proposed utility service area is located approximately \_\_\_\_\_ miles  
[direction] of downtown \_\_\_\_\_, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone  
Number): \_\_\_\_\_

The current utility rates which were first effective on \_\_\_\_\_ 20 \_\_\_\_\_

Monthly Flat Rate of \$ \_\_\_\_\_ Per connection

-OR-

Monthly Base Rate Including per \_\_\_\_\_ gallons  
connection for:

5/8" meter	\$ _____
1" meter	\$ _____
1 1/2" meter	\$ _____
2" meter	\$ _____

Other\$ \_\_\_\_\_

Gallonge charge of \$ \_\_\_\_\_ Per 1,000  
Gallons above minimum (same for all meters sizes)

### Miscellaneous Fees

#### Regulatory Assessment

Tap Fee (Average Actual Cost)

#### Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

#### Late fee

#### Returned Check charge

Customer Deposit (\$50.00 max)

#### Meter test fee

(Actual Cost not Exceed \$25.00)

#### Other Fees

1%
\$ _____
\$ _____
\$ _____
\$ _____
\$5.00 or 10%
\$ _____
\$ _____
\$ _____
\$ _____

**Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.**

**A request for a public hearing must be in writing.** You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

**Persons who wish to intervene or comment should write the:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

**IF A HEARING IS HELD,** it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-888-782-8477**

## HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						



## HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

## PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>SOURCES OF CASH</b>						
Net Income						
Depreciation (if Funded)						
Loan Proceeds						
Other						
Total Sources						
<b>USES OF CASH</b>						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
TOTAL USES						
NET CASH FLOW						
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation , or Reserve Interest						
TOTAL						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS						

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PWS / 1520002 / CO / 05-07-2013 , PWS CCI SW Com  
**Texas Commission on Environmental Quality**  
**Investigation Report**  
City of Lubbock  
CN600130736

INVESTIGATION COPY - FILED

JUN 24 2012

**LUBBOCK PUBLIC WATER SYSTEM**

RN101248722

Investigation # 1098784

Incident #

Investigator: JASON LINDEMAN

Site Classification

GW >10K CONNECTION

P >10K CONNECTION

SW >10K CONNECTION

Conducted: 04/30/2013 -- 05/07/2013

No Industry Code Assigned

Program(s): WASTEWATER  
PUBLIC WATER  
SYSTEM/SUPPLY

Investigation Type : Compliance Investigation

Location : E of the airport on Guava St

Additional ID(s) : 1520002

Address: 6001 N GUAVA AVE;  
LUBBOCK, TX 79403

Activity Type : REGION 02 - LUBBOCK

PWSCCISWCM - PWS CCI SW - Community

WWTLPRECON - WW TLAP Recon

Principal(s) :

Role	Name
RESPONDENT	CITY OF LUBBOCK

Contact(s) :

Role	Title	Name	Phone
Participated in Investigation	WATER SUPPLY SUPERVISOR	MR CURTIS J MCDOLE	Work (806) 776-2610
Participated in Investigation	WU MAINTENANCE FOREMAN	MR OL PLYMELL	Work (806) 776-3212
Notified	WATER OPERATIONS MANAGER	MR MICHAEL W LOWE	Work (806) 775-2616 Cell (806) 831-6014
Participated in Investigation	WATER OPERATIONS MANAGER	MR MICHAEL W LOWE	Work (806) 775-2616 Cell (806) 831-6014
Regulated Entity Mail Contact	MAYOR	HON GLEN C ROBERTSON	Work (806) 775-3001
Participated in Investigation	SHIFT LEADER	MR STEVE CISNEROS	Work (806) 846-3693

Other Staff Member(s) :

Role	Name
Investigator	MALCOLM LAING
QA Reviewer	MALCOLM LAING
Investigator	JOHN KEITH III
Investigator	JOSEPH HOPKINS
Supervisor	GARY SHIPP

**Associated Check List**

Checklist Name

Unit Name

PWS INVESTIGATION - EQUIPMENT MONITORING  
AND SAMPLING  
PWS STANDARD FIELD

Lubbock PWS

Lubbock PWS

**Investigation Comments :****INTRODUCTION:**

From April 30 through May 7, 2013, Messrs. Jason Lindeman, Malcolm Laing, Jay Keith, and Joseph Hopkins, Texas Commission on Environmental Quality (TCEQ) Region 2 Environmental Investigators, conducted a Public Water Supply (PWS) Comprehensive Compliance Investigation (CCI) at the Lubbock Public Water System, TCEQ PWS ID# 1520002. TCEQ staff members were accompanied by City of Lubbock employees Messrs. Mike Lowe, Water Operations Manager, Curtis McDole, Water Supply Supervisor, O.L. Plymell, Maintenance Foreman, and Steve Cisneros, Shift Leader. The CCI was scheduled by phone with Mr. Lowe on April 16, 2013. An email describing the records required for the investigation was also sent at that time. During the investigation, one alleged violation and two Additional Issues (AIs) were noted. An exit interview form describing the alleged violation was completed and signed by Mr. Lowe on May 3, 2013 (Attachment #1). Due to the TCEQ's Enforcement Initiation Criteria (EIC) categorization of the alleged violation, the case will be referred for formal enforcement. The Honorable Glen C. Robertson, Mayor, will receive a "Notice of Enforcement" dated June 21, 2013.

**GENERAL FACILITY AND PROCESS INFORMATION:**

Water for municipal use in Lubbock is supplied by purchased ground water from the Canadian River Municipal Water Authority (CRMWA, PWS ID #1970003), wells in Bailey and Lamb Counties (Bailey County Sandhills Wellfield), and surface water from Lake Alan Henry. Untreated ground water from the CRMWA Roberts County Well field enters the 430 million gallon (MG) Terminal Storage Reservoir (TSR) at the City of Lubbock North Water Treatment Plant (NWTP). The purchased water receives the following treatment: pre-chlorination, rapid mix, coagulation, flocculation, sedimentation and filtration. The plant has the ability to post-chlorinate in the event of an emergency. The treated water from CRMWA enters the distribution system from Pump Station (PS) #11 (Entry Point (EP) #1, sample tap in lab). The maximum purchase rate from CRMWA is 43 million gallons per day (MGD) and the NWTP capacity, which is limited by the sedimentation basins, is 75 MGD.

Ground water from the Bailey County Sandhills Wellfield Plant is treated with chlorine and ammonia ahead of the 5 MG ground (GR) storage tank located at the wellfield and enters the distribution system via the Shallowater line at PS #9 (EP #6, 2.5 miles NE of Shallowater on US 84, sample tap in valve pit). The combined production capacity of the wells is 40.06 MGD (Attachment #2). The transmission line capacity is limited to 42 MGD.

The Lake Alan Henry Booster PS has two raw water pumps with a capacity of 12.5 MGD each and one pump with a capacity of 16.5 MGD. Water is pumped from the lake to the 6.0 MG open top storage tank at the Post Booster PS, which has two 15.7 MGD pumps and one 12.5 MGD pump. From the Post Booster PS, water is pumped to a 225 MG TSR at the South Water Treatment Plant (SWTP). A bypass line is also available to send water directly to the plant. Water from the TSR gravity flows through a flow control structure followed by a raw water screen. Water then flows to two 7.5 MGD pretreatment trains consisting of rapid mix, flocculation, and inclined plate settler sedimentation basins. After the pretreatment trains, water flows into an equalization basin. Eight 2,700 gallon per minute (GPM) membrane feed pumps take suction from the basin and send water through four membrane feed water strainers and then to six Siemens Memcor CP L20V MF/UF membrane units. Chlorine contactor pipeline is used for disinfection. Chemical feed capability includes coagulant, sodium hypochlorite, liquid ammonium sulfate, chlorine dioxide, sulfuric acid, and sodium chlorate.

From the membranes and chlorine contactor, water flows to a 2.0 MG clearwell with three 10 MGD transfer pumps. These provide water via an airgapped connection to PS #8, PS #10 and PS #14 (EP #9, sample tap in lab). The SWTP capacity, which is limited by the membrane filters, is 15 MGD.

This is a community system that reports 81,403 connections and meters and a population of 235,398 residents based on City of Lubbock statistics and population information. The city also reports 7 wholesale meters with a combined 4,699 wholesale connections and a wholesale population of 15,679 (contract information is presented in Attachment #3).



~~In addition to the reported wholesale connections, the NWTP treats water for 6 CRMWA member cities. Untreated water for these facilities is provided to the SWTP by CRMWA, undergoes treatment, and is then returned to CRMWA lines for distribution to the member cities. Several of these cities have sold a portion of their allocation. See Attachment #4 for information regarding buyers of water.~~

The City of Lubbock has created three pressure zones to maximize operational control. Total system capacities are 73.75 MG GR, 20.15 MG elevated (EL), and 240,711 GPM (346.624 MGD) of service pump capacity. Water from the three different sources can be delivered to multiple points within the pressure to satisfy changes in demand and capacity requirements.

The east pressure zone supplies 36,841 connections and has a combined GR storage tank capacity of 35.5 MG, a combined EL storage tank capacity of 1.15 MG, and a service pump capacity of 111,551 GPM.

At Pump Station (PS) #11, located at the NWTP, three service pumps with a combined capacity of 15,600 GPM take suction from the 6 MG and 2 MG clearwells and pump to the distribution system.

At PS #3, located 0.5 blocks west of University on 3rd Street, two service pumps with a combined capacity of 16,060 GPM take suction from a 5 MG GR storage tank and pump to the distribution system.

At PS #4, located at Ave. A and Municipal Dr., four service pumps with a combined capacity of 39,791 GPM take suction from the 5 MG and 10 MG GR storage tanks and pump to the distribution system.

At PS #6, located at 66th and Slaton Hwy, two service pumps with a combined capacity of 6,300 GPM take suction from a 2 MG GR storage tank and pump to the distribution system.

At PS #8, located at 66th and Loop 289, three service pumps with a combined capacity of 28,500 GPM take suction from a 5 MG GR storage tank and pump to the distribution system.

At PS #12, located southeast of the prison on Slaton Hwy, there are three booster pumps with a combined capacity of 1,500 GPM. A 0.15 MG EL storage tank is located at the PS and floats on the supply line between the PS and the prison. These pumps are not included as part of the service pump capacity.

At PS #15, located north of the NWTP, three service pumps with a combined capacity of 5,300 GPM take suction from a 0.5 MG GR storage tank and pump to the City of New Deal.

An additional 1 MG EL storage tank, located at 35th and Ave. W, floats on the system.

The west pressure zone supplies 38,080 connections and has a combined GR storage tank capacity of 19 MG, a combined EL storage tank capacity of 3 MG, and a service pump capacity of 129,150 GPM. Due to location and topography, an additional 5 MG of elevated GR is counted for the wellfield GR storage tank and an additional 14.25 MG ground storage and 11 MG of elevated storage is counted for the transmission line from the wellfield.

At PS #7, located at 29th and Marsha Sharp Freeway, seven service pumps with a combined capacity of 49,000 GPM take suction from the 2 MG and 5 MG GR storage tanks and pump to the distribution system.

At PS #9 (or Low Head "B"), located at N. Quaker and Clovis Hwy, four service pumps with a combined capacity of 23,200 GPM take suction from a 5 MG GR storage tank and pump to the distribution system. There are four additional service pumps with a combined capacity of 38,100 GPM that are also utilized to pump to the distribution system.

At PS #10, located at 82nd and Memphis, two service pumps with a combined capacity of 18,850 GPM take suction from a 7 MG GR storage tank and pump to the distribution system.

A 1 MG EL storage tank, located at 50th and Joliet, and a 2 MG EL storage tank, located at 74th and Genoa, float on the system.

The southwest pressure zone supplies 6,482 connections and is served by PS #14, which has four service pumps with a combined capacity of 10,000 GPM that take suction from a 5 MG GR storage tank and pump to the distribution system. The city currently has plans to install an additional 5 MG GR storage tank. Although there is no EL storage capacity, the design allows for valves between the southwest and west pressure zones to open so that pressure can be maintained between the two zones. This design was conditionally approved by TCEQ in a letter dated July 27, 2006.

The city has numerous licensed employees within the different departments involved in water production, distribution, and protection. There are 4 A, 5 B Surface Water (SW), 1 B Ground Water (GW), 9 C SW, 2 C GW, and 1 C Distribution (Dist) licensed operators within the Water Utilities department (Attachment #5). The department that oversees distribution has 2 B Dist, 12 C Dist, 1 C SW, 5 D, 3 Backflow Prevention Assembly Tester (BPAT), and 2 Customer Service Inspector (CSI) licensed operators (Attachment #6). The Education Department has 1 B GW, 1 C GW, 2 C Dist, 1 D, 6 BPAT, 6 CSI, 1 Water Treatment Specialist, 4 Landscape Irrigation Inspectors, and 2 Landscape Irrigators (Attachment #7). License details for Messrs. Lowe, McDole, Plymell, and Cisneros are attached (Attachment #8).

System sketches documenting capacities and flows are attached to the report. Additional information is provided in the WUD Water System Data Sheet (Attachment #9) and Public Water System Data print out (Attachment #10).

#### BACKGROUND:

A Complaint Investigation was conducted from March 26 through April 5, 2013 (reference investigation #1076335). The complaint was regarding unlicensed individuals conducting irrigation inspections. No AIs or alleged violations were noted.

An Active/Inactive Focused Investigation was conducted on August 8, 2012 to determine if the new South Water Treatment Plant was ready to be placed online (reference investigation #1030754). The plant was found to be constructed in accordance with submitted plans and specifications and ready to deliver water to the distribution system.

A Complaint Investigation was conducted on February 15, 2012 (reference investigation #989431). The complaint was regarding unlicensed individuals conducting irrigation inspections. No AIs or alleged violations were noted.

The last CCI was conducted from December 7 through December 14, 2010 (reference investigation #892950). A Complaint was also addressed through the CCI (reference incident #148022). The complaint allegations could not be verified; however, the CCI findings included one alleged violation and three AIs. The AIs were to ensure that abandoned wells owned by the system are either tested every five years or plugged in accordance with 16 TAC Chapter 76 as required in 30 TAC §290.46(u), evaluate the Monitoring Plan and sample locations, and ensure the minimum required disinfectant residual of 0.5 mg/L total is provided and maintained throughout the distribution system at all times. The alleged violation was failure to flush dead-end mains at monthly intervals. The alleged violation was resolved through a File Record Review (FRR) conducted on March 25, 2011 (reference investigation #907541).

A Complaint Investigation was conducted on July 14, 2010 (reference investigation #850081). The complainant alleged that the water is rusty and stinky and that the city has made very few efforts to correct the situation (reference incident #141624). A portion of the allegations were verified and one alleged violation for failure to maintain the minimum required chlorine residual of 0.5 mg/L total was noted and subsequently resolved as a result of compliance documentation submitted on July 23, 2010.

A CCI was conducted on May 19, 2009 (reference investigation #745878). Four AIs were noted regarding sanitary control easements, the Cross Connection (CCX) Control Program, plugging abandoned wells, and maintenance on the 6 MG GR storage tank and 0.1 MG EL storage tank at the NWTP.

A CCI was conducted June 10 through June 12, 2008 (reference investigation #685444). Six AIs and two alleged violations were noted. The AIs were to ensure livestock in pastures are not allowed within 50 feet of water supply wells, ensure sanitary control easements covering land within 150 feet of the well are obtained, ensure abandoned wells owned by the system are plugged, ensure the hatch opening on the GR storage tank at PS #8 is expanded to at least 30" when major repair or maintenance is performed on the tank and that all hatches are locked, ensure a Standard Operating Procedure (SOP) regarding filter inspections is developed and implemented and ensure all aspects of the public water system meet the criteria for recognition as an Approved system. The alleged violations were for failure to provide an adequate backflow program and failure to prevent livestock in pastures from being allowed within 50' of a water supply well. The latter was subsequently resolved and categorized as an Area of Concern. A CCX Focused Investigation (FOC) was conducted from August 28 through September 9, 2008 by request from the City of Lubbock and was utilized to resolve the outstanding alleged violation regarding the backflow program (reference investigation #702346).

#### ADDITIONAL INFORMATION:

During the investigation, the NWTP and its associated lab and facilities; SWTP and associated raw water intake, pumps, and booster pumps supplying water from Lake Alan Henry; a select number of wells in the Bailey County Sandhills Wellfield; the wellfield GR storage tank; and the EL and GR storage tanks and associated pumps within the distribution system, were examined. Pressure and chlorine checks were conducted in each of the three pressure zones using an Ashcroft oil-filled pressure gauge and a Hach Pocket Colorimeter II respectively. In the east pressure zone, the pressure was 65 PSI and the total chlorine residual was 5.2 mg/L at Idalou Rd and Niler Ave. The pressure was 100 PSI and the total chlorine residual was 1.93 mg/L at E 63rd and Pearl. The pressure was 60 PSI and the total chlorine residual was 2.5 mg/L at PS #12 near the Montford prison. The pressure was 62 PSI and the total chlorine residual was 2.7 mg/L at 2616 Marlboro. In the west pressure zone, the pressure was 84 PSI and the total chlorine residual was 2.5 mg/L at 4302 96th. The pressure was 90 PSI and the total chlorine residual was 2.5 mg/L at 5120 29th. In the southwest pressure zone, the pressure was 64 PSI and the total chlorine residual was 2.8 mg/L at 7530 84th.

Analytical procedures and calibrations conducted by City of Lubbock personnel in the NWTP lab were also observed. The lab tests results of the raw water were: pH 8.49 standard units, temperature 19.8 degrees Celsius, alkalinity 196 mg/L, turbidity 4.43 NTU. The lab tests results of the finished water were: pH 7.53 standard units, temperature 19.2 degrees Celsius, total chlorine residual 3.6 mg/L, alkalinity 181.3 mg/L, turbidity 0.042 NTU.

While inspecting the SWTP, two concrete evaporation ponds used for disposal of the neutralized water from the filter cleaning process and the water collected from facility floor drains and secondary containment basins were noted. On May 7, 2013 the pH was tested in the west pond by Mr. Hopkins using an Orion pH meter and found to be 9.15 standard units. When asked if a permit had been obtained for these evaporation ponds, Mr. Lowe indicated they did not have a permit. An alleged violation was noted for failure to obtain a permit for these evaporation ponds in violation of 2 TWC §26.121(a)(1). Since the City of Lubbock has existing Texas Pollutant Discharge Elimination System (TPDES) permits for the Southeast Water Reclamation Plant, WQ0010353002; Jim Bertram Lake System, WQ0004599000; and for the Alex Ty Cooke Steam Electric Generating Station, WQ0001895000, the alleged violation is being referred for formal enforcement (see Attachment #11).

Available records were also reviewed. Some of these records include: production reports, Surface Water Monthly Operating Reports (SWMORs), Individual Filter Effluent and Combined Filter Effluent turbidity charts, chemical usage, plugging reports and the status of unused wells (see Attachment #12), the Monitoring Plan, Operations Manual, tank inspections, bacteriological sample results, backflow test records, Customer Service Inspections, the XC2 proprietary software used for the CCX program, complaint records, flushing logs, calibration records, the plumbing ordinance, and the water conservation plan. The calculated Average Daily Demand (ADD) from April 2012 through March 2013 is 34.943 MGD. The Maximum Daily Demand (MDD) recorded during this period was 58.070 MG on August 2, 2012.

See the alleged violation and AI descriptions for additional information. Supporting documentation consisting of the attachments referenced in the report, an aerial photograph of the SWTP while it was under construction, photographs of the flocculator arms at the NWTP and evaporation ponds at the SWTP, and TCEQ information regarding other TPDES permits held by the City of Lubbock, is attached. The report attachments were electronically attached to the CCEDS report.

NCE Date: 06/17/2013

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

Track No: 505293

Compliance Due Date: To Be Determined

Violation Start Date: Unknown

2D TWC Chapter 26.121(a)(1)

**Alleged Violation:**

Investigation: 1098784

Comment Date: 06/17/2013

Failure to obtain a required Texas Pollutant Discharge Elimination System (TPDES) permit for an industrial wastewater discharge. At the time of the investigation, two concrete lined evaporation ponds were observed north of the Terminal Storage Reservoir (TSR) on the west side of the South Water Treatment Plant (SWTP). The east pond was dry and the west pond contained water that appeared to be several inches deep based on visual observations. Mr. Mike Lowe, Water Operations Manager, stated these ponds were used to evaporate the neutralized water from the automated filter clean-in-place (CIP) process and water pumped from the sumps in the facility floor drain and secondary containment basin system. There is no meter on the influent lines supplying water to these ponds. When the membrane filters are in full production, the CIP process utilizes approximately 3,000 gallons per event and runs every 30 days. Prior to discharging into the ponds, the CIP water is neutralized in a 7,000 gallon tank. Mr. Lowe indicated that the CIP process had occurred approximately 15 times since the City of Lubbock began operating the SWTP, resulting in an approximate discharge volume of 0.045 million gallons (MG). Multiple CIP events were also conducted by the manufacturer/contractor during construction. The control system at the plant indicated the sump pumps, with a capacity of 200 gallons per minute (GPM), had been in operation for approximately 23 hours, resulting in a discharge volume of approximately 0.276 million gallons (MG). On May 7, 2013 the pH was tested in the west pond by Mr. Joseph Hopkins, TCEQ, using an Orion pH meter and found to be 9.15 standard units. On June 14, 2013, Mr. Lowe indicated the City of Lubbock has commented on the draft permit and that the engineer preparing the permit application completed the four consecutive weeks of required sampling during the week ending June 14, 2013.

**Recommended Corrective Action:** As required in 2 TWC §26.121(a)(1), except as authorized by the commission, no person may discharge sewage, municipal waste, recreational waste, agricultural waste, or industrial waste into or adjacent to any water in the state. A water quality permit must be obtained, or the discharge must be eliminated.

**Additional Issues**Description      Item 2Additional Comments

4/30/2013 to 5/7/2013 Inv. # - 1098784

Page 7 of 7

During the investigation, significant areas of rust were observed on the flocculator arms in the sedimentation basins at the North Water Treatment Plant (NWTP). The City of Lubbock is currently in the process of evaluating the function, operation, and maintenance of the NWTP. For your convenience please review 30 TAC §290.46(m) to ensure adequate housekeeping and maintenance is performed during this process.

Description      Item 3

**Additional Comments**

During the investigation, handwritten calibration logs were available for each Individual Filter Effluent (IFE) turbidimeter; however, several of the calibration history logs on the turbidimeters themselves appeared to indicate the minimum calibration frequency had been exceeded. There were also minor discrepancies with other types of calibration records, such as those for well flow meters, rate-of-flow controllers at the North Water Treatment Plant, and laboratory equipment. For your convenience, please review 30 TAC §290.46(s)(1) and (2) to ensure required calibrations are properly conducted and documented.

Signed   
Environmental Investigator

Date 6/17/2013

Signed   
Supervisor

Date 6-20-13**Attachments: (in order of final report submittal)**☒ Enforcement Action Request (EAR)☒ Maps, Plans, Sketches☒ Letter to Facility (specify type) : Notice of Enforcement☒ Photographs☐ Investigation Report☐ Correspondence from the facility☐ Sample Analysis Results☒ Other (specify) :☐ ManifestsAttachment #1 – Exit Interview Form (1 pg)☐ NORAttachment #2 – Well capacities (2 pgs)Attachment #3 – Contracts (2 pgs)Attachment #4 – Buyers of Water (1 pg)Attachment #5 – Utilities operators (1 pg)Attachment #6 – Distribution operators (1 pg)Attachment #7 – Education operators (5 pgs)Attachment #8 – License details (4 pgs)Attachment #9 – IWUD print out (37 pgs)Attachment #10 – PWS Data (13 pgs)Attachment #11 – City of Lubbock permits (3 pgs)Attachment #12 – Unused wells (4 pgs)

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



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

June 21, 2013

**CERTIFIED MAIL 7011 3500 0003 1426 9026**  
**RETURN RECEIPT REQUESTED**

The Honorable Glen C. Robertson, Mayor  
City of Lubbock  
PO Box 2000  
Lubbock, TX 79408-2000

Re: Notice of Enforcement for Comprehensive Compliance Investigation at:  
Lubbock Public Water System, 6001 N. Guava Ave., Lubbock (Lubbock County), Texas  
RN101248722, TCEQ Additional ID: PWS 1520002, Investigation No. 1098784:

Dear Mayor Robertson:

From April 30 through May 7, 2013, Messrs. Jason Lindeman, Malcolm Laing, Jay Keith, and Joseph Hopkins of the Texas Commission on Environmental Quality (TCEQ) Lubbock Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for public water supply. During this investigation, a certain outstanding alleged violation was documented. Enclosed is a summary which lists the investigation findings and recommended corrective actions. Additional recommended corrective actions may be provided by the Enforcement Division. Corrective action must be completed so your public water supply may be operated and maintained in accordance with the requirements for an "Approved" system. Please note there were also two Additional Issues as indicated on the attached Summary of Investigation Findings.

In the listing of the alleged violation, 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 Lubbock Region Office at (806) 796-7092 or the Central Office Publications Ordering Team at (512) 239-0028.

One or more of the violations documented during the subject investigation includes unauthorized activity and you are hereby advised that continued operation is not authorized.

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

TCEQ Region 2 • 5012 50th St., Ste 100 • Lubbock, Texas 79414-3426 • 806-796-7092 • Fax 806-796-7107

Austin Headquarters: 512-239-1000 • [tceq.texas.gov](http://tceq.texas.gov) • How is our customer service? [tceq.texas.gov/customersurvey](http://tceq.texas.gov/customersurvey)

printed on recycled paper using soy-based ink

The Honorable Glen C. Robertson, Mayor  
June 21, 2013  
Page 2

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

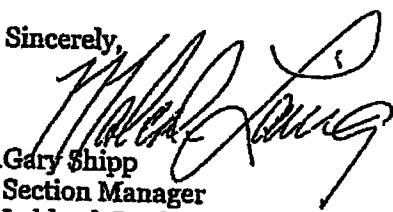
The Commission recognizes that the great majority of the regulated community wants to prevent pollution and to comply with environmental laws. We dedicate considerable resources toward making voluntary compliance achievable. But where compliance has not been met it is our duty to protect the public and the environment by enforcing the state's environmental laws, regulations, and permits.

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

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

If you or members of your staff have any questions, please feel free to contact Mr. Lindeman in the Lubbock Region Office at (806) 796-7092.

Sincerely,



Gary Shipp  
Section Manager  
Lubbock Region 2 Office

GJS/JKL/pah

Enclosure: Summary of Investigation Findings

cc: Ms. Marsha Reed, P.E., Chief Operating Officer, PO Box 2000, Lubbock, TX 79408-2000  
Mr. Bruce Blalack, Water Production Superintendent, PO Box 2000, Lubbock, TX 79408-2000  
Mr. Mike Lowe, Water Operations Manager, PO Box 2000, Lubbock, TX 79408-2000

## Summary of Investigation Findings

LUBBOCK PUBLIC WATER SYSTEM

Investigation # 1098784

6001 N GUAVA AVE

Investigation Date: 04/30/2013

LUBBOCK, LUBBOCK COUNTY, TX 79403

Additional ID(s): 1520002

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

Track No: 505293 Compliance Due Date: To Be Determined  
2D TWC Chapter 26.121(a)(1)

#### Alleged Violation:

Investigation: 1098784

Comment Date: 06/17/2013

Failure to obtain a required Texas Pollutant Discharge Elimination System (TPDES) permit for an industrial wastewater discharge. At the time of the investigation, two concrete lined evaporation ponds were observed north of the Terminal Storage Reservoir (TSR) on the west side of the South Water Treatment Plant (SWTP). The east pond was dry and the west pond contained water that appeared to be several inches deep based on visual observations. Mr. Mike Lowe, Water Operations Manager, stated these ponds were used to evaporate the neutralized water from the automated filter clean-in-place (CIP) process and water pumped from the sumps in the facility floor drain and secondary containment basin system. There is no meter on the influent lines supplying water to these ponds. When the membrane filters are in full production, the CIP process utilizes approximately 3,000 gallons per event and runs every 30 days. Prior to discharging into the ponds, the CIP water is neutralized in a 7,000 gallon tank. Mr. Lowe indicated that the CIP process had occurred approximately 15 times since the City of Lubbock began operating the SWTP, resulting in an approximate discharge volume of 0.045 million gallons (MG). Multiple CIP events were also conducted by the manufacturer/contractor during construction. The control system at the plant indicated the sump pumps, with a capacity of 200 gallons per minute (GPM), had been in operation for approximately 23 hours, resulting in a discharge volume of approximately 0.276 million gallons (MG). On May 7, 2013 the pH was tested in the west pond by Mr. Joseph Hopkins, TCEQ, using an Orion pH meter and found to be 9.15 standard units. On June 14, 2013, Mr. Lowe indicated the City of Lubbock has commented on the draft permit and that the engineer preparing the permit application completed the four consecutive weeks of required sampling during the week ending June 14, 2013.

**Recommended Corrective Action:** As required in 2 TWC §26.121(a)(1), except as authorized by the commission, no person may discharge sewage, municipal waste, recreational waste, agricultural waste, or industrial waste into or adjacent to any water in the state. A water quality permit must be obtained, or the discharge must be eliminated.

### ADDITIONAL ISSUES

#### Description

Item 2

#### Additional Comments

During the investigation, significant areas of rust were observed on the flocculator arms in the sedimentation basins at the North Water Treatment Plant (NWTP). The City of Lubbock is currently in the process of evaluating the function, operation, and maintenance of the NWTP. For your convenience please review 30 TAC §290.46(m) to ensure adequate housekeeping and maintenance is performed during this process.



**Item 3**

During the investigation, handwritten calibration logs were available for each Individual Filter Effluent (IFE) turbidimeter; however, several of the calibration history logs on the turbidimeters themselves appeared to indicate the minimum calibration frequency had been exceeded. There were also minor discrepancies with other types of calibration records, such as those for well flow meters, rate-of-flow controllers at the North Water Treatment Plant, and laboratory equipment. For your convenience, please review 30 TAC §290.46(s)(1) and (2) to ensure required calibrations are properly conducted and documented.

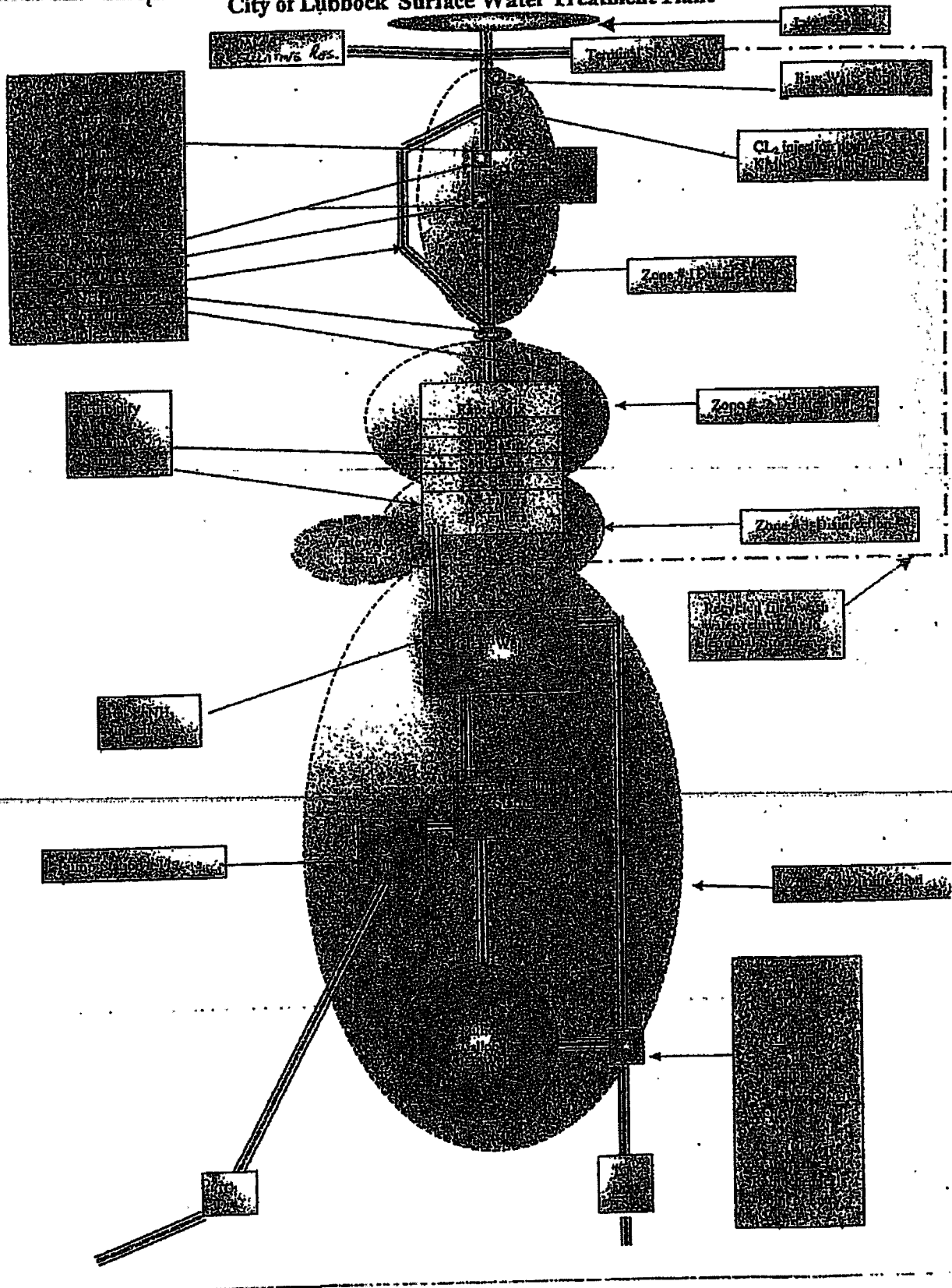
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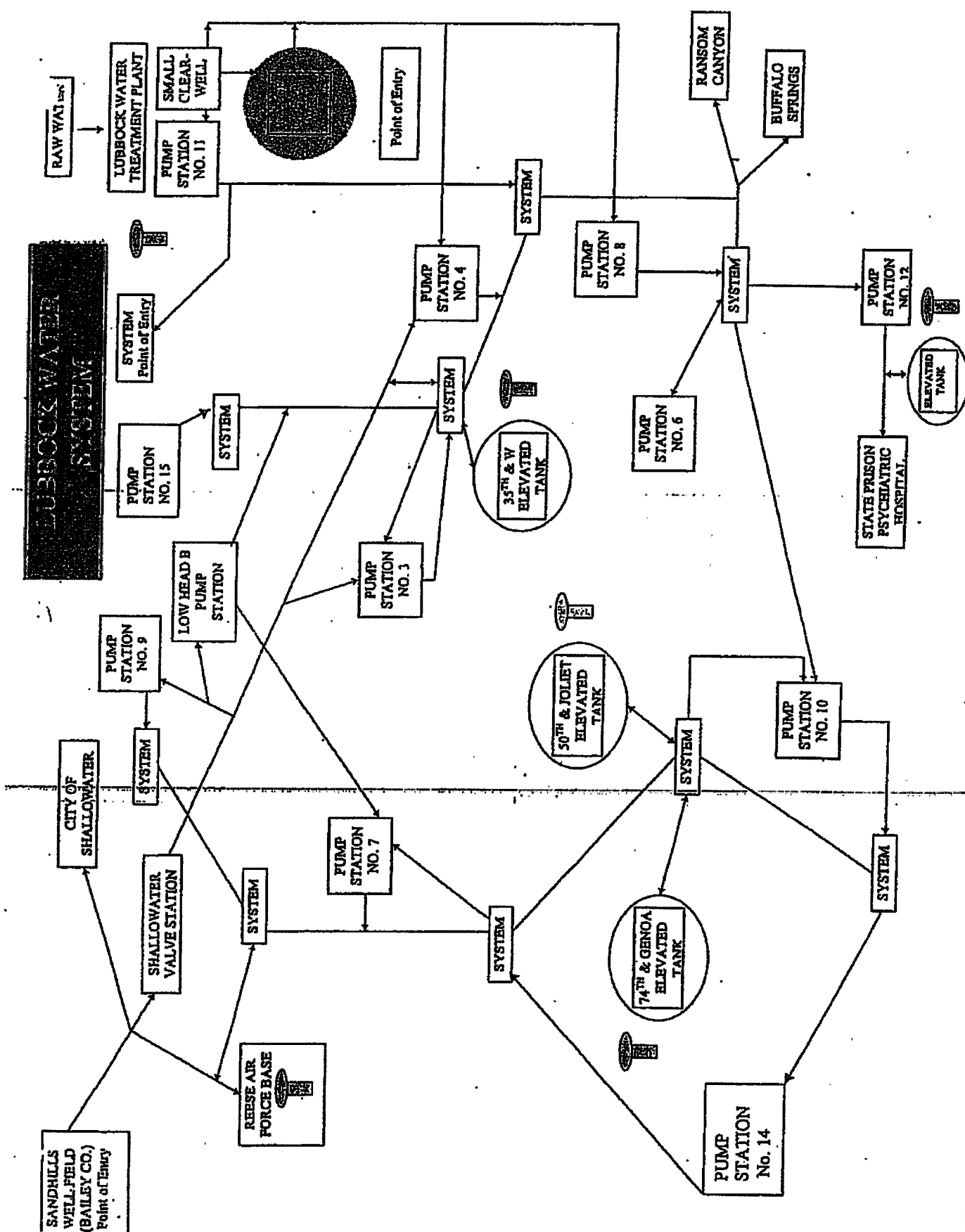
City of Lubbock  
05/07/2013

North Water  
Treatment Plant

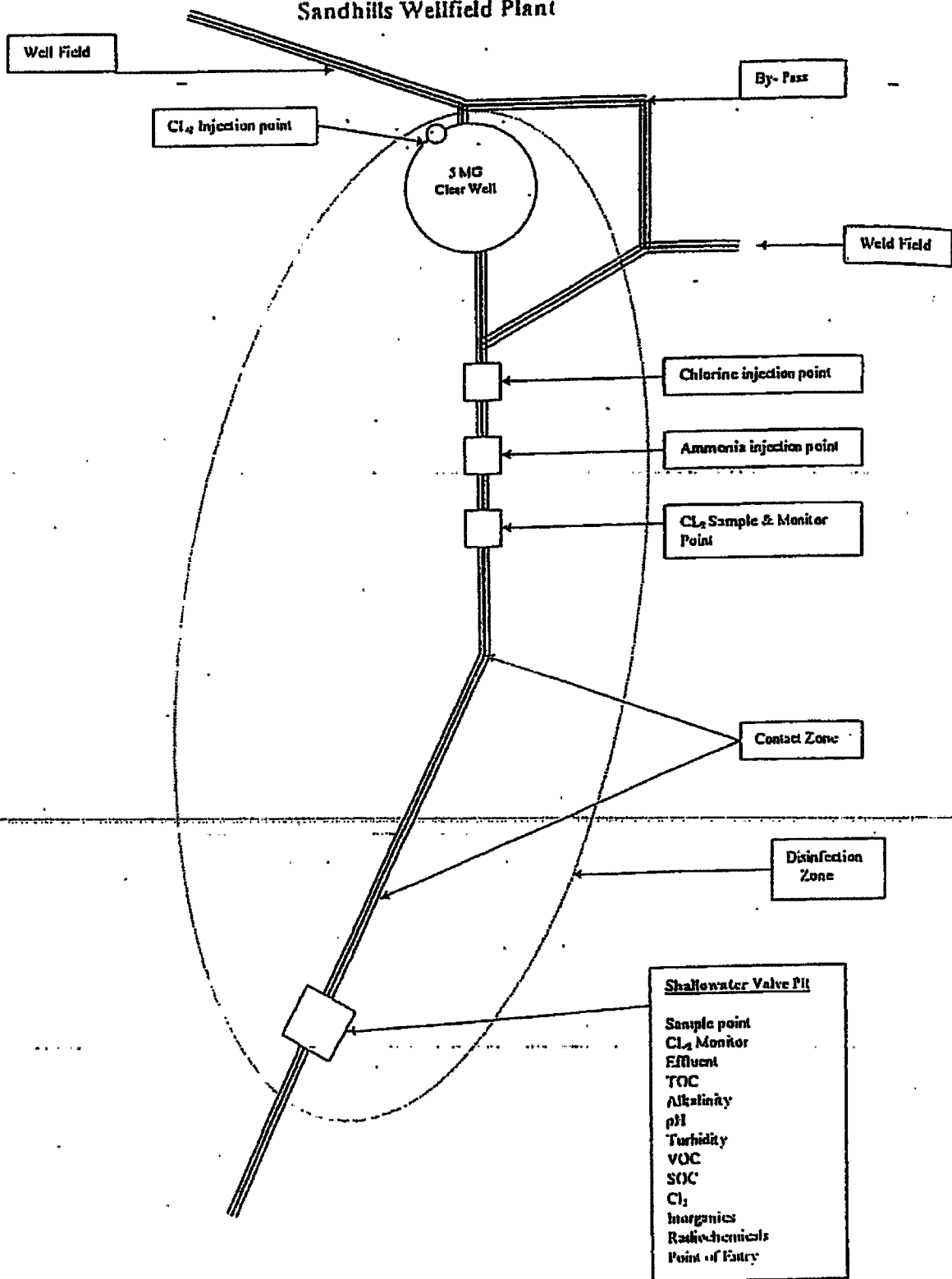
PWS/150002/CO  
PLANT SKETCHES

City of Lubbock Surface Water Treatment Plant





**City of Lubbock  
Bailey County  
Sandhills Wellfield Plant**



# Lubbock Public Water System South Water Treatment Plant, PWS ID #15200002



Aerial photo from Google Maps (plant under construction at time of image)  
Annotations by Jason Lindeman

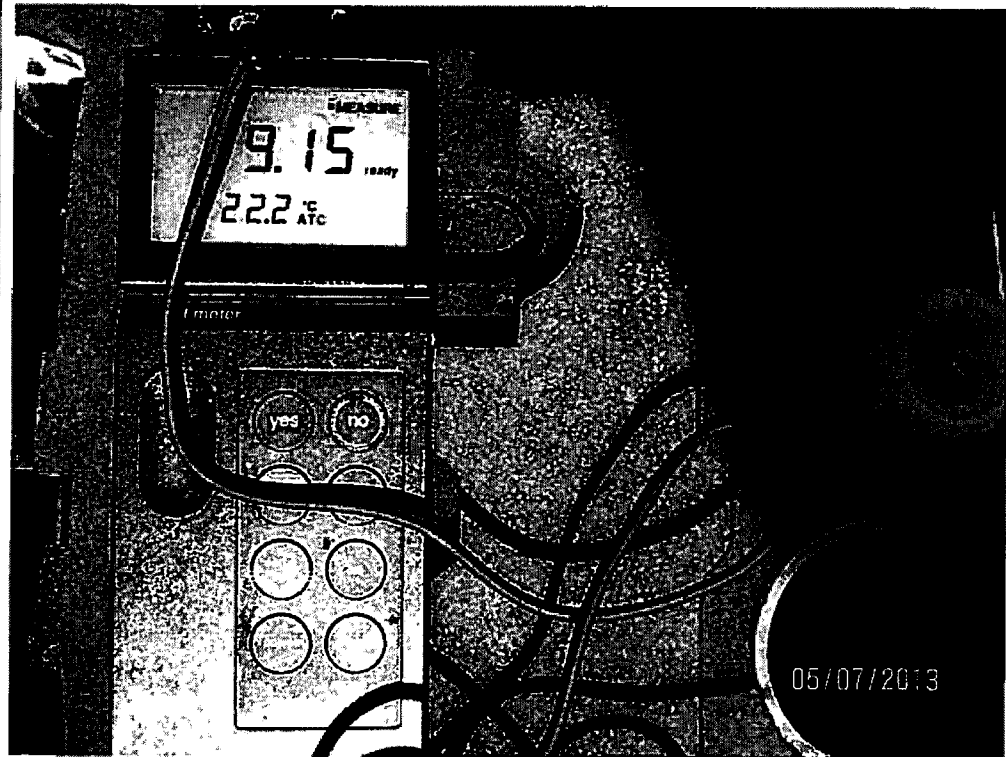
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# TCEQ PHOTOGRAPHIC DOCUMENTATION

<b>RE Name:</b> Lubbock Public Water System	<b>TCEQ ID:</b> 1520002	<b>Location:</b> Region 2- Lubbock, Lubbock County
<b>Inv. No.:</b> 1098784	<b>Inv. Type:</b> PWS CCI	<b>Inv. Date:</b> 04/30 - 05/07/2013
<b>Photographs taken by:</b> Jason Lindeman		



Picture #1 – At the time of the investigation, there was significant rust along the flocculator arms at the North Water Treatment Plant.



Picture #2 – At the time of the investigation, the pH in the west evaporation pond at the South Water Treatment Plant was tested and found to be 9.15 standard units.

# TC PHOTOGRAPHIC DOCUMENTATION

<b>RE Name:</b> Lubbock Public Water System	<b>TCEQ ID:</b> 1520002	<b>Location:</b> Region 2- Lubbock, Lubbock County
<b>Inv. No.:</b> 1098784	<b>Inv. Type:</b> PWS CCI	<b>Inv. Date:</b> 04/30 - 05/07/2013
<b>Photographs taken by:</b> Jason Lindeman		



Picture #3 – At the time of the investigation, the west evaporation pond located at the South Water Treatment Plant was found to contain several inches of water. Photo is taken facing south with the Terminal Storage Reservoir in the background.



Picture #4 – At the time of the investigation, the east evaporation pond was dry. The west pond contained several inches of water. Photo is taken facing northeast with the South Water Treatment Plant in the background.





# System Sketch Lubbock Public Water System

PWS ID # 1520002

## South Water Treatment Plant

May 7, 2013

By: Jason Lindeman

Water delivered to City  
of Lubbock via  
airgapped connection  
into GR storage tanks  
at PS #8, #10, and #14

Transfer pumps  
3 @ 10 MGD each

2 MG clearwell

EP009 sample tap in lab

NaOCl

Treatment Plant  
(two 7.5 MGD  
sedimentation basins  
followed by 15 MGD MF/  
UF membranes)

Concrete  
evaporation basins

Neutralized CIP  
water

ClO<sub>2</sub>

Waste solids

Sludge thickener

Sludge  
drying  
beds

Decant water to  
headworks

250 MG Terminal  
Storage Reservoir  
(TSR)

TSR bypass line

Post Booster Pump Station

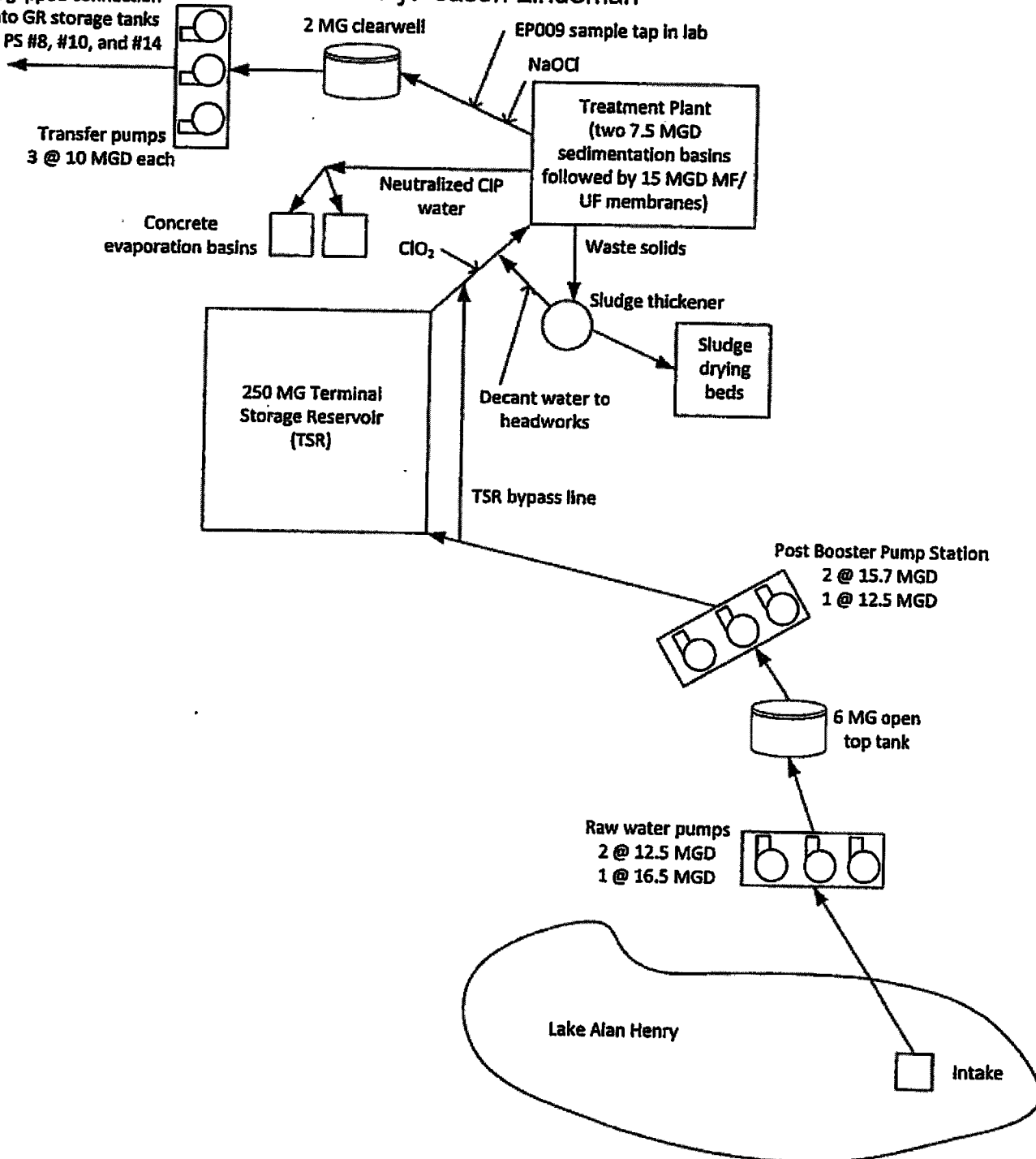
2 @ 15.7 MGD  
1 @ 12.5 MGD

6 MG open  
top tank

Raw water pumps  
2 @ 12.5 MGD  
1 @ 16.5 MGD

Lake Alan Henry

Intake



# TCEQ EX-101 INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Name	City of Lubbock	TCEQ Add. ID No. (Optional)	1520002
Investigation Type	PWS	Purpose of Investigation	Baseline Compliance Investigation
Regulated Entity Contact	Mr. Mike Lowe	Telephone No.	
Title	Water Operations Manager	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.

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 descriptive	
No.	Type	Rule Citation (if known)	Description of Issue
1	AV		Failure to obtain permit coverage (TPDES permit for evap ponds)

Issue Type Can Be One 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Did the investigator advise the regulated entity representative that continued operation is not authorized?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date
Jessie L. DeLeon	5/3/2013		

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.