



Control Number: 48151



Item Number: 1

Addendum StartPage: 0



Application for Sale, Transfer, or Merger of a Retail Public Utility

Pursuant to Chapter 13.251 of the Texas Water Code

08/18/14 10:38 AM
PUBLIC UTILITY COMMISSION
FILING CLERK

Docket Number: 48151

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

7 copies of the application, including the original, along with one copy of the portable electronic storage medium (such as CD or DVD) containing the GIS data shall be filed with

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

No later than seven days after filing the application for the boundary change, provide a copy of each paper map and a portable electronic storage medium (such as CD, flash drive or DVD) containing complete and identical data to the portable electronic storage medium submitted above to

Texas Natural Resources Information System
1700 N. Congress Ave, Room B40
Austin, Texas 78701

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Part A - General Information

*RN# *CN# * (PRIOR TCEQ ID numbers)

1. Proposed action of application (check all the boxes that apply):

<input type="checkbox"/> Sale of	<input checked="" type="checkbox"/> All	<input type="checkbox"/> Portion	of the	<input type="checkbox"/> Water system(s) under CCN No.:	<input type="text"/>
<input checked="" type="checkbox"/> Acquisition				<input checked="" type="checkbox"/> Sewer system(s) under CCN No.:	<input type="text" value="21026"/>
<input type="checkbox"/> Lease/Rental					

<input type="checkbox"/> Transfer of	<input type="checkbox"/> All	<input type="checkbox"/> Portion	of the	<input type="checkbox"/> Certificated water service area – CCN No.:	<input type="text"/>
				<input type="checkbox"/> Certificated sewer service area – CCN No.:	<input type="text"/>

If only a portion of a system or certificated service area is affected by this transaction, please specify the areas or subdivision involved:

and to:

<input checked="" type="checkbox"/> Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN	<input type="text"/>
<input type="checkbox"/> Amend the transferee's CCN No.:	<input type="text" value="Purchaser will assume the Seller's CCN"/>
<input type="checkbox"/> Merge or consolidate public utilities	<input type="text"/>
<input type="checkbox"/> Cancel CCN of the transferor (seller)	<input type="text"/>

2. Proposed effective date of this transaction:
(Must be at least 120 days after proper notice is provided)

Part B - Current Service Provider or Seller Information

Questions 3 through 5 apply to the transferor (current service provider or seller)

3. For the current CCN holder or service provider please indicate:

A. Name:
(Individual, Corporation or Other Legal Entity)

who is a(n):of Individual Corporation WSC HOA or POA Other

B. Utility Name (if different than above):
Address: Telephone: (AC)

C. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

Name: <input type="text" value="T. W. Harrison"/>	Title: <input type="text" value="President"/>
Address: <input type="text" value="PO Box 22858, Beaumont, Texas 77720"/>	Telephone: (AC) <input type="text" value="(409) 861-4499"/>

Fax: (409) 860-3857

Email: tharrison@allco.com

4. About the last rate increase for the system or facilities being transferred:

A. What was the effective date of the last rate increase?

09/28/2016

B. Was notice of this increase provided to the Public Utility Commission of Texas (commission or PUC) or a predecessor regulatory authority?

No Yes- Application/Docket Number: 44911 Date 09/28/2016

5. Please provide a list of all customers affected by this transaction who have deposits held by the transferor or seller utility, if any, and include the following information (attach additional sheets if necessary):

Name and Address of Utility Customer	Date of Deposit	Amount of Deposit	Amount of Unpaid Interest on Deposit
Please See Attachment 'B'			

Part C - Purchaser or Transferee Information

Questions 6 through 16 refer to the transferee or purchaser.

6. For the person or entity acquiring the facilities and/or CCN:

Applicant: Undine Texas Environmental, LLC

(Individual, Corporation, or Other Legal Entity)

Utility Name: Undine Texas Environmental, LLC

(If different than above)

Utility Address: 10913 Metronome Dr, Houston Texas 77043

Fax: (713) 647-0277 Email: cthomas@undinellc.com Telephone (AC): (713) 574-5953

CCN Numbers held prior to the filing of this application: 21019, 20816, 20832, 20627

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

Individual

Home or Property Owners Association

Partnership; attach copy of partnership agreement Please See Attachment 'C'

Corporation; provide charter number as recorded with the Office of the Secretary of State for

Texas: _____

Non-profit, member owned, member-controlled Cooperative Corporation (Article 1434(a) Water Sewer Service Corporation); provide charter number:

<input type="checkbox"/>	Municipally-owned utility
<input type="checkbox"/>	District (MUD, SUD, WCID, etc.)
<input type="checkbox"/>	County
<input type="checkbox"/>	Other (please explain): <input type="text"/>

8. If the applicant is an *Individual* or sole proprietorship, provide the following information. If not, skip to the next question.

Name:	NA	Email	
Address	NA		
Telephone (AC):		Fax (AC):	

9. If the applicant is other than an *Individual*, provide the following information regarding the officers or partners of the legal entity applying for the transfer. You must complete either question 8 or question 9, whichever applies to the transferee applicant. **Please See Attachment 'C'**

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

- Attach additional sheet(s) if necessary -

- Important:** • If the applicant is a for-profit corporation, please provide a copy of the corporation's "Certification of Account Status" from the State Comptroller Office. This "Certification of Account Status" can be obtained from: **Please See Attachment 'D'**

Texas Comptroller of Public Accounts

P. O. Box 13528, Capitol Station

Austin, Texas 78711

1-800-252-5555

- If the applicant is an Article 1434a water supply or sewer service corporation or other non-profit corporation, please provide a copy of the Articles of Incorporation and By-Laws.

10. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

Name:	Peter T. Gregg	Title:	Partner-Dubois Bryant&Campbell
Address:	303 Colorado, Suite 2300 Austin, Texas 78701	Telephone (AC):	(512) 457-8000
Fax #	(512) 457-8008	Email	pgregg@dbcllp.com
Relationship to the applicant:	Attorney		

- ☛ IF THERE ARE MORE THAN TWO PARTIES INVOLVED IN THIS TRANSACTION, PLEASE ATTACH SHEETS PROVIDING THE INFORMATION REQUIRED IN QUESTION 6 THROUGH QUESTION 10 FOR EACH PARTY

11. Please respond to each of the following questions. Attach additional sheets if necessary.

- A. Describe the experience and qualifications of the applicant to provide adequate utility service to the requested area

Please See Attachment 'E'

- B. Has the applicant acquiring the CCN or facilities or an affiliated interest of the applicant been under enforcement action by the PUC, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG) or the Environmental Protection Agency (EPA) in the past for noncompliance with rules, orders or State Statutes? Yes No

If yes, please attach copies of any correspondence with these regulatory agencies concerning these enforcement actions and describe any actions and efforts to comply with those requirements. Attach additional sheets if needed.

- C. Describe the source and availability of funds required to make the planned or required improvements, if any, to meet minimum requirements of the TCEQ and PUC and ensure continuous and adequate service.

Undine Texas Environmental, LLC, is funded through equity and/or bank financing.

D. Describe the anticipated impact of this transaction on the quality of utility service and explain any anticipated changes in the quality of service.

Undine Texas Environmental, LLC, intends to raise the standards of quality for: 1) customer service, 2) customer and regulatory communications, 3) all regulatory compliance issues.

E. How will the transaction serve the public interest?

The public will be better served through Undine Texas Environmental, LLC ownership of water and/or wastewater utilities due to the improvements to utility customer service and the improvements to operations and maintenance. The EPA reports to Congress state that the best possible future for small to midsize privately owned utilities is to be acquired by a larger more responsible provider that possesses the financial, managerial and technical experience to insure the system meets regulatory requirements.

12. Please describe the nature of the proposed transaction:

Undine Texas Environmental, LLC, will purchase all utility assets listed in Attachment 'A'

13. If the transferee applicant is an Investor Owned Utility (IOU) and will be under the rate jurisdiction of the PUC, please provide the following information. Water supply or sewer service corporations and political subdivisions of the state should mark this section N/A: Please See Attachments 'F' & 'G'

A.

• Total Purchase Price: []

• Total Original Cost (as recorded on books of seller or merging entity): []

• Accumulated Depreciation as of the proposed effective date of the transaction: []

• Contributions in Aid of Construction:

- Specific surcharges approved by TCEQ or PUC: []

- Revenues from explicit customer agreements: []

- Developer Contributions (please explain):

None

- Other Contributions (please explain):

None

Total Contributions in Aid of Construction []

• Net Book Value: []

- ☛ If the Original Cost or any of the above items has been established in a rate case proceeding by the PUC, the TWC or the TCEQ, please provide the Application/Docket Number and date:

Application/Docket Number: Date:

- ☛ If the applicant is not under the rate jurisdiction of the TCEQ, only the purchase price and information related to Contributions in Aid of Construction is required.

Please provide any other information concerning the nature of the transaction you believe should be given consideration if not explained elsewhere in the application.

[attach additional sheet(s) if necessary]:

The public will be better served through Undine Texas Environmental, LLC ownership of wastewater utilities due to the improvements to utility customer service and the improvements to operations and maintenance. The EPA reports to Congress state that the best possible future for small to mid-size privately owned utilities is to be acquired by a larger more responsible provider that possesses the financial, managerial and technical experience to insure the system meets regulatory requirements.

- C. Complete the following proposed entries listed below as shown in books of purchasing (or surviving) company. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations.

Utility Plant in Service:	<input type="text"/>
Plant Acquisition Adjustment:	<input type="text"/>
Extraordinary Loss on Purchase:	<input type="text"/>
Accumulated Depreciation of Plant:	<input type="text"/>
Cash:	<input type="text"/>
Notes Payable:	<input type="text"/>
Mortgage Payable:	<input type="text"/>
Others (please list):	<input type="text"/>

As the purchaser, I understand that it is **my responsibility** in any future rate proceeding to provide written evidence and support for the original cost and installation date of all facilities used and useful for providing utility service.

Purchaser's Initials: Date:

14. Please indicate the proposed effect of this transaction on the rates to be charged to the affected customers:

All the customers will be charged the same rates as they were charged before the transaction.

Some All customers will be charged different rates than they were charged before the transaction.

If rates are changing, please explain:

Not Applicable

Applicant is an IOU and intends to file with the commission or municipal regulatory authority an application to change rates of some/all of its customers as a result of this transaction. If so, please explain:

Not Applicable

Other. Please explain:

Not Applicable

15. List all neighboring water and /or sewer utilities, cities, and political subdivisions providing the same service within two (2) miles of area affected by this proposed transaction. This information should be available from the water utility database (WUD) or Applicant's licensed water operator.

Please See Attachment 'H'

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

See Attachment 'G'

Part D – Historical Financial Information

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

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

Part E – Projected Information

PROJECTED BALANCE SHEETS

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

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 EXPENSE DETAIL

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
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%
OPERATIONAL EXPENSES						
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%
ASSUMPTIONS						
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
SOURCES OF CASH						
Net Income						
Depreciation (If Funded)						
Loan Proceeds						
Other						
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt						
SERVICE (CADS)						
Net Income (Loss)						
Depreciation, or Reserve Interest						
Total						
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest						
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS						

Part F - TCEQ Public Water or Sewer System Information

Please See Attachment 'I'

☞ Please answer questions 17 through 22 on a different sheet for each physically Distinct system being transferred or acquired.

17. A. For Water Systems. TCEQ Public Water System Identification Number:

Date of last inspection:

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q -

-Name of Permittee:

-Date of application to transfer Discharge Permit submitted:

-Date of application to transfer Discharge Permit approved by TCEQ:

18. A. Are any improvements required to meet TCEQ or PUC standards? Yes No. If yes, please explain:

B. Is there a moratorium on new connections? Yes No. If yes, please explain:

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ or PUC standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? Yes No

If yes, indicate the number of customers within the city limits or district boundaries:
 Water Sewer

☞ Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? Yes No
 Water Sewer Purchased on a Regular Seasonal Emergency Basis

• Source: % of total supply:

21. List the number of existing connections to be effected by this transaction.

Water		Sewer	
<input type="text"/>	-Non Metered	<input type="text"/>	-2" meter
<input type="text"/>	-5/8" or 3/4" meter	<input type="text"/>	-3" meter
<input type="text"/>	-1" meter	<input type="text"/>	-4" meter
<input type="text"/>	-1 1/2" meter	<input type="text"/>	-Other
Total Water Connections:		Total Sewer Connections	

22. Has the system reached 85% of its capacity based on TCEQ's minimum requirements? Yes No
 If yes, please explain what steps are being taken to address the capacity issues:

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

Name	Class	License#
See Attachment 'J'		

24. Attach the following maps with each copy of the application: Please See Attachment 'K'
- a. One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
 - b. One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area not currently in a CCN or a portion of an existing CCN area please attach the following hard copy maps with each copy of the application:
 1. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
 2. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
 - iii. following verifiable natural and man-made landmarks, or
 - iv. a copy of recorded plat map with metes and bounds.
 3. A written description of the proposed service area.

Part G – Oaths and Notices

OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF _____

COUNTY OF _____

I, _____, being duly sworn, file this application for sale, lease, rental or merger or consolidation as _____ (*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 documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, or Attorney General and have also complied with the notice requirements in Section 13.301(k) of the Texas Water Code.

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 _____

One copy of this page must be submitted for each utility involved in this transaction.

OATH FOR PURCHASER OR ACQUIRING ENTITY

STATE OF _____

COUNTY OF _____

I, _____, being duly sworn, file this application for

sale, lease, rental or merger or consolidation as _____
(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 documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I am also authorized and do agree to be bound by and comply with any outstanding orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

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.

Applicant represents that all other parties to this transaction have been furnished copies of this completed application.

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 _____

One copy of this page must be submitted for each utility involved in this transaction.

FORM A

Docket No. _____

Notice to Current Customers, Neighboring Systems and Cities

Bolivar Utility Services, LLC 'S
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO 21026 **TO** Undine Texas Environmental, LLC
(Purchaser's or Transferee's Name)

IN Galveston COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 ____
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

Bolivar Utility Services, LLC PO Box 22858 Beaumont, Texas 77720
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer water or sewer (please select) CCN No. 21026 in Galveston [County Name]

County to:

Undine Texas Environmental, LLC 10913 Metronome Dr. Houston, Texas 77043
Purchasers or Transferee's Name Address City/State/Zip Code

The sale is scheduled to take place as approved by the Commission (V.T.C.A., Water Code §13.301). The transaction and the transfer of the CCN include the following subdivision(s):

The area subject to this transaction is located approximately 7 miles north [direction] of downtown Galveston, [City or Town] Texas, and is **generally** bounded on the north by East Bay and the Gulf Intercoastal Waterway; on the east by 1.7 miles east of SH 124; on the south by Gulf of Mexico; and on the west by Galveston Bay

The total area being requested includes approximately 37,468 acres and serves 668 current customers.

This transaction will have the following effect on the current customer's rates and services:

This application will not change the customers rates

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

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

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Commission will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Commission may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

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

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

Utility Representative

Utility Name

Notice to Current Customers, Neighboring Systems, Landowner and Cities

Bolivar Utility Services, LLC 'S NOTICE OF INTENT TO SELL FACILITIES TO
(Seller's or Transferor's Name)

Undine Texas Environmental, LLC AND FOR Undine Texas Environmental, LLC
(Purchaser's or Transferee's Name) Purchaser's or Transferee's Name)

TO OBTAIN OR AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN
Galveston COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 ____
(Name of Customer, Neighboring System, Landowner or City)

(Address)

City State Zip

Bolivar Utility Services, LLC PO Box 22858 Beaumont, Texas 77720
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell water or sewer (please
select) Facilities in Brazoria [County Name] County to:

Undine Texas Environmental, LLC 10913 Metronome Dr. Houston, Texas 77043
Purchasers or Transferee's Name Address City/State/Zip Code

The transferee has also requested to obtain/amend a CCN in this application. The sale is scheduled to take place as approved by the
Commission (Texas Water Code §13.301). The transaction and the proposed service area include the following subdivision(s):

The area subject to this transaction is located approximately 7 miles north [direction] of
downtown Galveston, [City or Town] Texas, and is generally bounded on the north by
East Bay and the Gulf Intercoastal Waterway; on the east by 1.7 miles east of SH 124
; on the south by Gulf of Mexico; and on the west by Galveston Bay

The total area being requested includes approximately 37,468 acres and serves 668 current customers.

This transaction will have the following effect on the current customer's rates and services:

This application will not change the customers rates

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

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

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Commission will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no

protests or requests for hearing are filed during the comment period, the Commission may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

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

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

Utility Representative

Utility Name

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Application for Sale, Transfer, or Merger of a Retail Public Utility

Attachment 'A'	CCN Number, Subdivision Name(s), RN Number(s), Current Tariff
Attachment 'B' Confidential	Customer Name, Address, and Deposit Information (no deposits)
Attachment 'C' Confidential	Limited Liability Company Agreement Undine Texas Environmental, LLC and Organizational Chart
Attachment 'D'	Certificate of Account Status
Attachment 'E' Confidential	Evidence of Financial, Managerial and Technical, and Capabilities
Attachment 'F' Confidential	Letter of Intent
Attachment 'G' Confidential	Financial Information
Attachment 'H'	Utilities within 2-Miles
Attachment 'I'	Individual Page 16 & 17 for Each System, and Inspection Reports
Attachment 'J'	Operators Information
Attachment 'K'	CCN Maps to be Transferred with this Application, and CCN Descriptions
Attachment 'L'	Wastewater Discharge Permits and Transfer Applications

Attachment 'A'

CCN Number, Subdivision Name, RN Number, Current Tariff

**Bolivar Utility Servics, LLC
Company Information**

Crystal Palace WWTP	*Permitted Facility not in Operation
CN	603058215
CCN	21026
RN	101527026
PWSID No	TX0095923
Discharge Permit No	WQ0012936001
Subdivision	Crystal Palace WWTP
County	Galveston
Laguna Harbor WWTP	
CN	603058215
CCN	21026
RN	103637807
PWSID No	TX0125776
Discharge Permit No	WQ0014452001
Subdivision	Laguna Harbor WWTP
County	Galveston



SEWER UTILITY TARIFF
Docket Number: 44911

Bolivar Utility Services, LLC
(Utility Name)

P.O. Box 22858
(Business Address)

Beaumont, TX 77720
(City, State, Zip Code)

(409) 684-9941
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

21026

This tariff is effective in the following counties:

Galveston and Chambers

This tariff is effective in the following cities or unincorporated towns (if any):

None

This tariff is effective in the following subdivision:

Laguna WWTP WQ0014452001
Crystal Palace WWTP WQ12936-001

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The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 RATE SCHEDULE	.2
SECTION 2.0 SERVICE RULES AND POLICES	.4
SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS.	.8
SECTION 3.0 EXTENSION POLICY	.13
SECTION 3.20 - SPECIFIC EXTENSION POLICY	.14

APPENDIX A: SAMPLE SERVICE AGREEMENT
APPENDIX B: APPLICATION FOR SERVICE

SECTION 1.0: RATE SCHEDULE

Section 1.01 Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	\$40.00 (per connection for all water meter sizes)	\$4.00 per 1,000 gallons

FORM OF PAYMENT: The utility will accept the following forms of payment:
Cash X, Check X, Money Order X, Credit Card X, Other (specify) X-Prearranged
Automatic Bank Draft THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY
REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN
RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT: 1.0%
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY
BILL.

Section 1.02 Miscellaneous Fees

TAP FEE (Gravity Sewer) \$550.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD
RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF
LISTED ON THIS TARIFF.

TAP FEE (Large Meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR TAP SIZE INSTALLED.

TAP FEE (Pressure Sewer) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR TAP SIZE INSTALLED.

RECONNECTION FEE
THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO
HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER
SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected. \$45.00

TRANSFER FEE: N/A
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE
LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) \$5.00
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE
CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A
PREVIOUS BILLING.

SECTION 2.0 SERVICE RULES AND POLICIES

Section 2.01 Application for Sewer Service

The utility will have the most current Public Utility Commission of Texas (PUC or Commission) Rules, Chapter 24, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.02 Application for and Provision of Sewer Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff), and will be signed by the applicant before sewer service is provided by the utility. A separate application or contract will be made for each service at each separate location.

After the applicant has met all the requirements, conditions, and regulations for service, the utility will install service connections, which may include a utility cut-off valve, and/or take all necessary actions to initiate service. The utility will serve each qualified applicant for service within 5 working days unless line extensions or new facilities are required. If construction is required to fill the order and if it cannot be completed within 30 days, the utility will provide the applicant with a written explanation of the construction required and an expected date of service.

Where service has previously been provided, the utility will reconnect the service within one working day after the applicant has met the requirements for reconnection.

The customer will be responsible for furnishing and laying the necessary customer service pipe from the connection location to the place of use.

Section 2.03 Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the PUC Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant that a complaint may be filed with the Commission.

Section 2.04 Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 of this tariff. The utility will keep records of the deposit and credit interest in accordance with PUC Rules.

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or sewer utility which accrued within the last two years.

SECTION 1.0 RATE SCHEDULE (Continued)

RETURNED CHECK CHARGE.	<u>\$.25.00</u>
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.	
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).	<u>\$.50.00</u>
SERVICE RELOCATION FEE.	<u>Actual Cost to Relocate That Service Connection</u>
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUEST RELOCATION OF AN EXISTING SERVICE CONNECTION.	
SEASONAL RECONNECTION FEE:	
BASE RATE TIME NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.	
COMMERCIAL & NON-RESIDENTIAL DEPOSIT <u>1/6TH OF ESTIMATED ANNUAL BILL</u>	
GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:	
WHEN AUTHORIZED IN WRITING BY THE PUBLIC UTILITY COMMISSION OF TEXAS AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TEX. ADMIN. CODE § 24.21(k)(2) (TAC)]	
LINE EXTENSION AND CONSTRUCTION CHARGES:	
REFER TO SECTION 3.0-EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.	

SECTION 2.0 SERVICE RULES AND POLICIES (Cont.)

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings.

Refund of Deposit. If service is not connected, or after disconnection of service, the utility will promptly refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. The utility may refund the deposit at any time prior to termination of utility service but must refund the deposit plus interest for any customer who has paid 18 consecutive billings without being delinquent.

Section 2.05 - Meter Requirements, Readings, and Testing

It is not a requirement that the utility use meters to measure the quantity of sewage disposed of by individual customers. One connection is required for each residential, commercial, or industrial facility in accordance with the TCEQ Rules.

Section 2.06 - Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

A late penalty of \$5.00 will be charged on bills received after the due date. The penalty on the delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

Each bill will provide all information required by PUC Rules. For each of the systems it operates, the utility will maintain and note on the monthly billing a telephone number (or numbers) which may be reached by a local call by customers. At the utility's option, a toll-free telephone number or the equivalent may be provided.

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the Commission.

Section 2.07 - Service Disconnection

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered.

SECTION 2.0 SERVICE RULES AND POLICIES (Cont.)

The Utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 30 days from the date of issuance of a bill and if proper notice of termination has been given.

Notice of termination must be a separate mailing or hand delivery in accordance with PUC rules.

Utility service may also be disconnected without notice for reasons as described in the PUC rules.

Utility personnel must be available to collect payments and to reconnect service on the day of and the day after any disconnection of service unless service was disconnected at the customer's request or due to a hazardous condition.

Section 2.08 Reconnection of Service

Service will be reconnected within 24 hours after the past due bill and any other outstanding charges are paid or correction of the conditions which caused service to be disconnected.

Section 2.09 Service Interruptions

The Utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the Utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the Utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the Commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

Prorated Bills: If service is interrupted or seriously impaired for 24 consecutive hours or more, the Utility will prorate the monthly base bill in proportion to the time service was not available to reflect this loss of service.

Section 2.10 Quality of Service

The Utility will plan, furnish, and maintain and operate a treatment and collection facility of sufficient size and capacity to provide a continuous and adequate service for all reasonable consumer uses and to treat sewage and discharge the effluent at the quality required by its discharge permit issued by the TCEQ. Unless otherwise authorized by the Commission, the Utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Sewer Systems.

Bolivar Utility Services, LLC.
(Utility Name)

Sewer Utility Tariff Page No. 7

SECTION 2.0 SERVICE RULES AND POLICIES (Cont.)

Section 2.11 Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the Utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the Utility's response, the Utility must advise the complainant that he has recourse through the PUC complaint process. Pending resolution of a complaint, the Commission may require continuation or restoration of service.

The Utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.

SECTION 2.20 – SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

This section contains specific utility service rules in addition to the rules previously listed under Section 2.0. It must be reviewed and approved by the Commission and in compliance with the PUC Rules to be effective.

The Utility adopts the administrative rules of the PUC, as the same may be amended from time to time, as its Company specific service rules and regulations. These rules will be kept on file at the company's offices for customer inspection during regular business hours. In the event of a conflict between the PUC's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the PUC rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule.

All payments for utility service shall be delivered or mailed to the Utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field.

Payment of an account by any means that has been dishonored and returned by the payor or payee's bank, shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve month period, the customer shall be required to pay a deposit if one has not already been paid.

Customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.

Limitation on Product/Service Liability The Utility will not accept liability for any injury or damage to individuals or their property occurring on the customer's premises. The Utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in sewer service whatever the cause. The Utility will not accept liability for injuries or damages to persons or property due to disruption of sewer service caused by: (1) acts of God; (2) acts of third parties not subject to the control of the Utility; if the Utility has undertaken such preventive measures as are required by PUC and TCEQ rules; (3) electrical power failures in sewer systems not required by TCEQ rule to have auxiliary power supplies; or (4) termination of sewer service pursuant to the Utility's tariff and the PUC's rules

If the services of a registered professional engineer are required as a result of an application for service received by the Utility for service to that applicant's service extension only, such engineer will be selected by the Utility and the applicant, and the applicant shall bear all expenses incurred therein.

If an applicant requires service other than the standard service provided by the Utility, such applicant will be required to pay all expenses incurred by the Utility in excess of the expenses that would be incurred in providing the standard service and connection.

SECTION 2.20 – SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Cont.)

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction (as may be allowed by PUC rule) for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria for sewer collection, treatment, pumping and discharge.

Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall have the right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the Utility's rates in that portion of the Utility's service area in which the applicant's or existing customer's property(ies) is(are) located.

Tap fees may be increased by unique costs not normally incurred as may be permitted by 16 TAC § 24.86(a)(1)(C).

The Utility adopts the Uniform Plumbing Code pursuant to TCEQ Rule 290.46(i). The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing Code and with the service rules and regulations of the Utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the Utility subject to such requirements as may exist by TCEQ and/or PUC rule.

The Utility will have the right of access to the customer's premises at all times reasonable for the purpose of installing, testing, inspecting, or repairing sewer mains or other equipment used in connection with its provision of sewer service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the Utility system including inspecting the customer's plumbing for code, plumbing, or tariff violations. The customer shall allow the Utility and its personnel access to the customer's property to conduct any tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours. The customer may require any Utility representative, employee, contractor, or agent seeking to make such entry to identify themselves, their affiliation with the Utility, and the purpose of their entry.

Threats to or assaults upon Utility personnel shall result in criminal prosecution.

Except in cases where the customer has a contract with the Utility for reserve or auxiliary service, no other sewer service will be used by the customer on the same installation in conjunction with the Utility's service, either by means of a crossover valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any sewer lines on his premises. Two places shall not be permitted to be supplied with one service pipe where there is a sewer main abutting the premises.

SECTION 2.20 – SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Cont.)

No application, agreement, or contract for service may be assigned or transferred without the written consent of the Utility.

It is agreed and understood that any and all sewer lines, and other equipment furnished by the Utility (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the Utility, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of any such lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said sewer lines and for installation; not purchase, of said lines.

Service applicants may be required to comply with any pre-condition to receiving service not printed herein as may exist under PUC rule, TCEQ rule (customer service, health and safety, sewer, environmental), USEPA rule, TWDB rule, local regulatory district rule, or health department rule. Existing customers shall be required to comply with such rules, including modification of their plumbing and/or consumption patterns, after notice.

The disposal into the Utility's sewer collection system of bulk quantities of food or food scraps not previously processed by a grinder or similar garbage disposal unit and grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption for sale to the public shall be prohibited. Specifically included in this prohibition are grease and oils from grease traps to other grease and/or oil storage containers. These substances are defined as 'garbage' under Section 361.003 (12) of the Solid Waste Disposal Act, Texas Health and Safety Code, and are not 'sewage' as defined by Section 26.001 (7), of the Texas Sewer Code. The Utility only provides 'sewage' collection and disposal service to the public. This service is limited to the collection, treatment and disposal of waterborne human waste and waste from domestic activities such as washing, bathing, and food preparation. This service does not include the collection, treatment or disposal of waste of such high BOD or TSS characteristics that it cannot reasonably be processed by the Utility's state approved waste water treatment plant within the parameters of the Utility's state and federal waste water discharge permits. **THIS SERVICE DOES NOT INCLUDE THE COLLECTION AND DISPOSAL OF STORM WATERS OR RUN OFF WATERS, WHICH MAY NOT BE DIVERTED INTO OR DRAINED INTO THE UTILITY'S COLLECTION SYSTEM.**

Pursuant to 16 TAC § 24.87(o), the Utility may charge for all labor, material, equipment, and other costs necessary to repair or replace all equipment damaged due to service diversion or the discharge of wastes which the system cannot properly treat. This shall include all repair and clean up costs associated with discharge of grease and oils, except as incidental waste in process or wash sewer, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption or for sale to the public discharged from grease traps or other grease and/or oil storage containers. The Utility may charge for all costs necessary to correct service diversion or unauthorized taps where there is no equipment damage, including incidents where service is reconnected without authority.

SECTION 2.20 -- SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Cont.)

The Utility may not charge any additional penalty or charge other than actual costs unless such penalty has been expressly approved by the regulatory authority having rate/tariff jurisdiction and filed in the Utility's tariff.

Pursuant to 16 TAC § 24.86(b)(3)(A) and (B), the customer's service line and appurtenances shall be construed in accordance with the laws and regulations of the State of Texas, local plumbing codes, or, in the absence of such local codes, the Uniform Plumbing Code. It shall be the customer's responsibility to maintain the service line and appurtenances in good operating condition, i.e. clear of obstruction, defects, or blockage. If the Utility can provide evidence of excessive infiltration or inflow or failure to provide proper pretreatment, the Utility may, with the written approval of the Commission, require the customer to repair the line or eliminate the infiltration or inflow or take such actions necessary to correct the problem. If the customer fails to correct the problem within a reasonable time, the Utility may disconnect service after proper notice.

In accordance with the requirements of Utility's Wastewater Discharge Permit, any and all repairs and maintenance of Utility's lines, tanks, pumps and equipment located on Customer's premises shall be performed exclusively by the Utility. Copies of the Utility's state and federal waste water discharge permits shall be available for public inspection and copying in the Utility's business office during normal business hours.

Non-residential customers electing the pretreatment option for sewage with non-standard characteristics may be charged those costs set forth in the Utility's extension policy if such pretreatment fails or otherwise causes the Utility's facilities to violate their waste-water discharge permits.

RESIDENTIAL SINGLE FAMILY GRINDER / SEWAGE STATIONS

Prior to the installation of a grinder / sewage station, the Utility must be given a complete listing of all materials and equipment that will be used.

In order to prevent inflow and infiltration, the materials must comply with standard specifications, approved by the TCEQ.

After the Utility has approved the proposed grinder / sewage station, the construction may begin. Once the work has been completed, the Utility will do an inspection of the grinder / sewage station to ensure the complete installation was as specified.

The customer will retain ownership of receiving tanks or lift stations on the customer's property, and all maintenance, repairs, and replacement are the customer's responsibility. The repairs may be performed by anyone selected by the customer, who is competent to perform such repairs. The Utility requires that parts and equipment meet the minimum standards approved by the TCEQ, to ensure proper and efficient operation of the sewer system.

SECTION 2.20 – SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Cont.)

MULTI-FAMILY AND COMMERCIAL RECEIVING TANK / LIFT STATIONS

Prior to the installation of a grinder / sewage station, the Utility must be given a complete listing of all materials and equipment that will be used, along with the storage for that development.

In order to minimize inflow and infiltration into the collection system, the installation and materials must comply with standard specifications approved by the TCEQ.

After the Utility has approved the proposed grinder / sewage station, the construction may begin. Once the work has been completed, the Utility will do an inspection of the grinder / sewage station to ensure the complete installation was as specified.

Prior to acceptance of an existing receiving tank or lift station that is being used as an interceptor tank for primary treatment, waste sewer storage or pump tanks prior to discharge into an alternative or conventional sewage system must be cleaned, inspected, repaired, modified, or replaced if necessary to minimize inflow and infiltration into the collection system.

Existing pumps and tanks must be of adequate size to ensure proper pumpage in the event of high flow or if one pump is out of service. If the existing pumps and receiving tanks or lift stations are of inadequate size the Utility will not accept liability for backups due to: high flows, one pump out of service, rainfall causing inflow or infiltration, power outages, lack of proper storage capacity, etc.

If the collection system that discharges into the receiving tank / lift station has an inflow or infiltration problem and collects rainfall discharge, the owner or P.O.A. will correct it within 90 days of written notice from the Utility. If no action is taken to correct the problem within 90 days, the Utility may take the responsibility to make corrections at the owner's / P.O.A.'s expense.

The Utility is not responsible for the collection system that discharges into the receiving tank / lift station.

The owner / P.O.A. shall be responsible for the monthly electric bill.

An adequate easement must encompass the receiving tank / lift station by a 15 foot radius and also a 15 foot access easement to the receiving tank / lift station site. If this easement does not exist, one must be created and filed of record.

Bolivar Utility Services, LLC.
(Utility Name)

Sewer Utility Tariff Page No. 13

SECTION 3.0 – EXTENSION POLICY

Section 3.01. Standard Extension Requirements.

LINE EXTENSION AND CONSTRUCTION CHARGES: No contribution in aid of construction may be required of any customer except as provided for in this approved extension policy.

The customer will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the Utility and the customer, or sharing of costs between the customer and other applicants before beginning construction.

The Utility will bear the full cost of any oversizing of mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional treatment capacity or facilities. Contributions in aid of construction may not be required of individual residential customers for treatment capacity or collection facilities unless otherwise approved by the Commission under this specific extension policy.

COST UTILITIES SHALL BEAR: Within its certificate area, the Utility will pay the cost of the first 200 feet of any sewer collection line necessary to extend service to an individual residential customer within a platted subdivision. However, if the residential customer requesting service purchased the property after the developer was notified of the need to provide facilities to the Utility, the Utility may charge for the first 200 feet. The Utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the Utility's facilities in accordance with the Utility's approved extension policy after receiving a written request from the Utility.

Developers may be required to provide contributions in aid of construction in amounts to furnish the system with all facilities necessary to comply with the PUC's Rules.

SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY

This section contains the Utility's specific extension policy which complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with PUC Rules to be effective.

Residential customers not covered under Section 3.01 will be charged the equivalent of the costs of extending service to their property from the nearest collection line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the full cost of extending service to and throughout their property, including the cost of all necessary treatment capacity necessary to meet the service demands anticipated to be created by that property.

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with TCEQ's minimum design criteria for facilities used in collecting, treating, transmitting, and discharging of wastewater effluent. For purposes of this subsection, a developer is one who subdivides or requests more than two connections on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

The Utility adopts the administrative rules of the PUC, as amended from time to time, as its company specific extension policy. These rules will be kept on file at the company's business office for customer inspection during normal business hours.

Non-residential customers generating sewage creating unique or non-standard treatment demands which might reasonably be expected to cause the Utility's treatment facilities to operate outside their current waste-water discharge permit parameters may be charged the cost of all studies, engineering plans, permit costs, and collection treatment or discharge facilities construction or modification costs necessary to enable the Utility to treat said sewage within permit limits acceptable to the TCEQ, EPA, and other regulatory agencies. In the alternative, the customer may have the option of pre-treating said sewage in such a manner so that it may not reasonably be expected to cause the Utility's facilities to operate outside their permit parameters. In such case, the customer shall be required to pay the Utility's costs of evaluating such pretreatment processes and costs of obtaining regulatory approval of such pretreatment processes. In the event the pretreatment facilities of a customer making this election fail and cause the Utility's facilities to operate outside their permit parameters, the customer shall indemnify the Utility for all costs incurred for clean ups or environmental remediation and all fines, penalties, and costs imposed by regulatory or judicial enforcement actions relating to such permit violations.

SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY (Cont.)

Non-residential sewer customers producing water borne waste significantly different from waste generated by residential customers may be required to provide a suitable sampling point at the property line for testing the customer's waste for chemicals or substances, e.g. grease, oils, solvents, pesticides, etc. which can reasonably be believed to have an injurious effect on the Utility's plant and/or its ability to treat and dispose of such wastes within the parameters of the Utility's permit. Utility shall have reasonable access to the sampling point at all times.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.86(d) and this tariff. When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge based upon the capacities of collection, transmission, storage, treatment, and discharge facilities, compliant with the TCEQ minimum design criteria, which must be committed to such extension. As provided by 16 TAC § 24.86(d)(4), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

The imposition of additional extension costs or charges as provided by Sections 2.20 and 3.20 of this tariff shall be subject to appeal as provided in this tariff, PUC rules, or the rules of such other regulatory authority as may have jurisdiction over the Utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall have the right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(ies) is (are) located. Unless the PUC or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

The Utility will provide a written service application form to the applicant for each request for service received by the Utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available for applicant pick up at the Utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

The Utility shall serve each qualified service applicant within its certificated service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by PUC rules once the applicant has met all conditions precedent to achieving 'qualified service applicant' status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The PUC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a 'qualified service applicant' as defined herein or by PUC rules.

SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY (Cont.)

The Utility is not required to extend service to any applicant outside of its certificated service area and will only do so, at the Utility's sole option, under terms and conditions mutually agreeable to the Utility and the applicant and upon extension of the Utility's certificated service area boundaries by the PUC. Service applicants may be required to bear the cost of the service area amendment.

A 'qualified service applicant' is an applicant who has: (1) met all of the Utility's requirements of service contained in this tariff, PUC rules, and/or PUC order, (2) has made all payments for tap fees and extension charges, (3) has provided all necessary easements and rights-of-way necessary to provide service to the requested location, including staking said easements or rights-of-way where necessary, and (4) has executed a customer service application for each location to which service is being requested.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. The tap request must be accompanied with a plat, map, diagram or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the connection is to be installed, along the applicant's property line. The actual point of connection must be readily accessible to Utility personnel for inspection, servicing and testing while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's nearest service main with adequate capacity to service the applicant's full potential service demand. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, applicant may refer the matter to the Commission for resolution. Unless otherwise ordered by the Commission, the tap or service connection will not be made until the location dispute is resolved.

The Utility shall require a developer (as defined by PUC rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property. The Developer shall be required to obtain all necessary easements and rights-of-way required to extend the Utility's existing service facilities from their nearest point with adequate service capacity (as prescribed by TCEQ rules and local service conditions) to and throughout the Developer's property. The easements shall be sufficient to allow the construction, installation, repair, maintenance, testing, and replacement of any and all utility plant necessary to provide continuous and adequate service to each and every potential service location within the property at full occupancy. Unless otherwise restricted by law, sewage treatment, holding tank sites, and lift station sites shall convey with all permanent easements and buffers required by TCEQ rules. Unless otherwise agreed to by the utility, pipe line right-of-way easements must be at least 15 feet wide to allow adequate room to facilitate backhoe and other heavy equipment operation and meters to provide service. Easements must be provided for all storage, treatment, pressurization, and disposal sites which are sufficient to construct and maintain all weather roads as prescribed by TCEQ rules. All easements shall be evidenced, at Developer's expense, by recorded county-approved subdivision plat or by specific assignment supported by metes and bounds survey from a surveyor licensed by the State of Texas.

SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY (Cont.)

Prior to the extension of utility service to developers (as defined by PUC rules) or new subdivisions, the Developer shall comply with the following:

- (a) The Developer shall make a written request for service to property that is to be subdivided and developed. The Developer shall submit to the Utility a proposed plat on a scale of one inch (1") to two hundred feet (200') for review and determination of required easements, utility plant, and plant location. If sewer service is requested, the plat must contain elevation data. A reconcilable deposit in an amount set by the Utility may be required to cover preliminary engineering, legal, and copy costs to be incurred by the Utility in reviewing and planning to meet this service request. The plat and/or accompanying information shall identify the type, location, and number of houses and other planned structures that will be requiring utility service. If other than residential structures are to be located on the property, all other types of anticipated businesses and their service demands shall be identified with specificity. All areas requiring special irrigation and/or other unique sewer demands must be identified with specificity. All areas requiring special irrigation and/or other unique water demands must be identified. To the extent reasonably possible, this information must be precise so that adequate facilities can be designed and constructed to meet all future service demands without hazard to the public, other utility customers, and/or the environment.
- (b) After the requirements of easements and rights-of-way have been determined, a red line copy will be returned by the Utility to the Developer for final plat preparation.
- (c) Copies of all proposed plats and plans must be submitted to the Utility prior to their submission to the county for approval to ensure that they are compatible with the adequate long-term utility needs of potential service customers. Copies will be returned after review by the Utility so that necessary changes may be incorporated into the Developer's final submitted plat(s) and plans.
- (d) The Utility shall be provided with three (3) certified copies of the final plat(s) approved by the County Commissioners Court. At this time, the Utility will begin engineering the facilities necessary to serve the property. Plans and specifications will be prepared and submitted to the TCEQ by the Utility if required by law. If further plat or plans changes are necessary to accommodate the specific service needs of the property and the anticipated customer demands, the Developer will be so notified. Plat amendments must be obtained by the Developer. The Developer shall be notified when all required TCEQ or other governmental approvals or permits have been received. No construction of utility plant which requires prior TCEQ plans approval shall be commenced until that approval has been received by the Utility and any conditions imposed by the TCEQ in association with its approvals have been satisfied.

SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY (Cont.)

- (e) The Developer shall be required to post bond or escrow the funds necessary to construct all required utility plant, except individual sewer connections, required to serve the property. Construction shall not commence until funds are available. If the construction is to be done in coordination with the phased development of the property, funds must be provided in advance which are sufficient to complete each phase. No phase or facilities for any phase shall be constructed prior to the bonding or escrowing of all funds associated with that phase.
- (f) At the sole option of the Utility, the Developer may be required to execute a Developer Extension Contract setting forth all terms and conditions of extending service to their property including all contributions-in-aid of construction and developer reimbursements, if any.
- (g) The Utility may require the Developer to commence construction of subdivision improvements within three (3) months of utility plans approval or the Utility may abate its construction activities until full development construction begins. If the Developer stops construction of subdivision improvements for any purpose, the Utility may abate its construction for a similar period.
- (h) As soon as the roads are rough cut and prior to paving, extension lines will need to be constructed at each road crossing. The Developer must notify the Utility sufficiently in advance of this development stage to allow for the necessary utility construction without disruption to other service operations of the Utility. Failure to provide adequate advance notice and cooperation in the construction of necessary utility plant may result in additional delays in obtaining service to the property. The Developer shall be required to pay for all additional costs of road boring or other remedial construction necessary to install adequate utility plant throughout the affected property.

Within its certificated area, the Utility shall bear the cost of the first 200 feet of any sewer main or sewer collection line necessary to extend service to an individual residential service applicant within a platted subdivision unless the Utility can document:

- a) that the developer of the subdivision refused to provide facilities compatible with the utility's facilities, in accordance with the Utility's approved extension policy after receiving a written request from the Utility; or,
- b) that the Developer defaulted on the terms and conditions of a written agreement or contract existing between the Utility and the Developer or the terms of this tariff regarding payment for services, extensions, or other requirements; or in the event the Developer declared bankruptcy and was therefore unable to meet obligations; and,

SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY (Cont.)

- c) that the residential service applicant purchased the property from the Developer after the Developer was notified of the need to provide facilities to the utility. A residential service applicant may be charged the remaining costs of extending service to his property; provided, however, that the residential service applicant may only be required to pay the cost equivalent to the cost of extending the nearest water main or wastewater collection line; whether or not that line has adequate capacity to serve that residential service applicant. The following criteria shall be considered to determine the residential service applicant's cost for extending service:
- (1) The residential service applicant shall not be required to pay for costs of main extensions greater than 2' in diameter for pressure wastewater collection lines and 6' in diameter for gravity wastewater lines.
 - (2) Exceptions may be granted by the PUC if:
 - (A) adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the Utility's burden to justify that a larger diameter pipe is required for adequate service;
 - (B) larger minimum line sizes are required under subdivision platting requirements or applicable building codes.
 - (3) If an exception is granted, the Utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for oversizing as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certificated area, industrial, and wholesale customers shall be treated as developers.

APPENDIX A SAMPLE SERVICE AGREEMENT
From 30 TAC Chapter 290.47(b), Appendix B
SERVICE AGREEMENT

I. **PURPOSE.** The Bolivar Utility Services, LLC is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the Bolivar Utility Services, LLC will begin service. In addition, when service to an existing connection has been suspended or terminated, the sewer system will not re-establish service unless it has a signed copy of this agreement.

II. **RESTRICTIONS.** The following unacceptable practices are prohibited by State regulations:

- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
- B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
- C. No connection which allows water to be returned to the public drinking water supply is permitted.
- D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

III. **SERVICE AGREEMENT.** The following are the terms of the service agreement between the Bolivar Utility Services, LLC (the Sewer System) and NAME OF CUSTOMER (the Customer):

- A. The Sewer System will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the Sewer System.
- B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Sewer System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Sewer System's normal business hours.
- C. The Sewer System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic re-inspection.
- D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Sewer System. Copies of all testing and maintenance records shall be provided to the Sewer System.

Attachment 'B'

Confidential

Customer Name, Address and Deposit Information

(no deposits)

CONFIDENTIAL

DOCKET NO. _____

STYLE: Application of Bolivar Utility Services, LLC and Undine Texas

Environmental, LLC for Sale, Transfer, or Merger of Retail Public Utility in Galveston County

SUBMITTING PARTY: Undine Texas Environmental, LLC

BRIEF DESCRIPTION OF CONTENTS: Exhibit B

Customer Name, Address, and Deposit Information

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:

48 TO 57

ENVELOPE # 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

DATE SUBMITTED TO COMMISSION: March 8, 2018

Attachment 'C'

Confidential

Limited Liability Company Agreement Undine Texas
Environmental, LLC and Organizational Chart

CONFIDENTIAL

DOCKET NO. _____

STYLE: Application of Bolivar Utility Services, LLC and Undine Texas

Environmental, LLC for Sale, Transfer, or Merger of Retail Public Utility in Galveston County

SUBMITTING PARTY: Undine Texas Environmental, LLC

BRIEF DESCRIPTION OF CONTENTS: Exhibit C

Limited Liability Company Agreement Undine Texas Environmental, LLC and Organizational Chart

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:

59 TO 64

ENVELOPE # 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

DATE SUBMITTED TO COMMISSION: March 8, 2018

Attachment 'D'

Certificate of Account Status

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Rolando B. Pablos
Secretary of State

Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate of Formation for Undine Texas Environmental, LLC (file number 801768069), a Domestic Limited Liability Company (LLC), was filed in this office on April 15, 2013.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on August 03, 2017.



A handwritten signature in black ink, appearing to read "R. Pablos".

Rolando B. Pablos
Secretary of State

Attachment 'E'

Confidential

Evidence of Financial, Managerial and Technical Capabilities

CONFIDENTIAL

DOCKET NO. _____

STYLE: Application of Bolivar Utility Services, LLC and Undine Texas

Environmental, LLC for Sale, Transfer, or Merger of Retail Public Utility in Galveston County

SUBMITTING PARTY: Undine Texas Environmental, LLC

BRIEF DESCRIPTION OF CONTENTS: Exhibit E

Evidence of Financial, Managerial and Technical, and Capabilities

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:

68 TO 68

ENVELOPE # 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

DATE SUBMITTED TO COMMISSION: March 8, 2018

Attachment 'F'

Confidential

Letter of Intent

CONFIDENTIAL

DOCKET NO. _____

STYLE: Application of Bolivar Utility Services, LLC and Undine Texas

Environmental, LLC for Sale, Transfer, or Merger of Retail Public Utility in Galveston County

SUBMITTING PARTY: Undine Texas Environmental, LLC

BRIEF DESCRIPTION OF CONTENTS: Exhibit F

Letter of Intent

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:

70 TO 74

ENVELOPE # 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

DATE SUBMITTED TO COMMISSION: March 8, 2018

Attachment 'G'

Confidential

Financial Information

CONFIDENTIAL

DOCKET NO. _____

STYLE: Application of Bolivar Utility Services, LLC and Undine Texas

Environmental, LLC for Sale, Transfer, or Merger of Retail Public Utility in Galveston County

SUBMITTING PARTY: Undine Texas Environmental, LLC

BRIEF DESCRIPTION OF CONTENTS: Exhibit G

Financial Information

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:

76 TO 84

ENVELOPE # 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

DATE SUBMITTED TO COMMISSION: March 8, 2018

Attachment 'H'

Utilities within 2-Miles

Entities within 2 Miles/Notice list:

City of Galveston (CCN 20519)
City of Texas City (CCN 20050)
Gulf Coast Waste Disposal Authority (CCN 20465)
Cade Ranch WCID 1
Galveston County Navigation District 1 (Special Law)
Gulf Coast Water Authority
Jefferson County Drainage District 6 (Special Law)
Lower Neches Valley Authority
Port Bolivar Improvement District (Special Law, no address found)
Sabine-Neches Navigation District of Jefferson County (Special Law)
Sabine Pass Port Authority (Special Law)
Southeast Texas Agricultural Development District (Special Law, no address found)
Trinity Bay Conservation District
Trinity River Authority of Texas (Special Law)

Addresses for Notice List

City of Galveston
PO Box 779
Galveston, TX 77553

City of Texas City
PO Box 2608
Texas City, TX 77590

Gulf Coast Waste Disposal Authority
910 Bay Area Blvd
Houston, TX 77058

Cade Ranch WCID 1
3 Greenway Plz, Ste 2000
Houston, TX 77046

Galveston County Navigation District 1
2121 Market Ste 211
Galveston, TX 77550

Gulf Coast Water Authority
3636 Hwy 1765
Texas City, TX 77591

Jefferson County Drainage District 6
6550 Walden Rd
Beaumont, TX 77707

Lower Neches Valley Authority
PO Box 5117
Beaumont, TX 77726

Sabine-Neches Navigation District of Jefferson County
8181 Anchor Dr
Port Arthur, TX 77642

Sabine Pass Port Authority
PO Box 318
Sabine Pass, TX 77655

Trinity Bay Conservation District
PO Box 599
2500 SH 124
Stowell, TX 77661

Trinity River Authority of Texas
PO Box 60
Arlington, TX 76004

Harris-Galveston Coastal Subsidence District
1660 W Bay Area Blvd
Friendswood, TX 77546

Galveston County Judge Mark Henry
722 Moody, Suite 200
Galveston, TX 77550

Chambers County Judge
404 Washington Ave
Anahuac, TX 77514

Attachment 'I'

Individual Page 16 & 17 for Each System, Inspection Reports

Part F - TCEQ Public Water or Sewer System Information

I-1 - Crystal Palace WWTP

(Permitted Facility Not In Operation)

☞ Please answer questions 17 through 22 on a different sheet for each physically Distinct system being transferred or acquired.

17. A. For Water Systems. TCEQ Public Water System Identification Number:

Date of last inspection:

B. For Wastewater Systems: Please See Attachment 'L'

-TCEQ Discharge Permit Number: W Q -

-Name of Permittee:

-Date of application to transfer Discharge Permit submitted:

-Date of application to transfer Discharge Permit approved by TCEQ:

18. A. Are any improvements required to meet TCEQ or PUC standards? Yes No. If yes, please explain:

B. Is there a moratorium on new connections? Yes No. If yes, please explain:

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ or PUC standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? Yes No

If yes, indicate the number of customers within the city limits or district boundaries:

Water Sewer

☞ Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? Yes No
 Water Sewer Purchased on a Regular Seasonal Emergency Basis

• Source: _____ % of total supply:

21. List the number of existing connections to be effected by this transaction.

Water		Sewer	
-Non Metered	-2" meter	-Residential Connection	
-5/8" or 3/4" meter	-3" meter	-Commercial Connection	
-1" meter	-4" meter	-Industrial Connection	
-1 1/2" meter	-Other	-Other	
Total Water Connections:		Total Sewer Connections	
		0	

22. Has the system reached 85% of its capacity based on TCEQ's minimum requirements? Yes No
 If yes, please explain what steps are being taken to address the capacity issues:

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

Name	Class	License#
See Attachment 'J'		

24. Attach the following maps with each copy of the application: Please See Attachment 'K'
- a. One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
 - b. One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area not currently in a CCN or a portion of an existing CCN area please attach the following hard copy maps with each copy of the application:
 1. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
 2. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
 - iii. following verifiable natural and man-made landmarks, or
 - iv. a copy of recorded plat map with metes and bounds.
 3. A written description of the proposed service area.

Part I - TCEQ Public Water or Sewer System Information

I-2 - Laguna Harbor WWTP

Please answer questions 17 through 22 on a different sheet for each physically Distinct system being transferred or acquired.

17. A. For Water Systems. TCEQ Public Water System Identification Number:

Date of last inspection:

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q -

-Name of Permittee: Bolivar Utility Services, LLC

-Date of application to transfer Discharge Permit submitted:

-Date of application to transfer Discharge Permit approved by TCEQ:

18. A. Are any improvements required to meet TCEQ or PUC standards? Yes No. If yes, please explain:

B. Is there a moratorium on new connections? Yes No. If yes, please explain:

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ or PUC standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? Yes No

If yes, indicate the number of customers within the city limits or district boundaries:
 Water Sewer

Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? Yes No
 Water Sewer Purchased on a Regular Seasonal Emergency Basis

◦ Source: % of total supply:

21. List the number of existing connections to be effected by this transaction.

Water		Sewer	
-Non Metered	-2" meter	-Residential Connection	659
-5/8" or 3/4" meter	-3" meter	-Commercial Connection	15
-1" meter	-4" meter	-Industrial Connection	
-1 1/2" meter	-Other	-Other	
Total Water Connections:		Total Sewer Connections	674

22. Has the system reached 85% of its capacity based on TCEQ's minimum requirements? Yes No
 If yes, please explain what steps are being taken to address the capacity issues:

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

Name	Class	License#
See Attachment 'J'		

24. Attach the following maps with each copy of the application:

- a. One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
- b. One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area not currently in a CCN or a portion of an existing CCN area please attach the following hard copy maps with each copy of the application:
 1. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
 2. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
 - iii. following verifiable natural and man-made landmarks, or
 - iv. a copy of recorded plat map with metes and bounds.
 3. A written description of the proposed service area.

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

December 19, 2013

**CERTIFIED MAIL 7012 1010 0003 7399 3006
RETURN RECEIPT REQUESTED**

Chris Makin, General Manager
Bolivar Utility Services, LLC
P.O. Box 22858
Beaumont, Texas 77720-2858

Re: Notice of Violation for the Compliance Investigation at: Bolivar Utility Services, LLC, Laguna Harbor Wastewater Treatment Plant, 1329 29th Street, Bolivar Peninsula, Galveston County, Texas
TPDES Permit No. 14452-001; EPA ID No. TX0125776

Dear Ms. Makin:

On October 10 and 24, 2013, Ms. Stacy Pentecost of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable water quality requirements. Enclosed is a summary which lists the investigation findings. During the investigation, certain concerns were noted as alleged noncompliances. Through subsequent corrective action and written documentation, the alleged noncompliances have been resolved. No further action is required.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. Self-reported violations may be subject to enforcement, including penalties, upon review by the Enforcement Division.

If you or members of your staff have any questions, please feel free to contact Ms. Stacy Pentecost in the Houston Region Office at Phone #713-767-3667.

Sincerely,

A handwritten signature in black ink, appearing to read "ES", written over a horizontal line.

Elizabeth Sears
Team Leader
Water Quality Management
Region 12 Houston

EWS/SSP/ci

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

LAGUNA HARBOR WWTP

Investigation #

1132649
Investigation Date: 10/10/2013

, GALVESTON COUNTY,

Additional ID(s): WQ0014452001
TX0125776

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 521754

30 TAC Chapter 217.59(b)

30 TAC Chapter 317.3(a)

30 TAC Chapter 317.3(e)(4)(C)

Alleged Violation:

Investigation: 1132649

Comment Date: 12/09/2013

Failed to secure the lift station in an intruder resistant manner. Specifically, the control panels for lift stations nos. 9, 10L, 15A, and 18 were not locked.

Recommended Corrective Action: All lift stations shall be intruder-resistant with controlled access. Submit documentation indicating that lift stations nos. 9, 10L, 15A, and 18 have been secured in an intruder-resistant manner.

Resolution: On 11/06/2013, the TCEQ Houston Office received documentation indicating that lift stations nos. 9, 10L, 15A, and 18 have been secured in an intruder-resistant manner.

Track No: 521755

30 TAC Chapter 217.63(b)

30 TAC Chapter 217.63(c)

Alleged Violation:

Investigation: 1132649

Comment Date: 12/09/2013

Failed to maintain the required alarm systems. Specifically, the audio portion of the audiovisual alarms for lift stations nos. 3, 4, and 16A was inoperative.

Recommended Corrective Action: An audiovisual alarm system (red flashing light and horn) shall be provided for all lift stations. The alarm system shall be activated in case of power outage, pump failure, or a specified high water level. Submit documentation indicating that the alarm system at lift stations nos. 3, 4, and 16A have been repaired or replaced.

Resolution: On 11/06/2013, the TCEQ Houston Office received documentation indicating that the alarm system at lift stations nos. 3, 4, and 16A were replaced.

AREA OF CONCERN

Track No: 521756

30 TAC Chapter 319.7(c)

Alleged Violation:

Investigation: 1132649

Comment Date: 12/09/2013

Failed to accurately complete the discharge monitoring reports (DMRs). Specifically, the chlorine residual before the manganese oxide correction was being reported on the DMRs. The chlorine residual after the manganese oxide correction value has been subtracted from the total chlorine residual shall be reported on the DMRs. In addition, the incorrect minimum total chlorine residual and no maximum total chlorine residual was reported on the 04/2013

DMRs.

Recommended Corrective Action: All effluent data must be accurately reported on all DMRs. Correct and resubmit the 04/2013 DMR and submit documentation that the chlorine residual after the manganese oxide correction is being reported on the DMRs.

Resolution: On 10/16/2013, the TCEQ Houston Office received documentation that the 04/2013 DMR was corrected and resubmitted online and that the chlorine residual after the manganese oxide correction is being properly reported on the DMRs.

ADDITIONAL ISSUES

Description

Are the flow measuring devices(s) properly installed, operated and maintained?

Additional Comments

It was noted that a staff gauge was not provided to measure the flow over the v-notch weir. A staff gauge should be installed to check the accuracy of the flow meter and as a back-up flow measuring device.

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

Regulated Entity/Site Name	Laguna Harbor WWTP	TCEQ Add. ID No. RN No. (optional)	14452-0001
Investigation Type	Contact Made In-House (Y/N) <u>Y</u>	Purpose of Investigation <u>Compliance</u>	
Regulated Entity Contact		Telephone No.	Date Contacted
Title		Fax No.	Date Faxed

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

Issue		For Records Request: identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues: include the rule in question with the clearly described potential problem. Other type of issues: fully describe.	
No.	Type ¹	Rule Citation (if known)	Description of Issue
1)	A.V.		IFT Stations # 10L, 9, 18, 15A not intruder resistant.
2)	A.V.		the alarm doesn't work at IFT Stations #3, 4, and 16A.

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

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

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

Investigator Name (Signed & Printed) <i>Stacy S. Pentecost</i>	Date <i>10-24-13</i>	Regulated Entity Representative Name (Signed & Printed) <i>GinGee Stewart</i>	Date <i>10-24-13</i>
---	-------------------------	--	-------------------------

If you have questions about any information on this form, please contact your local TCEQ Regional Office.

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512-239-3282.

White Copy: Regulated Entity Representative Yellow Copy: TCEQ
TCEQ-20085 (Rev. 6/07)

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

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

December 19, 2013

**CERTIFIED MAIL 7012 1010 0003 7399 3006
RETURN RECEIPT REQUESTED**

Chris Makin, General Manager
Bolivar Utility Services, LLC
P.O. Box 22858
Beaumont, Texas 77720-2858

Re: Notice of Violation for the Compliance Investigation at: Bolivar Utility Services, LLC, Laguna Harbor Wastewater Treatment Plant, 1329 29th Street, Bolivar Peninsula, Galveston County, Texas
TPDES Permit No. 14452-001; EPA ID No. TX0125776

Dear Ms. Makin:

On October 10 and 24, 2013, Ms. Stacy Pentecost of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable water quality requirements. Enclosed is a summary which lists the investigation findings. During the investigation, certain concerns were noted as alleged noncompliances. Through subsequent corrective action and written documentation, the alleged noncompliances have been resolved. No further action is required.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. Self-reported violations may be subject to enforcement, including penalties, upon review by the Enforcement Division.

If you or members of your staff have any questions, please feel free to contact Ms. Stacy Pentecost in the Houston Region Office at Phone #713-767-3667.

Sincerely,

A handwritten signature in black ink, appearing to read "ES", written over a horizontal line.

Elizabeth Sears
Team Leader
Water Quality Management
Region 12 Houston

EWS/SSP/ci

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

LAGUNA HARBOR WWTP

Investigation #

1132649
Investigation Date: 10/10/2013

, GALVESTON COUNTY,

Additional ID(s): WQ0014452001
TX0125776

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 521754

30 TAC Chapter 217.59(b)

30 TAC Chapter 317.3(a)

30 TAC Chapter 317.3(e)(4)(C)

Alleged Violation:

Investigation: 1132649

Comment Date: 12/09/2013

Failed to secure the lift station in an intruder resistant manner. Specifically, the control panels for lift stations nos. 9, 10L, 15A, and 18 were not locked.

Recommended Corrective Action: All lift stations shall be intruder-resistant with controlled access. Submit documentation indicating that lift stations nos. 9, 10L, 15A, and 18 have been secured in an intruder-resistant manner.

Resolution: On 11/06/2013, the TCEQ Houston Office received documentation indicating that lift stations nos. 9, 10L, 15A, and 18 have been secured in an intruder-resistant manner.

Track No: 521755

30 TAC Chapter 217.63(b)

30 TAC Chapter 217.63(c)

Alleged Violation:

Investigation: 1132649

Comment Date: 12/09/2013

Failed to maintain the required alarm systems. Specifically, the audio portion of the audiovisual alarms for lift stations nos. 3, 4, and 16A was inoperative.

Recommended Corrective Action: An audiovisual alarm system (red flashing light and horn) shall be provided for all lift stations. The alarm system shall be activated in case of power outage, pump failure, or a specified high water level. Submit documentation indicating that the alarm system at lift stations nos. 3, 4, and 16A have been repaired or replaced.

Resolution: On 11/06/2013, the TCEQ Houston Office received documentation indicating that the alarm system at lift stations nos. 3, 4, and 16A were replaced.

AREA OF CONCERN

Track No: 521756

30 TAC Chapter 319.7(c)

Alleged Violation:

Investigation: 1132649

Comment Date: 12/09/2013

Failed to accurately complete the discharge monitoring reports (DMRs). Specifically, the chlorine residual before the manganese oxide correction was being reported on the DMRs. The chlorine residual after the manganese oxide correction value has been subtracted from the total chlorine residual shall be reported on the DMRs. In addition, the incorrect minimum total chlorine residual and no maximum total chlorine residual was reported on the 04/2013

DMRs.

Recommended Corrective Action: All effluent data must be accurately reported on all DMRs. Correct and resubmit the 04/2013 DMR and submit documentation that the chlorine residual after the manganese oxide correction is being reported on the DMRs.

Resolution: On 10/16/2013, the TCEQ Houston Office received documentation that the 04/2013 DMR was corrected and resubmitted online and that the chlorine residual after the manganese oxide correction is being properly reported on the DMRs.

ADDITIONAL ISSUES

Description

Are the flow measuring devices(s) properly installed, operated and maintained?

Additional Comments

It was noted that a staff gauge was not provided to measure the flow over the v-notch weir. A staff gauge should be installed to check the accuracy of the flow meter and as a back-up flow measuring device.

Permit
 Permit #: TX0125776 | Permittee: DOLIVAR UTILITY SERVICES, L.L.C.
 Major: | Permittee Address: 0.25MI N & 0.9MI W INTX STRHWY BEAUMONT, TX 77726 | Facility: LAGUNA HARBOR
 Permitted Features: 001 External Outfall | Discharge: 001-A DOMESTIC FACILITY - 001 | Facility Location: 1329 20TH ST GALVESTON, TX
Report Dates & Status
 Monitoring Period: From 04/01/13 to 04/30/13 | DMR Due Date: 05/20/13 | Status: NetDMR Validat
 Considerations for Form Completion

Principal Executive Officer
 First Name: | Title: | Telephone:
 Last Name:

No Data Indicator (NDDI)
 Form NDDI: --

Code	Parameter Name	Monitoring Location	Season #	Param. NDDI	Quantity or Loading				Quality or Concentration				Units	# of Ex.	Freq. of Ana.	
					Qualifier 1	Value 1	Qualifier 2	Value 2	Qualifier 1	Value 1	Qualifier 2	Value 2				Qualifier 3
00300	Oxygen, dissolved (DO)	1 - Effluent Gross	0	--	Sample	=	6.83						19 - mg/L	0	01/01 Week	
					Permit Req.	>=	6.80 MIN						19 - mg/L	0	01/01 Week	
					Value NDDI											
00400	pH	1 - Effluent Gross	0	--	Sample	=	6.15			=	6.71		12 - SU	0	05/01 Days Week	
					Permit Req.	>=	6 MINIMUM			<=	9 MAXIMUM		12 - SU	0	01/01 Week	
					Value NDDI											
00530	Solids, total suspended	1 - Effluent Gross	0	--	Sample	=	0	26 - mg/d		=	2	=	4	19 - mg/l	0	01/01 Week
					Permit Req.	<=	13 DAILY AV	26 - mg/d		<=	15 DAILY AV	<=	80 SINGLEGRAB	19 - mg/L	0	01/01 Week
					Value NDDI											
00620	Nitrogen, ammonia total (as N)	1 - Effluent Gross	0	--	Sample	=	0	26 - mg/d		=	1	=	2	19 - mg/L	0	01/01 Week
					Permit Req.	<=	2.5 DAILY AV	26 - mg/d		<=	3 DAILY AV	<=	15 SINGLEGRAB	19 - mg/L	0	01/01 Week
					Value NDDI											
50020	Flow, in conduit or thru treatment plant	1 - Effluent Gross	0	--	Sample	=	0.01368	03 - MGD							05/01 Week	
					Permit Req.	<=	.1 DAILY AV	03 - MGD							05/01 Week	
					Value NDDI											
50060	Chlorine, total residual	1 - Effluent Gross	0	--	Sample	=	1.13			=	3.6		19 - mg/L	0	05/01 Week	
					Permit Req.	>=	1.00 MIN			<=	4.00 MAX		19 - mg/L	0	05/01 Week	
					Value NDDI											
61211	Enterococci	1 - Effluent Gross	0	--	Sample	=	2			=	2		32 - CFU/100mL	0	01/01 Week	
					Permit Req.	<=	35 DAILY AV			<=	80 SINGLEGRAB		32 - CFU/100mL	0	01/01 Week	
					Value NDDI											
90002	BOD, carbonaceous, 55 day, 20 C	1 - Effluent Gross	0	--	Sample	=	0	26 - mg/d		=	2	=	3	19 - mg/L	0	01/01 Week
					Permit Req.	<=	8.3 DAILY AV	26 - mg/d		<=	10 DAILY AV	<=	33 SINGLEGRAB	19 - mg/L	0	01/01 Week
					Value NDDI											

Submission Note

If a parameter row does not contain any values for the Sample nor Effluent Trading, then none of the following fields will be submitted for that row: Units, Number of Excursions, Frequency of An Sample Type.

Edit Check Errors

No errors.

Comments

Attachments

No attachments.

Report Last Saved By

BOLIVAR UTILITY SERVICES, L.L.C.

User: cmakin@crownteamtexas.com
Name: chris makin
E-Mail: cmakin@crownteamtexas.com

Date/Time: 2013-10-14 14:00 (Time Zone: -05:00)

Certification Statement

I certify under penalty of law that this submission was prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and ev. information submitted. Based on my inquiry of the person or persons who manage the system, or those directly responsible for gathering the information, the information submitted is, to the best knowledge and belief, true, accurate, and complete. I am aware that there are criminal penalties for submitting false information, including the possibility of fine and imprisonment for knowing vi entering my password and security question answer and pressing the Submit button, I agree that:

1. I am chris makin.
2. I have not violated any term in my Electronic Signature Agreement.
3. I am otherwise without any reason to believe that the confidentiality of my password has been compromised now or at any time prior to this submission.
4. I have the authority to submit these data on behalf of the listed facilities.
5. This action constitutes an electronic signature equivalent to my written signature.
6. I understand that this attestation of fact pertains to the implementation, oversight, and enforcement of a federal environmental program and must be true to the best of my knowledge.

Submission Information

Name: chris makin
User: cmakin@crownteamtexas.com
Submitter Telephone: 409-361-1040
Confirmation Code: 0670c02b-e3ca-4252-9c03-1e02e62b4b0
Submitter Masked Password: b43e388bb02e03a1472d7e054cb67d691cbac34094232e61276ea4f185f1d60
DMR Hash: 9491d6d11c783457ac1760609dc45bd059e276091e7404c1b50867528119a067
NetDMR Certificate ID: 4
Certificate Alias: netdmr_wat_sample_certificate_2

Date/Time: 2013-10-14 14:00 (Time Zone: -05:00)
E-Mail: cmakin@crownteamtexas.com
Submitter Ip: 151.213.100.247

7-2000 NetDMR

See the [Test Signed Data](#) for utilities to facilitate testing.

Utility Specialties

275 Jena Lane
 Lumberton, TX 77657
 (409) 755-7377
 Fax # (409) 755-7423

Invoice

1720

Date

11/5/2013

Terms

30 days

Bill To

Bolivar Utility Services, LLC
 P O Box 22858
 Beaumont, TX 77720

Date	Description	Job #	Qty	Rate	Amount	
10/28/2013	Purchase and install audible alarms on lift stations #3, #4 and #16.	15792				
	Mechanic/Truck & Tools		3	60.00	180.00T	
	Helper		3	32.50	97.50T	
	Materials (audible alarms)		3	15.00	45.00T	
	Sales Tax			6.75%	21.77	
We appreciate your business.					Total	\$344.27

Attachment 'J'

Operators Information

Tony Bonaventure

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
WATEROL	WATER OPERATOR A	WO0009086	01/19/2018	02/28/2021	CURRENT	0
WWOL	WASTEWATER TREATMENT OPERATOR A	WW0006625	10/13/2016	12/03/2019	CURRENT	0
CSIOL	CUSTOMER SERVICE INSPECTOR	CI0002605	03/15/2002	03/15/2005	EXPIRED	N/A

Michael D Gonzales Jr

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
CSIOL	CUSTOMER SERVICE INSPECTOR	CI0010345	05/30/2017	05/30/2020	CURRENT	0
WATEROL	GROUND WATER TREATMENT OPERATOR C	WG0016613	05/30/2017	05/30/2020	CURRENT	40
WWOL	WASTEWATER TREATMENT OPERATOR C	WW0057885	05/12/2017	05/12/2020	CURRENT	60
WATEROL	WATER OPERATOR D	WO0039249	09/13/2016	05/30/2017	EXPIRED	N/A
WWOL	WASTEWATER TREATMENT OPERATOR D	WW0056113	09/06/2016	05/12/2017	EXPIRED	N/A

Nicholas Vickery

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
WATEROL	GROUND WATER TREATMENT OPERATOR B	WG0016479	08/01/2017	08/01/2020	CURRENT	0
WWOL	WASTEWATER TREATMENT OPERATOR B	WW0046251	03/25/2015	03/16/2018	CURRENT	0
WATEROL	GROUND WATER TREATMENT OPERATOR C	WG0012533	12/22/2015	08/01/2017	EXPIRED	N/A
WWOL	WASTEWATER TREATMENT OPERATOR C	WW0039152	05/05/2009	03/16/2012	EXPIRED	N/A
WATEROL	WATER OPERATOR D	N/A	N/A	N/A	VOID	N/A
WATEROL	GROUND WATER TREATMENT OPERATOR C	N/A	N/A	N/A	VOID	N/A
WATEROL	GROUND WATER TREATMENT OPERATOR B	N/A	N/A	N/A	VOID	N/A
WWOL	WASTEWATER TREATMENT OPERATOR B	N/A	N/A	N/A	VOID	N/A

James Corn

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	SPAT Practical Skills	CE Hours
BPATOL	BACKFLOW PREVENTION ASSEMBLY TESTER	BP0015173	01/29/2016	04/02/2019	CURRENT	NO	12
CSIOL	CUSTOMER SERVICE INSPECTOR	CI0010438	08/11/2017	08/11/2020	CURRENT	N/A	2
LIOL	LANDSCAPE IRRIGATOR	LI0020488	04/01/2016	03/31/2019	CURRENT	N/A	26
WATEROL	GROUND WATER TREATMENT OPERATOR C	WG0014871	01/18/2016	03/11/2021	CURRENT	N/A	20
WWOL	WASTEWATER TREATMENT OPERATOR D	WW0058640	08/04/2017	08/04/2020	CURRENT	N/A	124
WWOL	WASTEWATER COLLECTION OPERATOR III	WW0058761	11/30/2017	11/30/2020	CURRENT	N/A	40
WATEROL	WATER OPERATOR D	WO0031788	06/27/2012	03/11/2015	EXPIRED	N/A	N/A
WWOL	WASTEWATER COLLECTION OPERATOR I	WW0047961	10/16/2015	07/28/2017	EXPIRED	N/A	N/A
WWOL	WASTEWATER COLLECTION OPERATOR II	WW0058242	07/28/2017	11/30/2017	EXPIRED	N/A	N/A
WWOL	WASTEWATER TREATMENT OPERATOR C	N/A	N/A	N/A	PENDING	N/A	N/A

Kyle Holdridge

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
WATEROL	WATER OPERATOR D	WO0040536	08/01/2017	08/01/2020	CURRENT	60
WWOL	WASTEWATER TREATMENT OPERATOR D	WW0057889	08/03/2017	08/03/2020	CURRENT	60
WATEROL	GROUND WATER TREATMENT OPERATOR C	N/A	N/A	N/A	PENDING	N/A
WWOL	WASTEWATER TREATMENT OPERATOR C	N/A	N/A	N/A	PENDING	N/A
CSIOL	CUSTOMER SERVICE INSPECTOR	N/A	N/A	N/A	VOID	N/A

Junior Villareal

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
WATEROL	WATER OPERATOR D	WO0040777	06/09/2017	06/09/2020	CURRENT	0
WWOL	WASTEWATER TREATMENT OPERATOR D	WW0052159	07/16/2015	07/16/2018	CURRENT	60
WATEROL	GROUND WATER TREATMENT OPERATOR C	N/A	N/A	N/A	PENDING	N/A
WWOL	WASTEWATER TREATMENT OPERATOR C	N/A	N/A	N/A	PENDING	N/A
WATEROL	WATER OPERATOR D	N/A	N/A	N/A	VOID	N/A

Glisa Shirley

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
WWOL	WASTEWATER TREATMENT OPERATOR C	WW0001942	01/18/2018	02/17/2021	CURRENT	0

Tony Kern

Program	License Type and Level	License Number	Last Issued Date	Exp. Date	License Status	CE Hours
WATEROL	GROUND WATER TREATMENT OPERATOR C	WG0015622	08/03/2015	08/03/2018	CURRENT	0

Attachment 'K'

CCN Maps to be Transferred with this Application and CCN
Descriptions

**Undine Texas Environmental, LLC
Application to Transfer Bolivar Utility Services, LLC : CCN No. 21026**

Proposed Sewer CCN area for transfer is within:

Counties – Galveston

Chambers

GCD – Harris-Galveston Coastal Subsidence District

Districts – Cade Ranch WCID 1

Gulf Coast Waste Disposal Authority

Gulf Coast Water Authority

Lower Neches Valley Authority

Port Bolivar Improvement District (Special Law, no address found)

Southeast Texas Agricultural Development District (Special Law, no address found)

Trinity Bay Conservation District

Trinity River Authority of Texas

City Limits – None

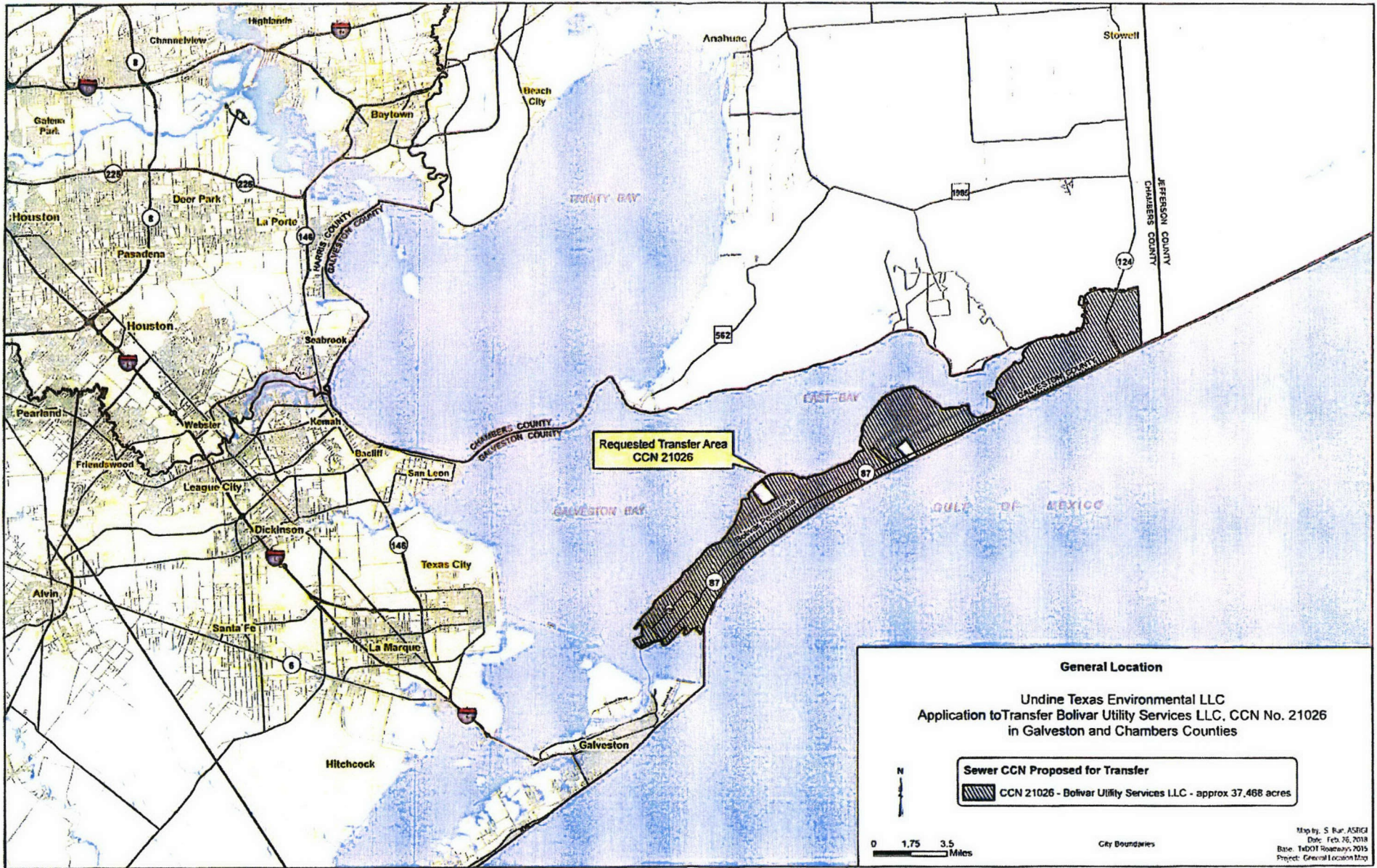
ETJ – City of Galveston

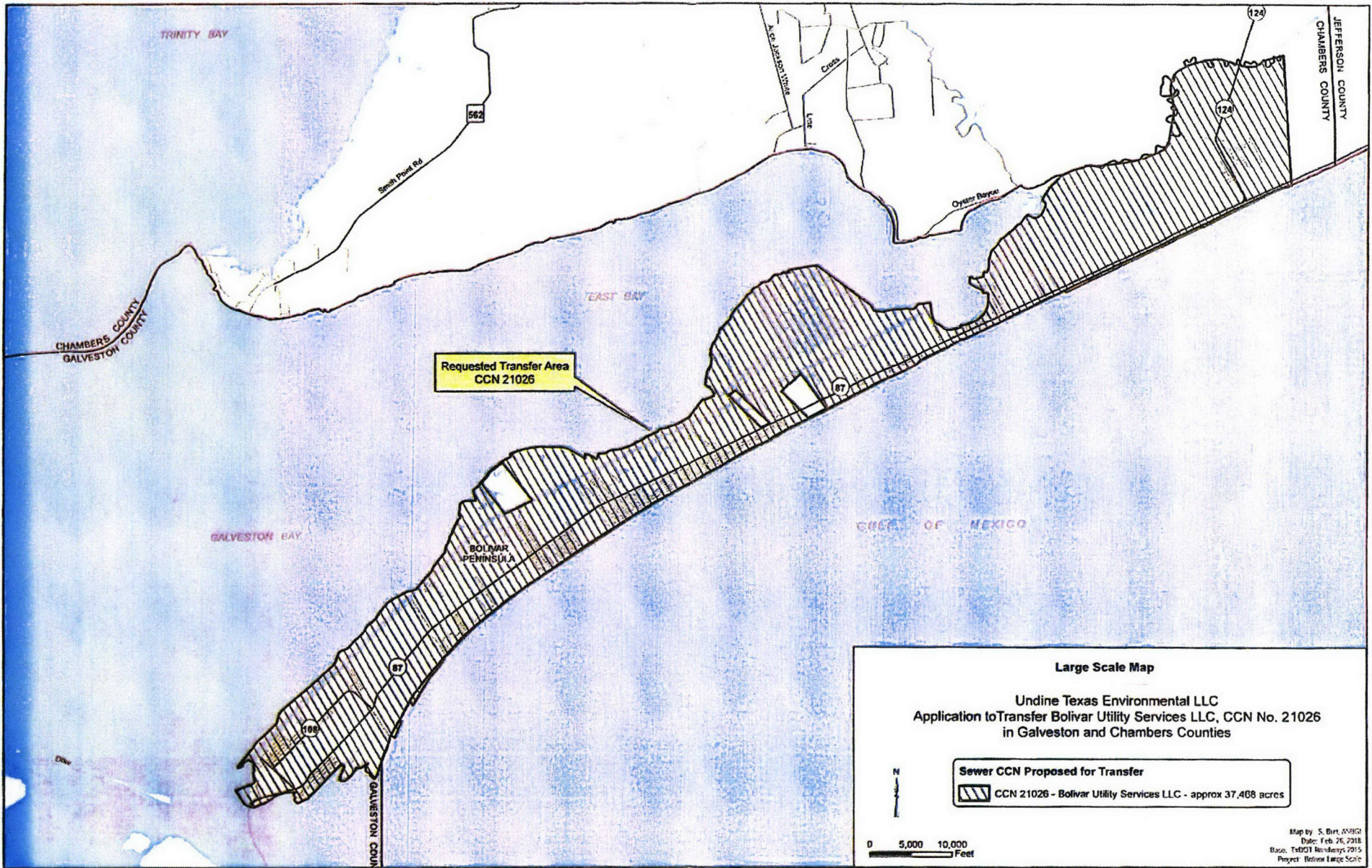
City of Texas City

Written Description

The area subject to this transaction is located approximately 7 miles north of downtown Galveston, TX, and is generally bounded on the north by East Bay and the Gulf Intercoastal Waterway; on the east by 1.7 miles east of SH 124; on the south by Gulf of Mexico; and on the west by Galveston Bay;

Total area being requested includes approximately 37,468 acres and serves 668 current customers.





Attachment 'L'

Wastewater Discharge Permits and Transfer Applications



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
P.O. Box 13087
Austin, Texas 78711-3087

TPDES PERMIT NO. WQ0014452001
[For TCEQ office use only - EPA I.D.
No. TX0125776]

This is a renewal that replaces TPDES
Permit No. WQ0014452001 issued
April 11, 2011.

PERMIT TO DISCHARGE WASTES
under provisions of
Section 402 of the Clean Water Act
and Chapter 26 of the Texas Water Code

Bolivar Utility Services, L.L.C.

whose mailing address is

P.O. Box 22858
Beaumont, Texas 77720-2858

is authorized to treat and discharge wastes from the Laguna Harbor Wastewater Treatment Facility, SIC
Code 4952

located at 1329 29th Street, Galveston, , approximately 0.25 mile north and 0.9 mile west of the
intersection of State Highway 87 and Broadway Avenue (Loop 108) in Galveston County, Texas 77650

to Intracoastal Waterway Tidal in Segment No. 0702 of the Neches Trinity Coastal Basin

only according with effluent limitations, monitoring requirements and other conditions set forth in this
permit, as well as the rules of the Texas Commission on Environmental Quality (TCEQ), the laws of the
State of Texas, and other orders of the TCEQ. The issuance of this permit does not grant to the
permittee the right to use private or public property for conveyance of wastewater along the discharge
route described in this permit. This includes, but is not limited to, property belonging to any individual,
partnership, corporation or other entity. Neither does this permit authorize any invasion of personal
rights nor any violation of federal, state, or local laws or regulations. It is the responsibility of the
permittee to acquire property rights as may be necessary to use the discharge route.

This permit shall expire at midnight, **July 1, 2018**.

ISSUED DATE: July 5, 2013


For the Commission

EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Outfall Number 001

1. During the period beginning upon the date of issuance and lasting through the date of expiration, the permittee is authorized to discharge subject to the following effluent limitations:

The daily average flow of effluent shall not exceed 0.10 million gallons per day (MGD); nor shall the average discharge during any two-hour period (2-hour peak) exceed 278 gallons per minute (gpm).

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>				<u>Min. Self-Monitoring Requirements</u>	
	Daily Avg mg/l (lbs/day)	7-day Avg mg/l	Daily Max mg/l	Single Grab mg/l	Report Daily Avg. & Max. Single Grab Measurement Frequency	Sample Type
Flow, MGD	Report	N/A	Report	N/A	Five/week	Instantaneous
Carbonaceous Biochemical Oxygen Demand (5-day)	10 (8.3)	15	25	35	One/week	Grab
Total Suspended Solids	15 (13)	25	40	60	One/week	Grab
Ammonia Nitrogen	3 (2.5)	6	10	15	One/week	Grab
Enterococci, CFU or MPN/100 ml	35	N/A	N/A	104	One/month	Grab

2. The effluent shall contain a chlorine residual of at least 1.0 mg/l and shall not exceed a chlorine residual of 4.0 mg/l after a detention time of at least 20 minutes (based on peak flow), and shall be monitored five times per week by grab sample. An equivalent method of disinfection may be substituted only with prior approval of the Executive Director.
3. The pH shall not be less than 6.0 standard units nor greater than 9.0 standard units and shall be monitored once per month by grab sample.
4. There shall be no discharge of floating solids or visible foam in other than trace amounts and no discharge of visible oil.
5. Effluent monitoring samples shall be taken at the following location(s): Following the final treatment unit.
6. The effluent shall contain minimum dissolved oxygen of 6.0 mg/l and shall be monitored once per week by grab sample.

DEFINITIONS AND STANDARD PERMIT CONDITIONS

As required by Title 30 Texas Administrative Code (TAC) Chapter 305, certain regulations appear as standard conditions in waste discharge permits. 30 TAC § 305.121 - 305.129 (relating to Permit Characteristics and Conditions) as promulgated under the Texas Water Code (TWC) §§ 5.103 and 5.105, and the Texas Health and Safety Code (THSC) §§ 361.017 and 361.024(a), establish the characteristics and standards for waste discharge permits, including sewage sludge, and those sections of 40 Code of Federal Regulations (CFR) Part 122 adopted by reference by the Commission. The following text includes these conditions and incorporates them into this permit. All definitions in TWC § 26.001 and 30 TAC Chapter 305 shall apply to this permit and are incorporated by reference. Some specific definitions of words or phrases used in this permit are as follows:

1. Flow Measurements

- a. **Annual average flow** - the arithmetic average of all daily flow determinations taken within the preceding 12 consecutive calendar months. The annual average flow determination shall consist of daily flow volume determinations made by a totalizing meter, charted on a chart recorder and limited to major domestic wastewater discharge facilities with one million gallons per day or greater permitted flow.
- b. **Daily average flow** - the arithmetic average of all determinations of the daily flow within a period of one calendar month. The daily average flow determination shall consist of determinations made on at least four separate days. If instantaneous measurements are used to determine the daily flow, the determination shall be the arithmetic average of all instantaneous measurements taken during that month. Daily average flow determination for intermittent discharges shall consist of a minimum of three flow determinations on days of discharge.
- c. **Daily maximum flow** - the highest total flow for any 24-hour period in a calendar month.
- d. **Instantaneous flow** - the measured flow during the minimum time required to interpret the flow measuring device.
- e. **2-hour peak flow (domestic wastewater treatment plants)** - the maximum flow sustained for a two-hour period during the period of daily discharge. The average of multiple measurements of instantaneous maximum flow within a two-hour period may be used to calculate the 2-hour peak flow.
- f. **Maximum 2-hour peak flow (domestic wastewater treatment plants)** - the highest 2-hour peak flow for any 24-hour period in a calendar month.

2. Concentration Measurements

- a. **Daily average concentration** - the arithmetic average of all effluent samples, composite or grab as required by this permit, within a period of one calendar month, consisting of at least four separate representative measurements.
 - i. **For domestic wastewater treatment plants** - When four samples are not available in a calendar month, the arithmetic average (weighted by flow) of all values in the previous four consecutive month period consisting of at least four measurements shall be utilized as the daily average concentration.

- ii. For all other wastewater treatment plants - When four samples are not available in a calendar month, the arithmetic average (weighted by flow) of all values taken during the month shall be utilized as the daily average concentration.
- b. 7-day average concentration - the arithmetic average of all effluent samples, composite or grab as required by this permit, within a period of one calendar week, Sunday through Saturday.
- c. Daily maximum concentration - the maximum concentration measured on a single day, by the sample type specified in the permit, within a period of one calendar month.
- d. Daily discharge - the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in terms of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the sampling day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the sampling day.

The daily discharge determination of concentration made using a composite sample shall be the concentration of the composite sample. When grab samples are used, the daily discharge determination of concentration shall be the arithmetic average (weighted by flow value) of all samples collected during that day.

- e. Bacteria concentration (*E. coli* or Enterococci) - Colony Forming Units (CFU) or Most Probable Number (MPN) of bacteria per 100 milliliters effluent. The daily average bacteria concentration is a geometric mean of the values for the effluent samples collected in a calendar month. The geometric mean shall be determined by calculating the n th root of the product of all measurements made in a calendar month, where n equals the number of measurements made; or, computed as the antilogarithm of the arithmetic mean of the logarithms of all measurements made in a calendar month. For any measurement of bacteria equaling zero, a substituted value of one shall be made for input into either computation method. If specified, the 7-day average for bacteria is the geometric mean of the values for all effluent samples collected during a calendar week.
- f. Daily average loading (lbs/day) - the arithmetic average of all daily discharge loading calculations during a period of one calendar month. These calculations must be made for each day of the month that a parameter is analyzed. The daily discharge, in terms of mass (lbs/day), is calculated as $(\text{Flow, MGD} \times \text{Concentration, mg/l} \times 8.34)$.
- g. Daily maximum loading (lbs/day) - the highest daily discharge, in terms of mass (lbs/day), within a period of one calendar month.

3. Sample Type

- a. Composite sample - For domestic wastewater, a composite sample is a sample made up of a minimum of three effluent portions collected in a continuous 24-hour period or during the period of daily discharge if less than 24 hours, and combined in volumes proportional to flow, and collected at the intervals required by 30 TAC § 319.9 (a). For industrial wastewater, a composite sample is a sample made up of a minimum of three effluent portions collected in a continuous 24-hour period or during the period of daily discharge if less than 24 hours, and combined in volumes proportional to flow, and collected at the intervals required by 30 TAC § 319.9 (b).

- b. Grab sample - an individual sample collected in less than 15 minutes.
- 4. Treatment Facility (facility) - wastewater facilities used in the conveyance, storage, treatment, recycling, reclamation and/or disposal of domestic sewage, industrial wastes, agricultural wastes, recreational wastes, or other wastes including sludge handling or disposal facilities under the jurisdiction of the Commission.
- 5. The term "sewage sludge" is defined as solid, semi-solid, or liquid residue generated during the treatment of domestic sewage in 30 TAC Chapter 312. This includes the solids that have not been classified as hazardous waste separated from wastewater by unit processes.
- 6. Bypass - the intentional diversion of a waste stream from any portion of a treatment facility.

MONITORING AND REPORTING REQUIREMENTS

1. Self-Reporting

Monitoring results shall be provided at the intervals specified in the permit. Unless otherwise specified in this permit or otherwise ordered by the Commission, the permittee shall conduct effluent sampling and reporting in accordance with 30 TAC §§ 319.4 - 319.12. Unless otherwise specified, a monthly effluent report shall be submitted each month, to the Enforcement Division (MC 224), by the 20th day of the following month for each discharge which is described by this permit whether or not a discharge is made for that month. Monitoring results must be reported on an approved self-report form that is signed and certified as required by Monitoring and Reporting Requirements No. 10.

As provided by state law, the permittee is subject to administrative, civil and criminal penalties, as applicable, for negligently or knowingly violating the Clean Water Act (CWA); TWC §§ 26, 27, and 28; and THSC § 361, including but not limited to knowingly making any false statement, representation, or certification on any report, record, or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance, or falsifying, tampering with or knowingly rendering inaccurate any monitoring device or method required by this permit or violating any other requirement imposed by state or federal regulations.

2. Test Procedures

- a. Unless otherwise specified in this permit, test procedures for the analysis of pollutants shall comply with procedures specified in 30 TAC §§ 319.11 - 319.12. Measurements, tests, and calculations shall be accurately accomplished in a representative manner.
- b. All laboratory tests submitted to demonstrate compliance with this permit must meet the requirements of 30 TAC § 25, Environmental Testing Laboratory Accreditation and Certification.

3. Records of Results

- a. Monitoring samples and measurements shall be taken at times and in a manner so as to be representative of the monitored activity.

- b. Except for records of monitoring information required by this permit related to the permittee's sewage sludge use and disposal activities, which shall be retained for a period of at least five years (or longer as required by 40 CFR Part 503), monitoring and reporting records, including strip charts and records of calibration and maintenance, copies of all records required by this permit, records of all data used to complete the application for this permit, and the certification required by 40 CFR § 264.73(b)(9) shall be retained at the facility site, or shall be readily available for review by a TCEQ representative for a period of three years from the date of the record or sample, measurement, report, application or certification. This period shall be extended at the request of the Executive Director.
- c. Records of monitoring activities shall include the following:
 - i. date, time and place of sample or measurement;
 - ii. identity of individual who collected the sample or made the measurement.
 - iii. date and time of analysis;
 - iv. identity of the individual and laboratory who performed the analysis;
 - v. the technique or method of analysis; and
 - vi. the results of the analysis or measurement and quality assurance/quality control records.

The period during which records are required to be kept shall be automatically extended to the date of the final disposition of any administrative or judicial enforcement action that may be instituted against the permittee.

4. Additional Monitoring by Permittee

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit using approved analytical methods as specified above, all results of such monitoring shall be included in the calculation and reporting of the values submitted on the approved self-report form. Increased frequency of sampling shall be indicated on the self-report form.

5. Calibration of Instruments

All automatic flow measuring or recording devices and all totalizing meters for measuring flows shall be accurately calibrated by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually unless authorized by the Executive Director for a longer period. Such person shall verify in writing that the device is operating properly and giving accurate results. Copies of the verification shall be retained at the facility site and/or shall be readily available for review by a TCEQ representative for a period of three years.

6. Compliance Schedule Reports

Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of the permit shall be submitted no later

than 14 days following each schedule date to the Regional Office and the Enforcement Division (MC 224).

7. Noncompliance Notification

- a. In accordance with 30 TAC § 305.125(9) any noncompliance which may endanger human health or safety, or the environment shall be reported by the permittee to the TCEQ. Report of such information shall be provided orally or by facsimile transmission (FAX) to the Regional Office within 24 hours of becoming aware of the noncompliance. A written submission of such information shall also be provided by the permittee to the Regional Office and the Enforcement Division (MC 224) within five working days of becoming aware of the noncompliance. The written submission shall contain a description of the noncompliance and its cause; the potential danger to human health or safety, or the environment; the period of noncompliance, including exact dates and times; if the noncompliance has not been corrected, the time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance, and to mitigate its adverse effects.
 - b. The following violations shall be reported under Monitoring and Reporting Requirement 7.a.:
 - i. Unauthorized discharges as defined in Permit Condition 2(g).
 - ii. Any unanticipated bypass that exceeds any effluent limitation in the permit.
 - iii. Violation of a permitted maximum daily discharge limitation for pollutants listed specifically in the Other Requirements section of an Industrial TPDES permit.
 - c. In addition to the above, any effluent violation which deviates from the permitted effluent limitation by more than 40% shall be reported by the permittee in writing to the Regional Office and the Enforcement Division (MC 224) within 5 working days of becoming aware of the noncompliance.
 - d. Any noncompliance other than that specified in this section, or any required information not submitted or submitted incorrectly, shall be reported to the Enforcement Division (MC 224) as promptly as possible. For effluent limitation violations, noncompliances shall be reported on the approved self-report form.
8. In accordance with the procedures described in 30 TAC §§ 35.301 - 35.303 (relating to Water Quality Emergency and Temporary Orders) if the permittee knows in advance of the need for a bypass, it shall submit prior notice by applying for such authorization.

9. Changes in Discharges of Toxic Substances

All existing manufacturing, commercial, mining, and silvicultural permittees shall notify the Regional Office, orally or by facsimile transmission within 24 hours, and both the Regional Office and the Enforcement Division (MC 224) in writing within five (5) working days, after becoming aware of or having reason to believe:

- a. That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, of any toxic pollutant listed at 40 CFR Part 122, Appendix D,

Tables II and III (excluding Total Phenols) which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":

- i. One hundred micrograms per liter (100 µg/L);
 - ii. Two hundred micrograms per liter (200 µg/L) for acrolein and acrylonitrile; five hundred micrograms per liter (500 µg/L) for 2,4-dinitrophenol and for 2-methyl-4,6-dinitrophenol; and one milligram per liter (1 mg/L) for antimony;
 - iii. Five (5) times the maximum concentration value reported for that pollutant in the permit application; or
 - iv. The level established by the TCEQ.
- b. That any activity has occurred or will occur which would result in any discharge, on a nonroutine or infrequent basis, of a toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
- i. Five hundred micrograms per liter (500 µg/L);
 - ii. One milligram per liter (1 mg/L) for antimony;
 - iii. Ten (10) times the maximum concentration value reported for that pollutant in the permit application; or
 - iv. The level established by the TCEQ.

10. Signatories to Reports

All reports and other information requested by the Executive Director shall be signed by the person and in the manner required by 30 TAC § 305.128 (relating to Signatories to Reports).

11. All Publicly Owned Treatment Works (POTWs) must provide adequate notice to the Executive Director of the following:

- a. Any new introduction of pollutants into the POTW from an indirect discharger which would be subject to CWA § 301 or § 306 if it were directly discharging those pollutants;
- b. Any substantial change in the volume or character of pollutants being introduced into that POTW by a source introducing pollutants into the POTW at the time of issuance of the permit; and
- c. For the purpose of this paragraph, adequate notice shall include information on:
 - i. The quality and quantity of effluent introduced into the POTW; and
 - ii. Any anticipated impact of the change on the quantity or quality of effluent to be discharged from the POTW.

PERMIT CONDITIONS

1. General

- a. When the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in an application or in any report to the Executive Director, it shall promptly submit such facts or information.
- b. This permit is granted on the basis of the information supplied and representations made by the permittee during action on an application, and relying upon the accuracy and completeness of that information and those representations. After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked, in whole or in part, in accordance with 30 TAC Chapter 305, Subchapter D, during its term for good cause including, but not limited to, the following:
 - i. Violation of any terms or conditions of this permit;
 - ii. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
 - iii. A change in any condition that requires either a temporary or permanent reduction or elimination of the authorized discharge.
- c. The permittee shall furnish to the Executive Director, upon request and within a reasonable time, any information to determine whether cause exists for amending, revoking, suspending or terminating the permit. The permittee shall also furnish to the Executive Director, upon request, copies of records required to be kept by the permit.

2. Compliance

- a. Acceptance of the permit by the person to whom it is issued constitutes acknowledgment and agreement that such person will comply with all the terms and conditions embodied in the permit, and the rules and other orders of the Commission.
- b. The permittee has a duty to comply with all conditions of the permit. Failure to comply with any permit condition constitutes a violation of the permit and the Texas Water Code or the Texas Health and Safety Code, and is grounds for enforcement action, for permit amendment, revocation, or suspension, or for denial of a permit renewal application or an application for a permit for another facility.
- c. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.
- d. The permittee shall take all reasonable steps to minimize or prevent any discharge or sludge use or disposal or other permit violation that has a reasonable likelihood of adversely affecting human health or the environment.
- e. Authorization from the Commission is required before beginning any change in the permitted facility or activity that may result in noncompliance with any permit requirements.

- f. A permit may be amended, suspended and reissued, or revoked for cause in accordance with 30 TAC §§ 305.62 and 305.66 and TWC§ 7.302. The filing of a request by the permittee for a permit amendment, suspension and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.
- g. There shall be no unauthorized discharge of wastewater or any other waste. For the purpose of this permit, an unauthorized discharge is considered to be any discharge of wastewater into or adjacent to water in the state at any location not permitted as an outfall or otherwise defined in the Other Requirements section of this permit.
- h. In accordance with 30 TAC § 305.535(a), the permittee may allow any bypass to occur from a TPDES permitted facility which does not cause permitted effluent limitations to be exceeded or an unauthorized discharge to occur, but only if the bypass is also for essential maintenance to assure efficient operation.
- i. The permittee is subject to administrative, civil, and criminal penalties, as applicable, under TWC §§ 7.051 - 7.075 (relating to Administrative Penalties), 7.101 - 7.111 (relating to Civil Penalties), and 7.141 - 7.202 (relating to Criminal Offenses and Penalties) for violations including, but not limited to, negligently or knowingly violating the federal CWA §§ 301, 302, 306, 307, 308, 318, or 405, or any condition or limitation implementing any sections in a permit issued under the CWA § 402, or any requirement imposed in a pretreatment program approved under the CWA §§ 402 (a)(3) or 402 (b)(8).

3. Inspections and Entry

- a. Inspection and entry shall be allowed as prescribed in the TWC Chapters 26, 27, and 28, and THSC § 361.
- b. The members of the Commission and employees and agents of the Commission are entitled to enter any public or private property at any reasonable time for the purpose of inspecting and investigating conditions relating to the quality of water in the state or the compliance with any rule, regulation, permit or other order of the Commission. Members, employees, or agents of the Commission and Commission contractors are entitled to enter public or private property at any reasonable time to investigate or monitor or, if the responsible party is not responsive or there is an immediate danger to public health or the environment, to remove or remediate a condition related to the quality of water in the state. Members, employees, Commission contractors, or agents acting under this authority who enter private property shall observe the establishment's rules and regulations concerning safety, internal security, and fire protection, and if the property has management in residence, shall notify management or the person then in charge of his presence and shall exhibit proper credentials. If any member, employee, Commission contractor, or agent is refused the right to enter in or on public or private property under this authority, the Executive Director may invoke the remedies authorized in TWC § 7.002. The statement above, that Commission entry shall occur in accordance with an establishment's rules and regulations concerning safety, internal security, and fire protection, is not grounds for denial or restriction of entry to any part of the facility, but merely describes the Commission's duty to observe appropriate rules and regulations during an inspection.

4. Permit Amendment and/or Renewal

- a. The permittee shall give notice to the Executive Director as soon as possible of any planned physical alterations or additions to the permitted facility if such alterations or additions would require a permit amendment or result in a violation of permit requirements. Notice shall also be required under this paragraph when:
 - i. The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in accordance with 30 TAC § 305.534 (relating to New Sources and New Dischargers); or
 - ii. The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants that are subject neither to effluent limitations in the permit, nor to notification requirements in Monitoring and Reporting Requirements No. 9;
 - iii. The alteration or addition results in a significant change in the permittee's sludge use or disposal practices, and such alteration, addition, or change may justify the application of permit conditions that are different from or absent in the existing permit, including notification of additional use or disposal sites not reported during the permit application process or not reported pursuant to an approved land application plan.
- b. Prior to any facility modifications, additions, or expansions that will increase the plant capacity beyond the permitted flow, the permittee must apply for and obtain proper authorization from the Commission before commencing construction.
- c. The permittee must apply for an amendment or renewal at least 180 days prior to expiration of the existing permit in order to continue a permitted activity after the expiration date of the permit. If an application is submitted prior to the expiration date of the permit, the existing permit shall remain in effect until the application is approved, denied, or returned. If the application is returned or denied, authorization to continue such activity shall terminate upon the effective date of the action. If an application is not submitted prior to the expiration date of the permit, the permit shall expire and authorization to continue such activity shall terminate.
- d. Prior to accepting or generating wastes which are not described in the permit application or which would result in a significant change in the quantity or quality of the existing discharge, the permittee must report the proposed changes to the Commission. The permittee must apply for a permit amendment reflecting any necessary changes in permit conditions, including effluent limitations for pollutants not identified and limited by this permit.
- e. In accordance with the TWC § 26.029(b), after a public hearing, notice of which shall be given to the permittee, the Commission may require the permittee, from time to time, for good cause, in accordance with applicable laws, to conform to new or additional conditions.
- f. If any toxic effluent standard or prohibition (including any schedule of compliance specified in such effluent standard or prohibition) is promulgated under CWA § 307(a) for a toxic pollutant which is present in the discharge and that standard or prohibition is more stringent than any limitation on the pollutant in this permit, this permit shall be

modified or revoked and reissued to conform to the toxic effluent standard or prohibition. The permittee shall comply with effluent standards or prohibitions established under CWA § 307(a) for toxic pollutants within the time provided in the regulations that established those standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

5. Permit Transfer

- a. Prior to any transfer of this permit, Commission approval must be obtained. The Commission shall be notified in writing of any change in control or ownership of facilities authorized by this permit. Such notification should be sent to the Applications Review and Processing Team (MC 148) of the Water Quality Division.
- b. A permit may be transferred only according to the provisions of 30 TAC § 305.64 (relating to Transfer of Permits) and 30 TAC § 50.133 (relating to Executive Director Action on Application or WQMP update).

6. Relationship to Hazardous Waste Activities

This permit does not authorize any activity of hazardous waste storage, processing, or disposal that requires a permit or other authorization pursuant to the Texas Health and Safety Code.

7. Relationship to Water Rights

Disposal of treated effluent by any means other than discharge directly to water in the state must be specifically authorized in this permit and may require a permit pursuant to TWC Chapter 11.

8. Property Rights

A permit does not convey any property rights of any sort, or any exclusive privilege.

9. Permit Enforceability

The conditions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstances, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

10. Relationship to Permit Application

The application pursuant to which the permit has been issued is incorporated herein; provided, however, that in the event of a conflict between the provisions of this permit and the application, the provisions of the permit shall control.

11. Notice of Bankruptcy

- a. Each permittee shall notify the Executive Director, in writing, immediately following the filing of a voluntary or involuntary petition for bankruptcy under any chapter of Title 11 Bankruptcy) of the United States Code (11 USC) by or against:

- i. the permittee;
 - ii. an entity (as that term is defined in 11 USC, § 101(14)) controlling the permittee or listing the permit or permittee as property of the estate; or
 - iii. an affiliate (as that term is defined in 11 USC, § 101(2)) of the permittee.
- b. This notification must indicate:
- i. the name of the permittee and the permit number(s);
 - ii. the bankruptcy court in which the petition for bankruptcy was filed; and
 - iii. the date of filing of the petition.

OPERATIONAL REQUIREMENTS

1. The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained. This includes, but is not limited to, the regular, periodic examination of wastewater solids within the treatment plant by the operator in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control. Process control, maintenance, and operations records shall be retained at the facility site, or shall be readily available for review by a TCEQ representative, for a period of three years.
2. Upon request by the Executive Director, the permittee shall take appropriate samples and provide proper analysis in order to demonstrate compliance with Commission rules. Unless otherwise specified in this permit or otherwise ordered by the Commission, the permittee shall comply with all applicable provisions of 30 TAC Chapter 312 concerning sewage sludge use and disposal and 30 TAC §§ 319.21 - 319.29 concerning the discharge of certain hazardous metals.
3. Domestic wastewater treatment facilities shall comply with the following provisions:
 - a. The permittee shall notify the Municipal Permits Team, Wastewater Permitting Section (MC 148) of the Water Quality Division, in writing, of any facility expansion at least 90 days prior to conducting such activity.
 - b. The permittee shall submit a closure plan for review and approval to the Municipal Permits Team, Wastewater Permitting Section (MC 148) of the Water Quality Division, for any closure activity at least 90 days prior to conducting such activity. Closure is the act of permanently taking a waste management unit or treatment facility out of service and includes the permanent removal from service of any pit, tank, pond, lagoon, surface impoundment and/or other treatment unit regulated by this permit.
4. The permittee is responsible for installing prior to plant start-up, and subsequently maintaining, adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention of inadequately treated wastewater.

5. Unless otherwise specified, the permittee shall provide a readily accessible sampling point and, where applicable, an effluent flow measuring device or other acceptable means by which effluent flow may be determined.
6. The permittee shall remit an annual water quality fee to the Commission as required by 30 TAC Chapter 21. Failure to pay the fee may result in revocation of this permit under TWC § 7.302(b)(6).
7. Documentation

For all written notifications to the Commission required of the permittee by this permit, the permittee shall keep and make available a copy of each such notification under the same conditions as self-monitoring data are required to be kept and made available. Except for information required for TPDES permit applications, effluent data, including effluent data in permits, draft permits and permit applications, and other information specified as not confidential in 30 TAC §§ 1.5(d), any information submitted pursuant to this permit may be claimed as confidential by the submitter. Any such claim must be asserted in the manner prescribed in the application form or by stamping the words confidential business information on each page containing such information. If no claim is made at the time of submission, information may be made available to the public without further notice. If the Commission or Executive Director agrees with the designation of confidentiality, the TCEQ will not provide the information for public inspection unless required by the Texas Attorney General or a court pursuant to an open records request. If the Executive Director does not agree with the designation of confidentiality, the person submitting the information will be notified.

8. Facilities that generate domestic wastewater shall comply with the following provisions; domestic wastewater treatment facilities at permitted industrial sites are excluded.
 - a. Whenever flow measurements for any domestic sewage treatment facility reach 75% of the permitted daily average or annual average flow for three consecutive months, the permittee must initiate engineering and financial planning for expansion and/or upgrading of the domestic wastewater treatment and/or collection facilities. Whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months, the permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities. In the case of a domestic wastewater treatment facility which reaches 75% of the permitted daily average or annual average flow for three consecutive months, and the planned population to be served or the quantity of waste produced is not expected to exceed the design limitations of the treatment facility, the permittee shall submit an engineering report supporting this claim to the Executive Director of the Commission.

If in the judgment of the Executive Director the population to be served will not cause permit noncompliance, then the requirement of this section may be waived. To be effective, any waiver must be in writing and signed by the Director of the Enforcement Division (MC 149) of the Commission, and such waiver of these requirements will be reviewed upon expiration of the existing permit; however, any such waiver shall not be interpreted as condoning or excusing any violation of any permit parameter.

