



Control Number: 47288



Item Number: 35

Addendum StartPage: 0

SOAH DOCKET NO. 473-17-5910.WS
PUC DOCKET NO. 47288

RATE PAYERS' APPEAL OF THE
DECISION BY WEST WISE
SPECIAL UTILITY DISTRICT TO
CHANGE RATES

§
§
§
§
§


2017 OCT -5 AM 10:41
BEFORE THE STATE OFFICE
FILING CLERK
OF
ADMINISTRATIVE HEARINGS

WEST WISE SUD'S RESPONSE TO COMMISSION STAFF'S REQUEST FOR
INFORMATION TO WEST WISE SPECIAL UTILITY DISTRICT
QUESTION NO. STAFF 2-1

West Wise Special Utility District files this Response to Commission Staff's Request for Information No. Staff 2-1. West Wise Special Utility District agrees and stipulates that all parties may treat these responses as if the answers were filed under oath.

Respectfully submitted,

JACKSON WALKER L.L.P.

By: 

Leonard Dougal - State Bar No. 06031400

Ali Abazari - State Bar No. 00796094

100 Congress, Suite 1100

Austin, Texas 78701

E: ldougal@jw.com

T: (512) 236-2233

F: (512) 391-2112

ATTORNEYS FOR WEST WISE SPECIAL
UTILITY DISTRICT

CERTIFICATE OF SERVICE

I hereby certify that on the 5th day of October, 2017, a true and correct copy of the foregoing document was served on the individuals listed below by hand delivery, email, facsimile or First Class Mail.

Sharon Boyette
103 CR 1641
Chico, Texas 76431
T: (940) 644-6664
E: Texasbayoulady@att.net

Ashley Nwonuma
Attorney-Legal Division
Public Utility Commission of Texas
1701 North Congress Avenue
P. O. Box 13326
Austin, Texas 78711-3326
T: (512) 936-7163
F: (512) 936-7268
E: ashley.nwonuma@puc.texas.gov


Leonard H. Dougal

**SOAH DOCKET NO. 473-17-5910.WS
PUC DOCKET NO. 47288**

RATE PAYERS' APPEAL OF THE DECISION BY WEST WISE SPECIAL UTILITY DISTRICT TO CHANGE RATES	§ § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
--	-----------------------	---

**WEST WISE SUD'S RESPONSE TO COMMISSION STAFF'S REQUEST FOR
INFORMATION TO WEST WISE SPECIAL UTILITY DISTRICT
QUESTION NO. STAFF 2-1**

STAFF RFI 2-1. Please provide a copy of the enforcement order from TCEQ.

RESPONSE: Please see documents enclosed herein and bates labeled WWSUD01086-01099, including the TCEQ Agreed Order and correspondence relating to an extension of the deadlines set out in the Agreed Order and a recent status report.

Prepared/Sponsored by: James L. Ward

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	
WEST WISE SPECIAL UTILITY	§	TEXAS COMMISSION ON
DISTRICT	§	
RN101190270	§	ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2015-1121-PWS-E

At its **APR 27 2016** agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding West Wise Special Utility District (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water system located at the corner of Farm-to-Market Road 1658 and Farm-to-Market Road 2952 in Bridgeport, Wise County, Texas

(the "Facility") that has approximately 1,237 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted from July 6, 2015 through July 17, 2015, TCEQ staff documented that the locational running annual average concentrations of haloacetic acids ("HAA5") for Stage 2 Disinfection Byproducts ("DBP2") were 0.090 milligrams per liter ("mg/L") at Site 1 and 0.089 mg/L at Site 2 for the second quarter of 2015.
3. During a record review conducted from July 6, 2015 through July 17, 2015, TCEQ staff documented that the locational running annual average concentrations for total trihalomethanes ("TTHM") for DBP2 were 0.150 mg/L at Site 1 for the second quarter of 2015; and 0.084 mg/L for the fourth quarter of 2014, 0.086 mg/L for the first quarter of 2015, and 0.152 mg/L for the second quarter of 2015 at Site 2.
4. The Respondent received notice of the violations on or about July 22, 2015.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to comply with the maximum contaminant level ("MCL") of 0.060 mg/L for HAA5, in violation of 30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. As evidenced by Findings of Fact No. 3, the Respondent failed to comply with the MCL of 0.080 milligrams per liter mg/L for TTHM, in violation of 30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
4. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of One Thousand Five Hundred Dollars (\$1,500) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). One Thousand Five Hundred Dollars (\$1,500) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of One Thousand Five Hundred Dollars (\$1,500) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: West Wise Special Utility District, Docket No. 2015-1121-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 5 above, One Thousand Five Hundred Dollars (\$1,500) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the assessed administrative penalty shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 365 days after the effective date of this Agreed Order,
 - i. Return to compliance with the MCL for HAA5, based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115; and
 - ii. Return to compliance with the MCL for TTHM, based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115.
 - b. Within 380 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance

with Ordering Provision Nos. 3.a.i. and 3.a.ii. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Public Drinking Water Section Manager
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
7. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

8. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
9. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
10. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Bryan L. Shaw
For the Commission

4-28-16
Date

Ronnie J. [Signature]
For the Executive Director

3/10/16
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of West Wise Special Utility District. I am authorized to agree to the attached Agreed Order on behalf of West Wise Special Utility District, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, West Wise Special Utility District waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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

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

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

Betty J. Graves
Signature

12-21-2015
Date

Betty J. Graves
Name (Printed or typed)
Authorized Representative of
West Wise Special Utility District

President
Title

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

Attachment A
Docket Number: 2015-1121-PWS-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	West Wise Special Utility District
Penalty Amount:	One Thousand Five Hundred Dollars (\$1,500)
SEP Offset Amount:	One Thousand Five Hundred Dollars (\$1,500)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texoma Council of Governments
Project Name:	<i>Household Hazardous Waste Collection Events</i>
Location of SEP:	Cooke, Fannin, & Grayson Counties; Red River, Trinity River, & Sulphur River Basins

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texoma Council of Governments** for the *Household Hazardous Waste Collection Events* project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to hold household hazardous waste ("HHW") collection events in three regional locations, Cooke, Grayson, and Fannin Counties, to offer citizens the opportunity to recycle and/or dispose of hazardous material including paint, tires, poisons, antifreeze, used electronics, and other items that are difficult to dispose of in order to deter illegal dumping of these materials. The SEP Offset Amount will be used to hire a licensed contractor to set up operations at the three locations. Materials that are received for recycling or disposal will be removed by the contractor and transported to a licensed facility for proper disposal of all waste collected at the events. The licensed contractor will process and handle all material dropped off at the events. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

West Wise Special Utility District
Agreed Order - Attachment A

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

Illegal dumping is a significant environmental concern. HHW collection events take a major burden off of local governments and provide a means for citizens to easily recycle and dispose of hazardous items. The majority of the region of Cooke, Fannin, and Grayson Counties is rural. HHW Collection services are not available to many of the region's rural citizens, leading people to collect hazardous materials on their properties or to improperly dispose of them. These events will reduce the amount of illegal dumping in the area, which reduces pollutants on land and in water. Additionally, in areas where adequate disposal facilities are not available, hazardous materials often end up in creeks or ditches along roadsides, which impacts water quality and wildfire.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texoma Council of Governments SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texoma Council of Governments
Attention: David Trout, Municipal Solid Waste Program Manager
1117 Gallagher Drive
Sherman, Texas 75090

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

West Wise Special Utility District
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

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

May 2, 2016

FIRST CLASS MAIL

Betty J. Graves, President
West Wise Special Utility District
P.O. Box 566
Bridgeport, Texas 76426-0566

RE: West Wise Special Utility District
TCEQ Docket No. 2015-1121-PWS-E; Registration No. 2490016
Agreed Order Assessing Administrative Penalties and Requiring Certain Actions

Enclosed is a copy of an order issued by the Commission.

Questions regarding the order should be directed to the Texas Commission on Environmental Quality's Enforcement Division at (512) 239-2545 or the Litigation Division at (512) 239-3400. If there are questions pertaining to the mailing of the order, then please contact Leslie Gann of the Office of the Chief Clerk at (512) 239-3319.

Sincerely,

A handwritten signature in cursive script that reads "Bridget C. Bohac".

Bridget C. Bohac
Chief Clerk

BCB/lg

Enclosure

cc: Alejandro Laje, Enforcement Coordinator, TCEQ Enforcement Division
Stuart Beckley, SEP Coordinator, TCEQ Enforcement Division



Special Utility District

PO Box 566
Bridgeport, Texas 76426
940-683-5507 – Office
940-683-6607 – Fax

February 16, 2017

Texas Commission on Environmental Quality
Order Compliance Team
Enforcement Division, MC149A
P.O. Box 13087
Austin, Texas 78711-3087

*TCEQ Docket No. 2015-1121-PWS-E
Registration No. 2490016 - Agreed Order
Compliance Extension Request*

Attn: Mr. Michael Tucker

Mr. Tucker:

The West Wise Special Utility District is hereby seeking a one-year extension to Ordering Provisions 3(a)(i), 3(a)(ii) and 3(b) of the Agreed Order captioned above. The Order requires the District to be compliant by May 13, 2017. As described in greater detail below, we believe that the project required to be completed to return the PWS to compliance will take more than the one year requested, but understand that with adequate demonstration of meaningful progress, an additional extension would be favorably considered by the Commission.

The District is pursuing both short term and long term actions to resolve its drinking water quality issues. The District has sought guidance from and implemented the recommendations of TCEQ's FMT Contractor (TRWA) including adding mixers to its clearwells and distribution system tankage. These improvements proved insufficient to meet TCEQ Drinking Water Standards.

The District has retained Kimley-Horn & Associates to assess the plant and distribution system and provide alternatives to achieve compliance. Following a thorough plant condition assessment and a comparison of other alternatives, it was determined that construction of a new plant would be the most advantageous, long-term alternative to assuring adequate drinking water quality.

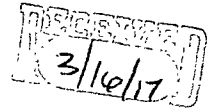
West Wise has applied for and been approved for funding through the TWDB Drinking Water State Revolving Funds (DWSRF) to construct a new water treatment plant in part to cope with the water quality from the existing intake. With a funding closing date of June 1, 2017, we anticipate the final design, permitting, construction and commissioning of the new plant to be complete in early 2019.

Attached herewith is the TWDB Financial Commitment letter for your reference. We look forward to your favorable response; please contact me directly to discuss next steps at (940) 683-5507 or via email at jlwestwise@wccs.net.

Respectfully,

Mr. James Ward
General Manager - West Wise Special Utility District

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

March 13, 2017

Ms. Betty J. Graves, President
West Wise Special Utility District
P.O. Box 566
Bridgeport, Texas 76426

Re: Amended Schedule for Compliance with Ordering Provisions
West Wise Special Utility District; RN101190270
Docket No. 2015-1121-PWS-E; Enforcement Case No. 50886
Agreed Order Effective Date: April 28, 2016

Dear Ms. Graves:

We are in receipt of a letter from Mr. James Ward, dated February 16, 2017, which requested an amended schedule for completion of Ordering Provision Nos. 3.a.i, 3.a.ii, and 3.b of the above-referenced Agreed Order. The request also provided specific reasons for delays.

Based upon the reviewed information, we approve an amended schedule as requested. The new deadline for compliance with Ordering Provision Nos. 3.a.i, 3.a.ii, and 3.b is May 13, 2018, provided interim progress reports are submitted by August 13, 2017, November 13, 2017, and February 13, 2018.

Thank you for your continuing efforts to achieve compliance. If you have any questions, please contact Michael Tucker of the Enforcement Division staff at (512) 239-6924.

Sincerely,

A handwritten signature in cursive script that reads "Bryan Sinclair".

Bryan Sinclair, Director
Enforcement Division

cc: Mr. James Ward, General Manager, West Wise Special Utility District, P.O. Box 566,
Bridgeport, Texas 76426



Special Utility District

PO Box 566
Bridgeport, Texas 76426
940-683-5507 – Office
940-683-6607 – Fax

August 4, 2017

Texas Commission on Environmental Quality
Order Compliance Team
Enforcement Division, MC149A
P.O. Box 13087
Austin, Texas 78711-3087

*TCEQ Docket No. 2015-1121-PWS-E
Registration No. 2490016 - Agreed Order
INTERIM PROGRESS REPORT*

Attn: Mr. Michael Tucker

Mr. Tucker:

This letter serves as our progress update toward compliance with the Agreed Order as captioned above and the "extension letter" from your office dated March 13, 2017. That letter requires "interim progress reports" to be submitted by August 13, 2017; November 13, 2017; and February 13, 2018.

The District has retained Kimley-Horn & Associates to assess the plant and distribution system and provide alternatives to achieve compliance. Following a thorough plant condition assessment and a comparison of other alternatives, it was determined that construction of a new plant would be the most advantageous, long-term alternative to assuring safe drinking water quality.

The District has applied for and been approved for funding through the TWDB Drinking Water State Revolving Funds (DWSRF) to construct the plant; see TWDB funding commitment attached. The West Wise Board adopted new rates at its March 15, 2017 meeting to fulfil its requirements for loan repayment; see attached Board Resolution and adopted rate schedule.

On June 15, 2017, a petition to appeal the adopted rates was filed with the Public Utility Commission of Texas, effectively halting our progress on the new plant project. A copy of the rate appeal and our response to same is attached for your reference. The District continues to work toward resolving this matter so that we may continue progress toward constructing the new plant and returning to full compliance with TCEQ drinking water quality standards.

We appreciate your assistance in this matter. Please contact me directly to discuss next steps at (940) 683-5507 or via email at jlwestwise@wccs.net.

Respectfully,

Mr. James Ward
General Manager - West Wise Special Utility District

Atts:

1. TWDB Funding Commitment
2. WWSUD Board Resolution to adopt rates
3. PUC Rate Appeal Filings