

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 27, 2016

Mr. Scot Foltz, Environmental Compliance Manager
Aqua Utilities, Inc.
1106 Clayton Lane
Austin, Texas 78723

RECEIVED

SEP 29 2016

TX ADMIN-AUSTIN

Re: Proposed Agreed Order
Hill Country Northwest Cherry Hollow; RN101502730
Public Water Supply ID No. 2270173
Docket No. 2016-0624-PWS-E; Enforcement Case No. 52258
FOR SETTLEMENT PURPOSES ONLY

Dear Mr. Foltz:

The Executive Director of the Texas Commission on Environmental Quality ("Commission" or "TCEQ") is pursuing an enforcement action against Aqua Utilities, Inc. for violations of the Texas Health & Safety Code and Commission Rules. These violations were discovered during a record review conducted from April 7, 2016 through April 11, 2016, and documented in a letter dated April 21, 2016, from the TCEQ Austin Regional Office.

Please find enclosed a proposed agreed order which we have prepared in an attempt to expedite this enforcement action. The order assesses an administrative penalty of Nine Hundred Ninety-Nine Dollars (\$999). We are proposing a one-time offer to defer One Hundred Ninety-Nine Dollars (\$199) of the administrative penalty if you satisfactorily comply with all the ordering provisions within the time frames listed. Therefore, the administrative penalty to be paid is Eight Hundred Dollars (\$800). The order also identifies the violations that we are addressing and identifies specific technical requirements necessary to resolve them.

If you have any questions regarding this matter, we are available to discuss them in a conference in Austin or over the telephone. If we reach agreement in a timely manner, the TCEQ will then proceed with the remaining procedural steps to settle this matter. These steps include publishing notice of the proposed order in the *Texas Register*, and scheduling the matter for approval by the Commission. We believe that handling this matter expeditiously could save Aqua Utilities, Inc. and the TCEQ a significant amount of time, as well as the expense associated with litigation.

Enclosed for your convenience is a return envelope. If you agree with the order as proposed, please sign and return the original order **and** the penalty payment (check payable to "TCEQ" and referencing Aqua Utilities, Inc., Docket No. 2016-0624-PWS-E) to:

Mr. Scot Foltz
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September 27, 2016

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

Should you believe you are unable to pay the proposed administrative penalty, you may claim financial inability to pay part or all of the penalty amount. In order to qualify for financial inability to pay, the penalty must exceed \$3,600 and be greater than 1% of annual gross revenues. If this is the case, please contact us immediately to obtain a list of financial disclosure documents that must be submitted within 30 days of the receipt of this letter. These documents, once properly completed and submitted, will be thoroughly reviewed to determine if we agree with the claim of financial inability. Please be aware that if financial inability is proven to the satisfaction of staff, discussions pertaining to the penalty amount adjustment will focus only on deferral and not on waiver of the penalty amount.

You may be able to perform or contribute to a Supplemental Environmental Project ("SEP"), which is a project that benefits the environment, to offset a portion of your penalty. **If you are interested in performing a SEP, you must agree to the penalty amount and submit a SEP proposal within 30 days of receipt of this proposed order.**

For additional information about the types of SEPs available and eligibility criteria, please go to the TCEQ's web site link at <http://www.tceq.texas.gov/legal/sep/> or contact the Enforcement Coordinator listed below.

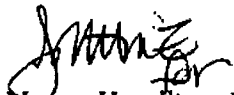
Please note that any agreements we reach are subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).

If we cannot reach a settlement of this enforcement action or you do not wish to participate in this expedited process, we will proceed with enforcement under the Commission's Enforcement Rules, 30 TEX. ADMIN. CODE ch. 70. Specifically, if the signed order and penalty are not mailed and postmarked within 60 days from the date of this letter, your case will be forwarded to the Litigation Division and this settlement offer, including the penalty deferral, will no longer be available. The enforcement process described in 30 TEX. ADMIN. CODE ch. 70 requires the staff to prepare and issue an Executive Director's Preliminary Report and Petition to the Commission. If you would like to obtain a copy of 30 TEX. ADMIN. CODE ch. 70, or any other TCEQ rules, the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI-032) are located on our agency website at <http://www.tceq.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from the Central Office Publications Ordering Team at (512) 239-0028.

Mr. Scot Foltz
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September 27, 2016

For any questions or comments about this matter or to arrange a meeting, please contact Ms. Sarah Kim of my staff at (512) 239-4728.

Sincerely,

A handwritten signature in black ink, appearing to read "Megan Hamilton".

Megan Hamilton, Manager
Enforcement Division
Texas Commission on Environmental Quality

MH/sk

Enclosures: Proposed Agreed Order, Return Envelope, Penalty Calculation Worksheet, Site Compliance History

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN101502730**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2016-0624-PWS-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located two miles north of Nameless Road on Lindeman Lane near Jonestown, Travis County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 316 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(69).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE § 7.002 and TEX. HEALTH & SAFETY CODE § 341.049, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$999 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$800 of the penalty and \$199 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

II. ALLEGATIONS

During a record review conducted from April 7, 2016 through April 11, 2016, an investigator documented that the Respondent:

1. Failed to provide two or more service pumps that have a total capacity of at least 2.0 gallons per minute ("gpm") per connection at each pump station or pressure plane, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the East Plant had two service pumps, but one of the pumps was non-operational for over a year.
2. Failed to provide an elevated storage tank capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iv) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, it was documented that the Facility has 316 service connections and has no elevated storage capacity or pressure tank capacity, which is a 100% deficiency.
3. Failed to provide emergency power that will deliver water at a rate of 0.35 gpm per connection to the distribution system in the event of the loss of normal power supply, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(v) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Respondent failed to provide an emergency power source, such as a back-up generator, which is required for facilities that have inadequate elevated storage and serve 250 or more service connections.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2016-0624-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:
 - a. Within 180 days after the effective date of this Order:
 - i. Provide a minimum elevated storage capacity of 100 gallons per connection or a minimum pressure tank capacity of 20 gallons per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45;
 - ii. Provide a minimum of two or more service pumps that have a total capacity of 2.0 gpm per connection or that have a total capacity of at least 1,000 gpm and the ability to meet peak hourly demands with the largest pump out of service, whichever is less, at each pump station or pressure plane, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
 - iii. Provide emergency power that will deliver water at a minimum of 0.35 gpm per connection to the distribution system, in accordance with 30 TEX. ADMIN. CODE § 290.45.
 - b. Within 195 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i through 2.a.iii. The certification shall be signed by the Respondent and shall include the following certification language:

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

information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Water Section Manager
Austin Regional Office
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.
6. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting,

lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

8. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

For the Executive Director

Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

Signature

Date

Name (Printed or typed)
Authorized Representative of
Aqua Utilities, Inc.

Title

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

☐ *If mailing address has changed, please check this box and provide the new address below:*



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	25-Apr-2016	Screening	29-Apr-2016	EPA Due	
	PCW	2-May-2016				

RESPONDENT/FACILITY INFORMATION

Respondent	Aqua Utilities, Inc.		
Reg. Ent. Ref. No.	RN101502730		
Facility/Site Region	11-Austin	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	52258	No. of Violations	3
Docket No.	2016-0624-PWS-E	Order Type	1660
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Sarah Kim
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** \$900

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the Indicated percentage.

Compliance History 11.0% Adjustment **Subtotals 2, 3, & 7** \$99

Notes: Enhancement for one NOV with the same/similar violations and three NOVs with dissimilar violations.

Culpability No 0.0% Enhancement **Subtotal 4** \$0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** \$0

Economic Benefit 0.0% Enhancement* **Subtotal 6** \$0

Total EB Amounts \$10,285
Estimated Cost of Compliance \$85,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** \$999

OTHER FACTORS AS JUSTICE MAY REQUIRE 0.0% Adjustment \$0

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount \$999

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** \$999

DEFERRAL 20.0% Reduction Adjustment -\$199

Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY \$800

Screening Date 29-Apr-2016

Docket No. 2016-0624-PWS-E

PCW

Respondent Aqua Utilities, Inc.

Policy Revision 4 (April 2014)

Case ID No. 52258

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101502730

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	3	6%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an Intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 11%

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

Enhancement for one NOV with the same/similar violations and three NOVs with dissimilar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 11%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 11%

Screening Date 29-Apr-2016

Docket No. 2016-0624-PWS-E

PCW

Respondent Aqua Utilities, Inc.

Policy Revision 4 (April 2014)

Case ID No. 52258

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101502730

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

Violation Number

1

Rule Cite(s)

30 Tex. Admin. Code § 290.45(b)(1)(D)(III) and Tex. Health & Safety Code § 341.0315(c)

Violation Description

Failed to provide two or more service pumps that have a total capacity of at least 2.0 gallons per minute ("gpm") per connection at each pump station or pressure plane. Specifically, the East Plant had two service pumps, but one of the pumps was non-operational for over a year.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Without adequate service pump capacity, customers of the water system could experience water outages and backflow problems exposing persons served by the Facility to contaminants that would exceed levels protective of human health.

Adjustment \$700

\$300

Violation Events

Number of Violation Events 1

22 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$300

One monthly event is recommended, calculated from the date of the investigation, April 7, 2016, to the screening date, April 29, 2016.

Good Faith Efforts to Comply

0.0%

Reduction \$0

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$300

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$605

Violation Final Penalty Total \$333

This violation Final Assessed Penalty (adjusted for limits) \$333

Economic Benefit Worksheet

Respondent Aqua Utilities, Inc.
Case ID No. 52258
Req. Ent. Reference No. RN101502730
Media Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$5,000	4-Aug-2015	26-Apr-2017	1.73	\$29	\$576	\$605
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to repair or replace the service pump and provide a total service pump capacity of 2.0 gpm per connection, calculated from the date of the investigation initially documenting the violation to the estimated date of compliance

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$605

Screening Date 29-Apr-2016

Docket No. 2016-0624-PWS-E

PCW

Respondent Aqua Utilities, Inc.

Policy Revision 4 (April 2014)

Case ID No. 52258

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101502730

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 290.45(b)(1)(D)(iv) and Tex. Health & Safety Code § 341.0315(c)

Violation Description

Failed to provide an elevated storage tank capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection. Specifically, the Facility has 316 service connections and has no elevated storage capacity or pressure tank capacity, which is a 100% deficiency.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Major	Harm Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix
Notes

Failure to provide adequate elevated storage or pressure tank capacity may cause low pressure problems or outages and could expose persons served by the Facility to contaminants that would exceed levels protective of human health.

Adjustment \$700

\$300

Violation Events

Number of Violation Events 1

22 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$300

One monthly event is recommended, calculated from the date of the investigation, April 7, 2016, to the screening date, April 29, 2016.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Extraordinary	
Ordinary	
N/A	x

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$300

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,210

Violation Final Penalty Total \$333

This violation Final Assessed Penalty (adjusted for limits) \$333

Economic Benefit Worksheet

Respondent Aqua Utilities, Inc.
Case ID No. 52258
Reg. Ent. Reference No. RN101502730
Media Public Water Supply
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction	\$10,000	4-Aug-2015	26-Apr-2017	1.73	\$58	\$1,153	\$1,210
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to provide an elevated storage tank capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection, calculated from the date of the investigation initially documenting the violation to the estimated date of compliance.

Avoided Costs **ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$1,210

Screening Date 29-Apr-2016

Docket No. 2016-0624-PWS-E

PCW

Respondent Aqua Utilities, Inc.

Policy Revision 4 (April 2014)

Case ID No. 52258

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101502730

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 290.45(b)(1)(D)(v) and Tex. Health & Safety Code § 341.0315(c)

Violation Description

Failed to provide emergency power that will deliver water at a rate of 0.35 gpm per connection to the distribution system in the event of the loss of normal power supply. Specifically, the Respondent failed to provide an emergency power source, such as a back-up generator, which is required for facilities that have inadequate elevated storage and serve 250 or more service connections.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Failure to provide emergency power could cause water outages and expose persons served by the Facility to contaminants which would exceed levels protective of human health.

Adjustment \$700

\$300

Violation Events

Number of Violation Events 1

22

Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$300

One monthly event is recommended, calculated from the date of the investigation, April 7, 2016, to the screening date, April 29, 2016.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$300

Economic Benefit (EB) for this violation

Estimated EB Amount \$8,471

Statutory Limit Test

Violation Final Penalty Total \$333

This violation Final Assessed Penalty (adjusted for limits) \$333

Economic Benefit Worksheet

Respondent Aqua Utilities, Inc.
Case ID No. 52258
Reg. Ent. Reference No. RN101502730
Media Public Water Supply
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs

Equipment	\$70,000	4-Aug-2015	26-Apr-2017	1.73	\$403	\$8,068	\$8,471
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to purchase an emergency power source which would deliver water at a minimum of 0.35 gpm per connection, calculated from the date of the investigation initially documenting the violation to the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$70,000

TOTAL

\$8,471

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

Compliance History Report for CN602787509, RN101502730, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

Customer, Respondent, or Owner/Operator: CN602787509, Aqua Utilities, Inc.

Classification: SATISFACTORY

Rating: 6.34

Regulated Entity: RN101502730, HILL COUNTRY
NORTHWEST CHERRY HOLLOW

Classification: NOT APPLICABLE

Rating: N/A

Complexity Points: N/A

Repeat Violator: N/A

CH Group: 14 - Other

Location: 2 MILES NORTH OF NAMELESS ROAD ON LINDEMAN LANE NEAR JONESTOWN, TRAVIS COUNTY, TEXAS

TCEQ Region: REGION 11 - AUSTIN

ID Number(s):

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 2270173

Compliance History Period: September 01, 2010 to August 31, 2015

Rating Year: 2015

Rating Date: 09/01/2015

Date Compliance History Report Prepared: August 18, 2016

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: August 18, 2011 to August 18, 2016

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Sarah Kim

Phone: (512) 239-4728

Site and Owner/Operator History:

- | | |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period? | YES |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO |

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

N/A

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- | | | | | |
|---|--------------|---|-----------|--------------------------|
| 1 | Date: | 08/25/2015 | (1268930) | |
| | Self Report? | NO | | Classification: Moderate |
| | Citation: | 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(O) | | |
| | Description: | Failure to protect well unit with an intruder-resistant fence to prevent possible contamination or damage to facilities by trespassers. | | |
| | Self Report? | NO | | Classification: Minor |
| | Citation: | 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(iii) | | |

Description: Failure to have two or more pumps having a total capacity of 2.0 gpm per connection or that have a total capacity of 1,000 gpm and the ability to meet peak hourly demands with the largest pump out of service.
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(iv)
 Description: Failure to provide an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(D)(v)
 Description: Failure to provide emergency power or an elevated storage capacity of 100 gallons per connection.
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)
 Description: Failure to collect samples for total coliform, fecal coliform, E. coli, or other fecal indicator organisms at the location and frequency as directed by the TCEQ.

- 2 Date: 10/29/2015 (1328914)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.108(f)(1); 5A THSC Chapter 341, SubChapter A 341.0315(1)
 Description: GA MCL 2Q2015 - During the 2nd quarter of 2015 the system violated the maximum contaminant level for gross alpha with a RAA of 16 pCi/L.
- 3 Date: 02/02/2016 (1328914)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.108(f)(1); 5A THSC Chapter 341, SubChapter A 341.0315(1)
 Description: GA MCL 3Q2015 - During the 3rd quarter of 2015 the system violated the maximum contaminant level for gross alpha with a RAA of 17 pCi/L.
- 4 Date: 03/29/2016 (1328914)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.108(f)(1); 5A THSC Chapter 341, SubChapter A 341.0315(1)
 Description: GA MCL 4Q2015 - During the 4th quarter of 2015 the system violated the maximum contaminant level for gross alpha with a RAA of 17 pCi/L.

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

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

4111 Co NW - CH
227 7173
11.11.16

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 20, 2016

RECEIVED

DEC 20 2016

TX ADMIN-AUSTIN

Mr. Robert L. Laughman, President
Aqua Utilities, Inc.
1106 Clayton Lane Suite 400W
Austin, Texas 78723-2476

Re: Aqua Utilities, Inc.; RN101502730
Docket No. 2016-0669-PWS-E; Case No. 52318

This letter is a courtesy notice to inform you that the above-referenced Agreed Order issued by the Texas Commission on Environmental Quality ("TCEQ") has been transferred to the Enforcement Division's Compliance Monitoring Section.

Please review the ordering provisions to ensure you comply with the requirements of the Order in a timely manner. The deadline for the last technical requirement November 23, 2019. Please be aware that most orders require a notarized certification of compliance. The TCEQ may initiate additional enforcement action should compliance documentation be deficient or delinquent.

Compliance documentation should be submitted by mail to:

Compliance Monitoring Section, Enforcement Division
Attn: Brandon Cook, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Please reference Docket No. 2016-0669-PWS-E in your correspondence. If you have any questions, please contact me by phone at (512)239-4593, by fax at (512)239-4562, or by email at Brandon.Cook@Tceq.Texas.gov.

Sincerely,



Brandon Cook, Enforcement Coordinator
Enforcement Division
Enclosed: A copy of the Agreed Order.

cc: ✓ Mr. Scot Foltz, Compliance Manager, Aqua Utilities, Inc., 1106 Clayton Lane Suite 400W, Austin, Texas 78723-2476

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN101502730

§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2016-0669-PWS-E

On NOV 02 2016, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this Order to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Order, the Respondent agrees to waive all notice and procedural rights.

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

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

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply located off of Sandy Ridge, north of Lindeman Loop near Jonestown, Travis County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 316 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(69).
2. During a record review conducted on April 11, 2016 through April 29, 2016, TCEQ staff documented that the running annual average concentrations of gross alpha particle activity were 16 picoCuries per liter ("pCi/L") for the second quarter of 2015, 17 pCi/L for the third quarter of 2015, and 17 pCi/L for the fourth quarter of 2015.

II. CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, the Respondent failed to comply with the maximum contaminant level ("MCL") of 15 pCi/L for gross alpha particle activity, based on the running annual average, in violation of 30 TEX. ADMIN. CODE § 290.108(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049(a), the TCEQ has the authority to assess an administrative penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of \$351 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The amount of \$351 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any requirement contained in this Order, the Executive Director may demand payment of all or part of the conditionally deferred penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 4 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2016-0669-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:

- a. Within 120 days after the effective date of this Order, complete a feasibility study, or update an existing feasibility study, and submit a written report or engineering study conducted by a Texas registered professional engineer regarding the results of the feasibility study to evaluate the necessary corrective actions designed to achieve compliance with the MCL for gross alpha particle activity. The report shall include a tentative schedule describing additional studies, tests, or other methods that may be utilized for the completion of necessary corrective actions within 1,095 days after the effective date of this Order. If the Respondent purchases or sells water, a copy of the purchase water contract must be submitted with the feasibility study report or engineering study. The evaluation shall be sent to the addresses listed in Ordering Provision No. 2.g.
- b. Within 135 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.g below to demonstrate compliance with Ordering Provision No. 2.a.
- c. Within 180 days after the effective date of this Order, submit an acceptable written plan, including a proposed schedule, to the Executive Director that provides for the completion of an alternate water source or treatment technology to the addresses listed in Ordering Provision No. 2.g.
- d. Within 180 days after the effective date of this Order, and on a semi-annual basis thereafter, submit progress reports to the addresses listed in Ordering Provision No. 2.g below. These reports shall include information regarding actions taken to provide water which meets the MCL for gross alpha particle activity.
- e. Within 195 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.g below to demonstrate compliance with Ordering Provision No. 2.c.
- f. Within 1,095 days after the effective date of this Order, return to compliance with the MCL for gross alpha particle activity, in accordance with 30 TEX. ADMIN. CODE § 290.108.
- g. Within 1,110 days after the effective date of this Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.f. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I

am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

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

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms in this Order.
7. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
8. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Bryan W. Shaw
For the Commission

11-8-16
Date

David Miller for Ramiro Garcia, Jr.
For the Executive Director

9-22-16
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

RL Laughman
Signature

July 18 2016
Date

Robert L. Laughman
Name (Printed or typed)
Authorized Representative of
Aqua Utilities, Inc.

President
Title

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

☐ If mailing address has changed, please check this box and provide the new address below:

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Protecting Texas by Reducing and Preventing Pollution

November 9, 2016

FIRST CLASS MAIL

Robert L. Laughman, President
Scot Foltz, Compliance Manager
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723-2476

RE: Aqua Utilities, Inc.
TCEQ Docket No. 2016-0669-PWS-E; Registration No. 2270173
Agreed Order Assessing Administrative Penalties and Requiring Certain Actions

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

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

Sincerely,

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

Bridget C. Bohac
Chief Clerk

BCB/lg

Enclosure

cc: Steven Hall, Enforcement Coordinator, TCEQ Enforcement Division

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



PWS_1330011_CO_20170418_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 18, 2017

RECEIVED

APR 24 2017

TX ADMIN-AUSTIN

Mr. Clarence L. Littlefield, P.E.
Southwest Engineers, Inc.
307 Saint Lawrence Street
Gonzales, Texas 78629

Re: Ingram Water Supply - Public Water System ID No. 1330011
Proposed Water Well No.10
Engineer Contact Telephone: (830) 672-7546
Plan Review Log No. P-02172017-136
Kerr County, Texas

CN601570773; RN102689163

Dear Mr. Littlefield:

On February 17, 2017, the Texas Commission on Environmental Quality (TCEQ) received planning material with your letter dated February 14, 2017, for the proposed Water Well No.10 for the above referenced public water system. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 - Rules and Regulations for Public Water Systems and conditionally approved for construction if the project plans and specifications meet the following requirements:

Four corrosive indices (Modified Larson's Ratio Langelier Saturation Index, Ryznar Stability Index and the Aggressive Index) will be used to calculate corrosivity of the water from new source(s). Corrosive or aggressive water could result in aesthetic problems, increased levels of toxic metals, and deterioration of household plumbing and fixtures. **If the water appears to be corrosive, the system will be required to conduct a study and submit an engineering report that addresses corrosivity issues or may choose to install corrosion control treatment before use may be granted.** All changes in treatment require submittal of plans and specifications for approval by TCEQ.

Texas Water Code Section 36.0015 allows for the creation of groundwater conservation districts (GCDs) as the preferred method of groundwater management. GCDs manage groundwater in many counties and are authorized to regulate production and spacing of water wells. **Public water systems drilling wells within an existing GCD are responsible for meeting the GCD's requirements.** The authorization provided in this letter does not affect GCD authority to manage groundwater or issue permits.

The design engineer or water system representative is required to notify the Plan Review Team in writing by fax at (512) 239-6972 or emailing kamal.adhikari@tceq.texas.gov and cc: vera.poe@tceq.texas.gov at least 48 hours before the well casing pressure cementing begins. If pressure cementing is to begin on Monday, then they must give notification on the preceding

Mr. Clarence L. Littlefield, P.E.
Page 2
April 18, 2017

Thursday. If pressure cementing is to begin on Tuesday, then they must give notification on the preceding Friday.

The TCEQ does not approve this well for use as a public water supply at this time. We have enclosed a copy of the "Public Well Completion Data Checklist for Interim Approval (Step 2)". We provide this checklist to help you in obtaining approval to use this well.

The submittal consisted of three sheets of engineering drawings, technical specifications and an engineering summary. The proposed project consists of:

- One (1) public water supply well drilled to 705 feet with 597 linear feet (lf) of 8¼-inch outside diameter (od) pressure-cemented steel casing;
- 100 lf of 8¼-inch od pipe based stainless steel screen, 10 lf of 8¼-inch od blank steel liner;
- The well is rated for 250 gallons per minute (gpm) yield with a 50 horsepower, 6-inch, submersible pump set at 650 feet deep. The design capacity of the pump is 230 gpm at 630 feet total dynamic head;
- Well head concrete sealing block and well head piping including flow meter, vent, sample tap, and air release valve; and
- Various valves, fittings and related appurtenances.

This approval is for the construction of the above listed items only.

The Ingram Water Supply public water system provides water treatment.

The project is located within the existing water plant site located approximately 0.23 miles west of the intersection of Ingram hills Road and Sunshine Road in Kerr County, Texas.

An appointed engineer must notify the TCEQ's Region 13 Office in San Antonio at (210) 490-3096 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC Section 290.39(h)(3).

Please refer to the Plan Review Team's Log No. P-02172017-136 in all correspondence for this project.

Please Note: In order to determine if a new source of water or a new treatment process results in corrosive or aggressive finished water that may endanger human health, we are requesting additional sampling and analysis of lead, alkalinity (as calcium carbonate), calcium (as calcium carbonate) and sodium in addition to the required chemical test results for public water system new sources. We are requiring these additional sampling results as listed in our currently revised checklists (Public Well Completion Data Checklist for Interim Use - Step 2 and Membrane Use Checklist - Step 2) which can be found on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

Please include these additional sampling results in well completion submittals, membrane use submittals, and other treatment process submittals.

Mr. Clarence L. Littlefield, P.E.
Page 3
April 18, 2017

New surface water sources will need to also include lead, total dissolved solids, pH, alkalinity (as calcium carbonate), chloride, sulfate, calcium (as calcium carbonate) and sodium with the analysis required in 30 TAC Section 290.41(e)(1)(F).

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

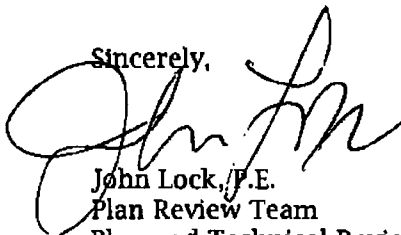
<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>

You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

If you have any questions concerning this letter or need further assistance, please contact Kamal Adhikari at (512)239-0680 or by email at kamal.adhikari@tceq.texas.gov or by correspondence at the following address:

Plan Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



John Lock, P.E.
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality



Vera Poe, P.E., Team Leader
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

VP/JL/KA/db

Enclosure: "Public Well Completion Data Checklist for Interim Approval (Step 2)"

cc: Ingram Water Supply -Attn: Water Utilities Official, 1106 Clayton Lane, Suite 400W,
Austin, Texas 78723-2476

Mr. Clarence L. Littlefield, P.E.

Page 4

April 18, 2017

bcc: TCEQ Central Records PWS File 1330011
TCEQ Region No. 13 Office - San Antonio
TCEQ PWSINV, MC-155

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 13, 2016

RECEIVED

Mr. Robert Laughman, President
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

TX ADMIN-AUSTIN

Re: Revised Proposed Agreed Order
Aqua Utilities, Inc.; RN102689163; Public Water Supply ID No. 1330011
Docket No. 2016-0939-PWS-E; Enforcement Case No. 52558
FOR SETTLEMENT PURPOSES ONLY

Dear Mr. Laughman:

Please find enclosed a revised proposed agreed order based on discussions Ms. Michaelle Garza of my staff had with Mr. Scot Foltz of Aqua Utilities, Inc. in a telephone conference held on August 23, 2016 and subsequent documentation submitted on September 12, 2016. The following revisions have been made: Section IV (Ordering Provisions): The technical requirements have been modified to reflect 365 days to provide the minimum well capacity (No. 2.c.) and 730 days to complete repairs for the ground storage tank leaks (No. 2.e).

Although this revised order replaces the proposed order enclosed in the Texas Commission on Environmental Quality ("TCEQ") letter dated August 8, 2016, the terms and conditions noted in the that letter still apply. If you agree with the revised order as proposed, please sign and return this order with an original signature **and** the penalty payment of \$456 within two weeks of the date of this letter, (check payable to "TCEQ" and referencing Aqua Utilities, Inc., Docket No. 2016-0939-PWS-E) to:

Financial Administration Division, Revenue Operations Section
Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

Mr. Robert Laughman

Page 2

October 13, 2016

Enclosed for your convenience is a return envelope. Please note that any agreements we reach are subject to final approval by the Commission. For any questions or comments about this matter, please contact Ms. Michaelle Garza of my staff at (210) 403-4076.

Sincerely,



Megan Hamilton, Manager
Enforcement Division
Texas Commission on Environmental Quality

MH/mg

Enclosures: Revised Proposed Agreed Order, Return Envelope

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN102689163**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2016-0939-PWS-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located in Ingram, Kerr County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 1,800 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(69).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE § 7.002 and TEX. HEALTH & SAFETY CODE § 341.049, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$570 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$456 of the penalty and \$114 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

II. ALLEGATIONS

During an investigation conducted on March 22, 2016, an investigator documented that the Respondent:

1. Failed to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition and free of excessive solids, in violation of 30 TEX. ADMIN. CODE § 290.46(m)(4). Specifically, the ground storage tank ("GST") located at the well no. 6 facility and two GSTs located at the well nos. 3 and 4 facility were leaking in multiple areas.
2. Failed to provide two or more wells having a total capacity of 0.6 gallons per minute ("gpm") per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, with 1,800 connections, the Facility is required to provide 1,080 gpm in well capacity. However, only 998.5 gpm was provided, which is a 7.5% deficiency.
3. Failed to maintain water works operation and maintenance records and make them readily available for review by the Executive Director upon request, in violation of 30 TEX. ADMIN. CODE § 290.46(f)(2), (f)(3)(B)(v), and (f)(3)(E)(iv). Specifically, the following records were not available for review and/or not being maintained: records of backflow prevention device programs and copies of the Customer Service Inspection reports.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2016-0939-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Order, compile and begin maintaining for review properly completed water works operation and maintenance records, including but not limited to records of backflow prevention device programs and copies of the Customer Service Inspection reports, in accordance with 30 TEX. ADMIN. CODE § 290.46.
 - b. Within 45 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.f below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.
 - c. Within 365 days after the effective date of this Order, provide a minimum well capacity of 0.6 gpm per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45.
 - d. Within 380 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.f below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c.
 - e. Within 730 days after the effective date of this Order, begin maintaining all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition and free of excessive solids, including but not limited to repairing the GST leaks located at the well no. 6 facility and the well nos. 3 and 4 facility, in accordance with 30 TEX. ADMIN. CODE § 290.46.
 - f. Within 745 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts,

and/or other records to demonstrate compliance with Ordering Provision No. 2.e. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Water Section Manager
San Antonio Regional Office
Texas Commission on Environmental Quality
14250 Judson Road
San Antonio, Texas 78233-4480

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.
6. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

For the Executive Director

Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

Signature

Date

Name (Printed or typed)
Authorized Representative of
Aqua Utilities, Inc.

Title

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

☐ *If mailing address has changed, please check this box and provide the new address below:*

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



PWS_2460046_CO_20161206_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
December 6, 2016

Mr. Clarence L. Littlefield, P.E.
Southwest Engineers
307 Saint Lawrence
Gonzales, Texas 78629

RECEIVED

Re: San Gabriel River Ranches - Public Water System ID No. 2460046
Proposed Well Nos. 4 & 5
Engineer Contact Telephone: (830) 672-7546
Plan Review Log No. P-10072016-040
Williamson County, Texas

TX ADMIN-AUSTIN

CNG02787509; RN101250306

Dear Mr. Littlefield:

On October 7, 2016, the Texas Commission on Environmental Quality (TCEQ) received planning material with your letter dated October 4, 2016 for the proposed Well Nos. 4 & 5 for the above referenced public water system. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 - Rules and Regulations for Public Water Systems and **conditionally approved for construction** if the project meets the following requirements:

1. Four corrosive indices (Modified Larson's Ratio Langelier Saturation Index, Ryznar Stability Index and the Aggressive Index) will be used to calculate corrosivity of the water from new source(s). Corrosive or aggressive water could result in aesthetic problems, increased levels of toxic metals, and deterioration of household plumbing and fixtures. **If the water appears to be corrosive, the system will be required to conduct a study and submit an engineering report that addresses corrosivity issues or may choose to install corrosion control treatment before use may be granted. All changes in treatment require submittal of plans and specifications for approval by TCEQ.**
2. Based on the easement documents submitted, a portion of the land within 150 feet from the well site is located in street and right of way. Public water systems are required to secure the easements for all the lands within 150 feet from the well site including the right of way. **During the submission of well completion report, please secure an easement with appropriate authority and submit the recorded easement for the portion of the land that is within the right of way of San Gabriel Hideaway Cove or submit a written exception request for sanitary control easement requirement for that portion of the land to Technical Review and Oversight Team (TROT) of the TCEQ at the following address:**

Technical Review and Oversight Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

For information about the exception process, please go to the URL below:

<http://www.tceq.texas.gov/drinkingwater/trot/exception>

Please note that an "Exception Request Form" (available as a link to the webpage above) must be completed for all exception submittals.

If after you have reviewed the information available at the webpage above you have a question regarding the exception process, please call (512) 239-4691 and ask to speak to a member of the TROT about exception process.

Texas Water Code Section 36.0015 allows for the creation of groundwater conservation districts (GCDs) as the preferred method of groundwater management. GCDs manage groundwater in many counties and are authorized to regulate production and spacing of water wells. **Public water systems drilling wells within an existing GCD are responsible for meeting the GCD's requirements.** The authorization provided in this letter does not affect GCD authority to manage groundwater or issue permits.

The design engineer or water system representative is required to notify the Plan Review Team in writing by fax at (512) 239-6972 or emailing pritesh.tripathi@tceq.texas.gov and cc: vera.poe@tceq.texas.gov at least 48 hours before the well casing pressure cementing begins. If pressure cementing is to begin on Monday, then they must give notification on the preceding Thursday. If pressure cementing is to begin on Tuesday, then they must give notification on the preceding Friday.

The TCEQ does not approve these wells for use as a public water supply at this time. We have enclosed a copy of the "Public Well Completion Data Checklist for Interim Approval (Step 2)". We provide this checklist to help you in obtaining approval to use this well.

The submittal consisted of five sheets of engineering drawings, technical specifications and an engineering summary. The proposed project consists of:

- Two (2) public water supply well Nos. 4 and 5, each drilled to 550 feet with 345 linear feet (lf) of 6⁵/₈-inch inside diameter (id) pressure cemented steel casing;
- 140 lf of 6⁵/₈-inch id stainless steel perforated screen, 10 lf of 6⁵/₈-inch id blank steel, with 12¹/₄-inch underream and 200 lf of gravel pack;
- Each well is rated for 75 gallons per minute (gpm) yield with a 15 horsepower submersible pump set at 483 feet below ground level. The design capacity of the pump is 75 gpm at 432 feet total dynamic head;
- Intruder resistance fences;
- All weather access roads; and
- Related valves, fittings and accessories.

This approval is for the construction of the above listed items only.

The San Gabriel River Ranches public water system provides water treatment.

The project is located approximately 600 feet southeast of the intersection of San Gabriel Ranch Road and Round Up Drive in Williamson County, Texas.

An appointed engineer **must** notify the TCEQ's Region 11 Office in Austin at (512) 339-2929 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as

to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC §290.39(h)(3).

Please refer to the Plan Review Team's Log No. P-10072016-040 in all correspondence for this project.

Please Note: In order to determine if a new source of water or a new treatment process results in corrosive or aggressive finished water that may endanger human health, we are requesting additional sampling and analysis of lead, alkalinity (as calcium carbonate), calcium (as calcium carbonate) and sodium in addition to the required chemical test results for public water system new sources. We are requiring these additional sampling results as listed in our currently revised checklists (Public Well Completion Data Checklist for Interim Use - Step 2 and Membrane Use Checklist - Step 2) which can be found on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

Please include these additional sampling results in well completion submittals, membrane use submittals, and other treatment process submittals.

New surface water sources will need to also include lead, total dissolved solids, pH, alkalinity (as calcium carbonate), chloride, sulfate, calcium (as calcium carbonate) and sodium with the analysis required in 30 TAC Section 290.41(e)(1)(F).

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>

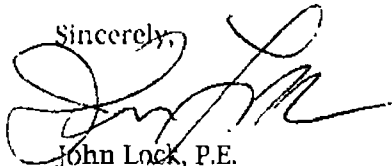
You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

Mr. Clarence L. Littlefield, P.E.
Page 4
December 6, 2016

If you have any questions concerning this letter or need further assistance, please contact Pritesh Tripathi at (512)239-3794 or by email at pritesh.tripathi@tceq.texas.gov or by correspondence at the following address:

Plan Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



John Lock, P.E.
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality



Vera Poe, P.E., Team Leader
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

VP/JL/PT/svr

Enclosure: "Public Well Completion Data Checklist for Interim Approval (Step 2)"

cc: San Gabriel River Ranches, Attn: Scot Foltz, Environmental Compliance Manager, 1106 Clayton Lane, Suite 400 West, Austin, Texas 78723-2476

Public Well Completion Data Checklist For Interim Approval (Step 2)

Texas Commission on Environmental Quality
Water Supply Division
Plan Review Team MC-159
P.O. Box 13087, Austin, Texas 78711-3087

Public Water System I.D. No. _____
TCEQ Log No. P- _____

The following list is a brief outline of the "Rules for Public Water Systems", 30 TAC Chapter 290 regarding proposed Water Supply Well Completion. Failure to submit the following items may delay project approval. Copies of the rules may be obtained from **Texas Register, 1019 Brazos St, Austin, TX, 78701-2413, Phone: (512) 463-5561** or downloaded from the website:

<http://www.tceq.texas.gov/rules/indxpdf.html>

Any well proposed as a source of water for a public water supply **must have plans approved for construction** by TCEQ. Please include the well construction approval letter with your submittal of well completion data listed below must be submitted for TCEQ evaluation. Based on this submitted data, interim approval may be given for use of the well.

1. ☐ Site map(s) at appropriate scales showing the following: [§290.41(c)(3)(A)]
 - ☐ (i) Final location of the well with coordinates;
 - ☐ (ii) Named roadways;
 - ☐ (iii) All property boundaries within 150 feet of the final well location and the property owners' names;
 - ☐ (iv) Concentric circles with the final well location as the center point with radii of 10 foot, 50 foot, 150 foot, and ¼ mile;
 - ☐ (v) Any site improvements and existing buildings;
 - ☐ (vi) Any existing or potential pollution hazards; and
 - ☐ (vii) Map must be scalable with a north arrow.
2. ☐ A copy of the recorded deed of the property on which the well is located showing the Public Water System (PWS) as the landowner, and/or any of the following:
[§290.41(c)(1)(F)(iv)]
 - ☐ (i) Sanitary control easements (filed at the county courthouse and bearing the county clerk's stamp) covering all land within 150 feet of the well not owned by the PWS (for a sample easement see TCEQ Form 20698);
 - ☐ (ii) For a political subdivision, a copy of an ordinance or land use restriction adopted and enforced by the political subdivision which provides an equivalent or higher level of sanitary protection to the well as a sanitary control easement; and/or
 - ☐ (iii) A copy of a letter granting an exception to the sanitary control easement rule issued by TCEQ's Technical Review and Oversight Team.
3. ☐ Construction data on the completed well: [§290.41(c)(3)(A)]
 - ☐ (i) Final installed pump data including capacity in gallons per minute (gpm), total dynamic head (tdh) in feet, motor horsepower, and setting depth;
 - ☐ (ii) Bore hole diameter(s) (must be 3" larger than casing OD) and total well depth;
 - ☐ (iii) Casing size, length, and material (e.g. 200 lf of 12" PVC ASTM F480 SDR-17);
 - ☐ (iv) Length and material of any screens, blanks, and/or gravel packs utilized;

- ☐ (v) Cementing depth and pressure method (one of the methods in latest revision of AWWA Standard A-100, Appendix C, excluding the dump bailer and tremie methods);
- ☐ (vi) Driller's geologic log of strata penetrated during the drilling of the well;
- ☐ (vii) Cementing certificate; and
- ☐ (viii) Copy of the official State of Texas Well Report (some of the preceding data is included on the Well Report).
4. ☐ A U.S. Geological Survey 7.5-minute topographic quadrangle map (include quadrangle name and number) or a legible copy showing the location of the completed well; [§290.41(c)(3)(A)]
5. ☐ Record of a 36-hour continuous pump test on the well showing stable production at the well's rated capacity. Include the following: [§290.41(c)(3)(G)]
- ☐ (i) Test pump capacity in gpm, tdl in feet, and horsepower of the pump motor;
- ☐ (ii) Test pump setting depth;
- ☐ (iii) Static water level (in feet); and
- ☐ (iv) Draw down (in feet).
6. ☐ Three bacteriological analysis reports for samples collected on three successive days showing raw well water to be free of coliform organisms. Reports must be for samples of raw (untreated) water from the disinfected well and submitted to a laboratory accredited by TCEQ, accredited to perform these test; and [§290.41(c)(3)(F)(i)]
7. ☐ Chemical analysis reports for well water samples showing the water to be of acceptable quality for the most problematic contaminants listed below. Reports must come from a laboratory accredited by TCEQ; accredited to perform these test. Maximum contaminant level (MCL) and secondary constituent level (SCL) units are in mg/l (except arsenic). [§290.41(c)(3)(G) and §290.104 and §290.105]

MCL	PRIMARY	SCL	SECONDARY	SCL	SECONDARY	SCL	SECONDARY
10 (as N)	Nitrate	0.2	Aluminum	5.0	Zinc	300	Sulfate
1 (as N)	Nitrite	1.0	Copper	1,000	Total Dissolved Solids	300	Chloride
10 µg/l	Arsenic	0.3	Iron	2.0	Fluoride	≥ 7.0	pH
4.0	Fluoride	0.05	Manganese	N/A	Lead		

Parameter	Units
Alkalinity as CaCO ₃	mg/l
Calcium as CaCO ₃	mg/l
Sodium	mg/l

All systems located in a high-risk county (see page 3) shall submit radiological analysis reports for water samples showing the water to be of acceptable quality for the contaminants listed below. Reports must come from a TCEQ accredited laboratory for interim use of the well.

MCL	CONTAMINANT
15 pCi/L	Gross alpha
5 pCi/L	Radium-226/228
50 pCi/L	Beta particle
30 µg/L	Uranium

WHERE: pCi/L = pico curies per liter, µg/L = micrograms per liter

Please be aware when you review your radiological data that if the report has gross alpha over 15 pCi/L and individual uranium isotopes are not reported, you will have to resample or reanalyze and resubmit radionuclide results. If you see gross alpha plus radium-228 over 5 pCi/L, and don't have radium-226, you will have to resample or reanalyze and resubmit complete results.

LIST OF COUNTIES WHERE RADIONUCLIDE TESTING IS REQUIRED

Please be aware that we have added the requirement for analysis for radionuclides for high-risk counties. For elevated levels of any contaminants found in a test well, treatment or blending may be required.

COUNTY	STATE CODE #
Atascosa	007
Bandera	010
Bexar	015
Bosque	018
Brazoria	020
Brewster	022
Burnet	027
Concho	048
Culberson	055
Dallam	056
Dawson	058
Erath	072
Fort Bend	079
Frio	082
Garza	085
Gillespie	086
Gray	090
Grayson	091
Harris	101

COUNTY	STATE CODE #
Hudspeth	115
Irion	118
Jeff Davis	122
Jim Wells	125
Kendall	130
Kent	132
Kerr	133
Kleberg	137
Liberty	146
Llano	150
Lubbock	152
McCulloch	154
Mason	160
Matagorda	161
Medina	163
Midland	165
Montgomery	170
Moore	171

COUNTY	STATE CODE #
Parker	184
Pecos	186
Polk	187
Presidio	189
Refugio	196
San Jacinto	204
San Saba	206
Tarrant	220
Travis	227
Tyler	229
Upton	231
Val Verde	233
Victoria	235
Walker	236
Washington	239
Wichita	243
Williamson	246
Zavala	254

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

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 16, 2016

Mr. Robert Laughman, President
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

Re: Aqua Utilities Inc.; RN101250306
Docket No. 2016-0445-PWS-E; Case No. 52090

This letter is a courtesy notice to inform you that the above-referenced Agreed Order issued by the Texas Commission on Environmental Quality ("TCEQ") has been transferred to the Enforcement Division's Compliance Monitoring Section.


Please review the ordering provisions to ensure you comply with the requirements of the Order in a timely manner. The deadline for the first technical requirement is January 29, 2016. Please be aware that most orders require a notarized certification of compliance. The TCEQ may initiate additional enforcement action should compliance documentation be deficient or delinquent.

Compliance documentation should be submitted by mail to:

Compliance Monitoring Section, Enforcement Division
Attn: Corinna Willis, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Please reference Docket No. 2016-0445-PWS-E in your correspondence. If you have any questions, please contact me by phone at (512)239-2504 or by fax at (512)239-0134.

Sincerely,



Corinna Willis, Enforcement Coordinator
Enforcement Division

RECEIVED

NOV 17 2016

TX ADMIN-AUSTIN

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN101250306

§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2016-0445-PWS-E

I. JURISDICTION AND STIPULATIONS

On AUG 02 2016, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located 3 miles north of Texas State Highway 29 on County Road 214 in Liberty Hill, Williamson County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 241 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(69).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE § 7.002 and TEX. HEALTH & SAFETY CODE § 341.049 and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$157 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$126 of the penalty and \$31 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

II. ALLEGATIONS

During an investigation conducted on March 10, 2016, an investigator documented that the Respondent failed to provide a minimum well capacity of 0.6 gallon per minute ("gpm") per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Facility has 241 connections and should have a minimum well capacity of 144.6 gpm. However, the Facility was providing 104 gpm, which is a 28% deficiency.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2016-0445-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:
 - a. Within 180 days after the effective date of this Order, provide a minimum well capacity of 0.6 gpm per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
 - b. Within 195 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Water Section Manager
Austin Regional Office
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and

substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

Bryan Sinclair
For the Executive Director

8/2/2016
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

Signature

Date

Robert Laughman
Name (Printed or typed)
Authorized Representative of
Aqua Utilities, Inc.

President
Title

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

☐ If mailing address has changed, please check this box and provide the new address below:

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 5, 2016

Mr. Robert Laughman
President
Aqua Utilities, Inc.
1106 Clayton Lane
Austin, Texas 78723

Re: TCEQ Enforcement Action
Aqua Utilities, Inc.
Docket No. 2016-0445-PWS-E

Dear Mr. Laughman:

Enclosed for your records is a fully-executed copy of the Agreed Order for the above-referenced matter.

Please review the enclosed Agreed Order, particularly the "Ordering Provisions" section, to determine if further action will be required of you, such as the completion of technical requirements to achieve compliance. When technical requirements are listed (usually Ordering Provision No. 2 or 3), a deadline will be provided based on a specific number of days after the effective date. The effective date is as stated in the enclosed Agreed Order.

Should you have any questions, please contact Abigail Lindsey, the Enforcement Coordinator assigned to this matter, at (512) 239-2576.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Parrish".

Michael Parrish
Enforcement Division

Enclosure

cc: Abigail Lindsey, Enforcement Division
Water Section Manager, Region 11

Aqua Texas, Inc.
Sandy Creek Ranches Water System
Big Sandy Well No. 4
WRGS Project No: 006-002-16

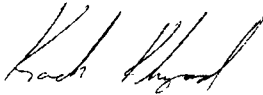
B I D T A B U L A T I O N

July 21, 2016

BIDDER	Item 1	Item 2	Total Bid
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Hydro Resources	\$ 17,000.00	\$ 70,000.00	\$ 87,000.00
Apex Drilling	\$ 14,700.00	\$ 127,725.18	\$ 142,425.18
Layne	\$ 42,764.00	\$ 87,241.00	\$ 130,005.00
Alsay, Inc.	\$ 75,000.00	\$ 166,000.00	\$ 241,000.00

**I, KAVEH KHORZAD, LICENSED PROFESSIONAL
GEOSCIENTIST DO HEREBY DECLARE THAT THE ABOVE BID
TABULATIONS WERE TAKEN DIRECTLY FROM THE BID
OPENING ON**



**KAVEH KHORZAD, P.G. #1126
REGISTERED PROFESSIONAL GEOSCIENTIST OF TEXAS
WETROCK GROUNDWATER SERVICES, L.L.C.**

AQUA TEXAS, INC.		Hydro Resources Mid Continent, Inc.	Apex Drilling, Inc.	Layne	Alsay, Inc.
BIG SANDY WELL NO. 4 PROJECT		31866 RR 12 Dripping Spgs, Tx 78620	P.O Box 867 Marble Falls, TX 78654	1800 Hughes Landing Boulevard, Suite 700 The Woodlands, TX 77380	3359 S.E. Loop 410 San Antonio, TX 78222
Tabulation - July 21, 2016		512-858-4375	830-798-2739	281-475-2578	210-628-1090
ITEM	UNIT	BASE BID	PRICE	PRICE	PRICE
1	L.S.	Pilot Hole	\$ 17,000.00	\$ 14,700.00	\$ 42,764.00
2	L.S.	Well Completion	\$ 70,000.00	\$ 127,725.18	\$ 87,241.00
TOTAL 1-2		\$ 87,000.00	\$ 142,425.18	\$ 130,005.00	\$ 241,000.00
ITEM	UNIT	ADDITIVE/DEDUCTIVE ITEMS	PRICE	PRICE	PRICE
3	L.S.	Mobilization	\$ 5,000.00	\$ 1,500.00	\$ 20,297.00
4	L.F.	8 3/4-inch borehole	\$ 11.00	\$ 15.00	\$ 30.00
5	L.S.	Electric Logs	\$ 3,000.00	\$ 2,800.00	\$ 5,067.00
6	L.F.	12 3/4-inch borehole	\$ 15.00	\$ 40.00	\$ 27.00
7	L.S.	Caliper Log	\$ 3,000.00	\$ 1,500.00	\$ 3,865.00
8	L.F.	6-inch steel casing	\$ 20.00	\$ 40.00	\$ 21.00
9	L.F.	6-inch Stainless Steel Screen	\$ 90.00	\$ 170.00	\$ 83.00
10	L.F.	6-inch steel blank	\$ 20.00	\$ 40.00	\$ 10.00
11	L.F.	Filter Pack	\$ 15.00	\$ 38.00	\$ 24.00
12	L.F.	Pressure Cement	\$ 20.00	\$ 43.00	\$ 20.00
13	HR.	Cleaning/Development	\$ 500.00	\$ 500.00	\$ 450.00
14	HR.	36 hour pump test	\$ 200.00	\$ 222.22	\$ 290.00
15	L.S.	TCEQ Water Sample	\$ 2,000.00	\$ 1,500.00	\$ 2,934.00
16	L.S.	Total Depth Video Survey	\$ 1,500.00	\$ 1,800.00	\$ 1,500.00
17	L.S.	Well head completion	\$ 4,000.00	\$ 2,500.00	\$ 5,147.00
18	L.S.	Pump & 15 HP Motor	\$ 5,400.00	\$ 6,292.00	\$ 9,695.00
19	L.S.	Control Panel	\$ 3,200.00	\$ 3,560.00	\$ 1,786.00
20	L.F.	3-inch Galv. Stl. Discharge Pipe	\$ 9.50	\$ 11.89	\$ 8.00
21	L.F.	1-inch PVC e-line assembly	\$ 1.00	\$ 0.69	\$ 1.00
22	L.F.	No. 10 Power Cable	\$ 1.50	\$ 1.69	\$ 2.50
23	L.S.	Plug pilot bore	\$ 5,000.00	\$ 6,960.00	\$ 1,200.00
24	Gal.	Vac Truck (per 1,000 gallons)	\$ 350.00	-	-

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



PWS_2270054_CO_20151008_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 8, 2015

Ms. Pauline M. Gray, P.E.
Jay Engineering Co., Inc.
P.O. Box 12201
Leander, Texas 78764-1220

Re: Sandy Creek Ranches Subdivision - Public Water System ID No. 2270054
Proposed Pump Station Improvements at Big Sandy Drive
Engineer Contact Telephone: (512) 259-3882
Plan Review Log No. P-08142015-099
Travis County, Texas

CN602787509; RN100843143

Dear Ms. Gray:

On August 14, 2015, the Texas Commission on Environmental Quality (TCEQ) received your letter dated August 12, 2015 submitting planning material for the proposed pump station improvements for the above referenced public water system. Based on our review, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 – Rules and Regulations for Public Water Systems and is **conditionally approved for construction** provided that the project meets the following requirements:

1. The water storage tank shall have a liquid level indicator located at the tank site. The indicator can be a float with a moving target, an ultrasonic level indicator, or a pressure gauge calibrated in feet of water. If an elevated tank or standpipe has a float with moving target indicator, it must also have a pressure indicator located at ground level. Pressure gauges must not be less than three inches in diameter and calibrated at not more than two-foot intervals. Remote reading gauges at the owner's treatment plant or pumping station will not eliminate the requirement for a gauge at the tank site unless the tank is located at the plant or station per 30 TAC Section 290.43(c)(4).
2. As required in 30 TAC Section 290.43(d) (6), pressure tank installations should be equipped with slow closing valves and time delay pump controls to eliminate water hammer and reduce the chance of tank failure.
3. Specifications for waterline and wastewater line separation distances must comply with all guidelines as required in 30 TAC Section 290.44(e) of the latest edition of the TCEQ's rules.

Mr. Pauline M. Gray, P.E.

Page 2

October 8, 2015

The submittal consisted of two sets of plans with 16 sheets of engineering drawings and technical specifications. The approved project consists of:

- Approximately 900 linear feet of 4-inch, American Water Works Association (AWWA) Standard C-900 Class 150 polyvinyl chloride waterline;
- Replacement of existing standpipe with a 40,000 gallon bolted galvanized steel AWWA D103 standard standpipe;
- 7,500 gallon American Society of Mechanical Engineers code hydropneumatic water pressure tank;
- Replacement of existing two booster pumps and bladder tanks with four booster pumps, each rated at 250 gallons per minute;
- One 80 kilowatt diesel powered generator with weatherproof enclosure and sound attenuation;
- Intruder resistance fences; and
- Valves, fittings yard piping and related appurtenances.

This approval is for the construction of the above listed items only.

The Sandy Creek Ranches Subdivision public water supply system provides water treatment.

An appointed engineer must notify the TCEQ's Region 11 in Austin at (512) 239-2929 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the work has been completed essentially according to the plans and change orders on file with the TCEQ as required in 30 TAC Section 290.39(h)(3).

Please refer to the Utilities Technical Review Team's Log No. P-08142015-099 in all correspondence for this project. This will help complete our review and prevent it from being considered a new project.

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittal to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below.

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

For future reference, you can review part of the Utilities Technical Review Team's database to see if we have received your project. This is available on the TCEQ's homepage at the following address:

<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>

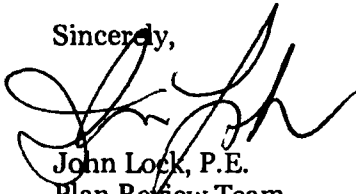
You can download most of the well construction checklists and the latest revision of 30 TAC Chapter 290 – Rules and Regulations for Public Water Systems from this site.

Mr. Pauline M. Gray, P.E.
Page 3
October 8, 2015

If you have any questions concerning this letter or need further assistance, please contact Pritesh Tripathi at (512)239-3794 or by email at pritesh.tripathi@tceq.texas.gov or by correspondence at the following address:

Plan Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



John Lock, P.E.
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality



Vera Poe, P.E., Team Leader
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

PT/JL/VP/av

cc: Sandy Creek Ranches Subdivision, Attn: Scot W. Foltz, Compliance Manager, 1106 Clayton Lane, Suite 400W, Austin, Texas 78723-2476

Mr. Pauline M. Gray, P.E.

Page 4

October 8, 2015

bcc: TCEQ Central Records PWS File 2270054 (Sandy Creek Ranches Subdivision)
TCEQ Region No. 11 Office - Austin
TCEQ PWSINV, MC-155

RECEIVED

TXADMIN-AUSTIN

October 25, 2016

Mr. Clarence L. Littlefield, P.E.
Southwest Engineers, Inc.
307 Saint Lawrence
Gonzales, TX 78629

Re: Sandy Creek Ranches Subdivision - Public Water System ID № 2270054
Proposed Big Sandy Well № 4
Engineer Contact Telephone: (830) 672-7546
Plan Review Log № P-09022016-014
Reference Log № P-06152016-090
Travis County, Texas

CN602787509; RN100843143

Dear Mr. Littlefield:

On September 2, 2016, the Texas Commission on Environmental Quality (TCEQ) received planning material with your letter dated August 26, 2016 for the proposed Big Sandy Well № 4. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 - Rules and Regulations for Public Water Systems and **conditionally approved for construction** if the project plans and specifications meet the following requirement(s):

1. Four corrosive indices (Modified Larson's Ratio Langelier Saturation Index, Ryznar Stability Index and the Aggressive Index) will be used to calculate corrosivity of the water from new source(s). Corrosive or aggressive water could result in aesthetic problems, increased levels of toxic metals, and deterioration of household plumbing and fixtures. **If the water appears to be corrosive**, the system will be required to conduct a study and submit an engineering report that addresses corrosivity issues or may choose to install corrosion control treatment **before use may be granted**. All changes in treatment require submittal of plans and specifications for approval by TCEQ.
2. A Sanitary Control Easement Exception was filed on September 23, 2016 by Wet Rock Groundwater Services, LLC, Mr. Bryon W. Boyd, P.G. for this well. The Approved Exception shall be submitted with the well completion data submittal.

Texas Water Code Section 36.0015 allows for the creation of groundwater conservation districts (GCDs) as the preferred method of groundwater management. GCDs manage groundwater in many counties and are authorized to regulate production and spacing of water wells. **Public water systems drilling wells within an existing GCD are responsible for meeting the GCD's requirements**. The authorization provided in this letter does not affect GCD authority to manage groundwater or issue permits.

Mr. Clarence L. Littlefield, P.E.
Page 2
October 25, 2016

The design engineer or water system representative is required to notify the Plan Review Team in writing by fax at (512) 239-6972 or emailing Robert.Sims@Tceq.Texas.Gov and cc: vera.poe@tceq.texas.gov at least 48 hours before the well casing pressure cementing begins. If pressure cementing is to begin on Monday, then they must give notification on the preceding Thursday. If pressure cementing is to begin on Tuesday, then they must give notification on the preceding Friday.

The TCEQ does not approve this well for use as a public water supply at this time. We have enclosed a copy of the "Public Well Completion Data Checklist for Interim Approval (Step 2)". We provide this checklist to help you in obtaining approval to use this well.

The submittal consisted of a response letter, and technical specifications that are unsigned and unsealed by a Licensed Texas Professional Engineer. The proposed project consists of:

- One (1) public water supply well drilled to 540 feet with 410 linear feet (lf) of 6 5/8-inch outside diameter (od) steel casing and pressure-cemented 365 lf;
- 120 lf of 6 5/8-inch od stainless steel 0.280-inch slot screen, 10 lf of 6 5/8 od blank steel liner, with 12 1/4-inch underream and 170 feet gravel pack;
- The well is rated for 75 gallons per minute (gpm) yield with a 15 horsepower, 4-inch submersible pump set at 508 feet deep. The design capacity of the pump is 75 gpm at 508 feet total dynamic head;
- Intruder resistant fencing;
- All-weather access road; and
- All necessary valves, fittings, yard piping, and appurtenances.

This approval is for the construction of the above listed items only. Any wastewater components contained in this design were not considered.

The Sandy Creek Ranches Subdivision public water supply system provides water treatment.

The project is located west of US 183 and west of the intersection of FM 2243 (Nameless Road) and Round Mountain Road at the intersection of Big Sandy Drive and Spreading Oaks Drive in Travis County, Texas.

An appointed engineer must notify the TCEQ's Region 11 Office at (512) 339-2929 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC §290.39(h)(3).

Please refer to the Plan Review Team's Log No P-09022016-014 in all correspondence for this project.

Please Note: In order to determine if a new source of water or a new treatment process results in corrosive or aggressive finished water that may endanger human health, we are requesting additional sampling and analysis of lead, alkalinity (as calcium carbonate), calcium (as calcium carbonate) and sodium in addition to the required chemical test results for public water system new sources. We are requiring these additional sampling results as listed in our currently revised checklists (Public Well Completion Data Checklist for Interim Use - Step 2 and Membrane Use Checklist - Step 2) which can be found on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

Please include these additional sampling results in well completion submittals, membrane use submittals, and other treatment process submittals.

New surface water sources will need to also include lead, total dissolved solids, pH, alkalinity (as calcium carbonate), chloride, sulfate, calcium (as calcium carbonate) and sodium with the analysis required in 30 TAC Section 290.41(e)(1)(F).

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>

You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

Mr. Clarence L. Littlefield, P.E.
Page 4
October 25, 2016

If you have any questions concerning this letter or need further assistance, please contact Robert W. Sims, P.E. at (512) 239-4664 or by email at Robert.Sims@Tceq.Texas.Gov or by correspondence at the following address:

Plan Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



Robert W. Sims, P.E.
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

Vera Poc, P.E., Team Leader
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

VP/RWS/av

Enclosure: Public Well Completion Data Checklist for Interim Approval (Step 2)

cc: Sandy Creek Ranches Subdivision, Attn: Mr. Scot W. Foltz, 1106 Clayton Lane, Suite 400w, Austin, Texas 78723-2476

Public Well Completion Data Checklist For Interim Approval (Step 2)

Texas Commission on Environmental Quality
Water Supply Division
Plan Review Team MC-159
P.O. Box 13087, Austin, Texas 78711-3087

Public Water System I.D. No. _____
TCEQ Log No. P- _____

The following list is a brief outline of the "Rules for Public Water Systems", 30 TAC Chapter 290 regarding proposed Water Supply Well Completion. Failure to submit the following items may delay project approval. Copies of the rules may be obtained from **Texas Register, 1019 Brazos St, Austin, TX, 78701-2413, Phone: (512) 463-5561** or downloaded from the website:

<http://tceq.texas.gov/rules/mw/poll.html>

Any well proposed as a source of water for a public water supply **must have plans approved for construction** by TCEQ. Please include the well construction approval letter with your submittal of well completion data listed below. Must be submitted for TCEQ evaluation. Based on this submitted data, interim approval may be given for use of the well.

1. ☐ Site map(s) at appropriate scales showing the following: [§290.41(c)(3)(A)]
 - ☐ (i) Final location of the well with coordinates;
 - ☐ (ii) Named roadways;
 - ☐ (iii) All property boundaries within 150 feet of the final well location and the property owners' names;
 - ☐ (iv) Concentric circles with the final well location as the center point with radii of 10 foot, 50 foot, 150 foot, and ¼ mile;
 - ☐ (v) Any site improvements and existing buildings;
 - ☐ (vi) Any existing or potential pollution hazards; and
 - ☐ (vii) Map must be scalable with a north arrow.
2. ☐ A copy of the recorded deed of the property on which the well is located showing the Public Water System (PWS) as the landowner, and/or any of the following: [§290.41(c)(1)(F)(iv)]
 - ☐ (i) Sanitary control easements (filed at the county courthouse and bearing the county clerk's stamp) covering all land within 150 feet of the well not owned by the PWS (for a sample easement see TCEQ Form 20698);
 - ☐ (ii) For a political subdivision, a copy of an ordinance or land use restriction adopted and enforced by the political subdivision which provides an equivalent or higher level of sanitary protection to the well as a sanitary control easement; and/or
 - ☐ (iii) A copy of a letter granting an exception to the sanitary control easement rule issued by TCEQ's Technical Review and Oversight Team
3. ☐ Construction data on the completed well: [§290.41(c)(3)(A)]
 - ☐ (i) Final installed pump data including capacity in gallons per minute (gpm), total dynamic head (tdh) in feet, motor horsepower, and setting depth;
 - ☐ (ii) Bore hole diameter(s) (must be 3" larger than casing OD) and total well depth;
 - ☐ (iii) Casing size, length, and material (e.g. 200 lf of 12" PVC ASTM F480 SDR-17);
 - ☐ (iv) Length and material of any screens, blanks, and/or gravel packs utilized;

- ☐ (v) Cementing depth and pressure method (one of the methods in latest revision of AWWA Standard A-100, Appendix C, excluding the dump bailer and tremie methods);
- ☐ (vi) Driller's geologic log of strata penetrated during the drilling of the well;
- ☐ (vii) Cementing certificate; and
- ☐ (viii) Copy of the official State of Texas Well Report (some of the preceding data is included on the Well Report).
4. ☐ A U.S. Geological Survey 7.5-minute topographic quadrangle map (include quadrangle name and number) or a legible copy showing the location of the completed well, [§290.41(c)(3)(A)]
5. ☐ Record of a 36-hour continuous pump test on the well showing stable production at the well's rated capacity. Include the following: [§290.41(c)(3)(G)]
- ☐ (i) Test pump capacity in gpm, tdh in feet, and horsepower of the pump motor;
- ☐ (ii) Test pump setting depth;
- ☐ (iii) Static water level (in feet); and
- ☐ (iv) Draw down (in feet).
6. ☐ Three bacteriological analysis reports for samples collected on three successive days showing raw well water to be free of coliform organisms. Reports must be for samples of raw (untreated) water from the disinfected well and submitted to a laboratory accredited by TCEQ, accredited to perform these test; and [§290.41(c)(3)(F)(i)] NOTE: Chlorine residual is a field test and concentration shall be noted on the Chain of Custody.
7. ☐ Chemical analysis reports for well water samples showing the water to be of acceptable quality for the most problematic contaminants listed below. Reports must come from a laboratory accredited by TCEQ; accredited to perform these test. Maximum contaminant level (MCL) and secondary constituent level (SCL) units are in mg/l (except arsenic). [§290.41(c)(3)(G) and §290.104 and §290.105] NOTE. pH is a field test and the pH level shall be noted on the Chain of Custody.

MCL	PRIMARY	SCL	SECONDARY	SCL	SECONDARY	SCL	SECONDARY
10 (as N)	Nitrate	0.2	Aluminum	5.0	Zinc	300	Sulfate
1 (as N)	Nitrite	1.0	Copper	1,000	Total Dissolved Solids	300	Chloride
10 µg/l	Arsenic	0.3	Iron	2.0	Fluoride	≤ 7.0	pH (field test)
4.0	Fluoride	0.05	Manganese	N/A	Lead		

Corrosive Water Parameters	
Parameter	Units
Alkalinity as CaCO ₃	mg/l
Calcium as CaCO ₃	mg/l
Sodium	mg/l

All systems located in a high-risk county (see page 3) shall submit radiological analysis reports for water samples showing the water to be of acceptable quality for the contaminants listed below. Reports must come from a TCEQ accredited laboratory for interim use of the well.

MCL	CONTAMINANT
15 pCi/L	Gross alpha
5 pCi/L	Radium-226, 228
50 pCi/L	Beta particle
30 µg/L	Uranium

WHERE: pCi/L = pico curies per liter, µg/L = micrograms per liter

Please be aware when you review your radiological data that if the report has gross alpha over 15 pCi/L and individual uranium isotopes are not reported, you will have to resample or reanalyze and resubmit radionuclide results. If you see gross alpha plus radium-228 over 5 pCi/L, and don't have radium-226, you will have to resample or reanalyze and resubmit complete results.

LIST OF COUNTIES WHERE RADIONUCLIDE TESTING IS REQUIRED

Please be aware that we have added the requirement for analysis for radionuclides for high-risk counties. For elevated levels of any contaminants found in a test well, treatment or blending may be required.

COUNTY	STATE CODE #
Atascosa	007
Bandera	010
Bexar	015
Bosque	018
Brazoria	020
Brewster	022
Burnet	027
Concho	048
Culberson	055
Dallam	056
Dawson	058
Erath	072
Fort Bend	079
Frio	082
Garza	085
Gillespie	086
Gray	090
Grayson	091
Harris	101

COUNTY	STATE CODE #
Hudspeth	115
Irion	118
Jeff Davis	122
Jim Wells	125
Kendall	130
Kent	132
Kerr	133
Kleberg	137
Liberty	146
Llano	150
Lubbock	152
McCulloch	154
Mason	160
Matagorda	161
Medina	163
Midland	165
Montgomery	170
Moore	171

COUNTY	STATE CODE #
Parker	184
Pecos	186
Polk	187
Presidio	189
Refugio	196
San Jacinto	204
San Saba	206
Tarrant	220
Travis	227
Tyler	229
Upton	231
Val Verde	233
Victoria	235
Walker	236
Washington	239
Wichita	243
Williamson	246
Zavala	254

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

RECEIVED

JUN 21 2017

TX ADMIN-AUSTIN

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 14, 2017

Mr. Robert L. Laughman, President
Aqua Texas, Inc.
1106 Clayton Lane, Suite 400 W
Austin, Texas 78723

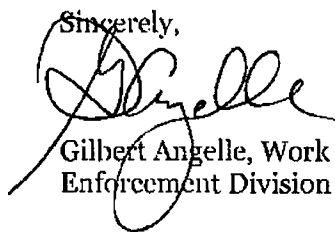
Re: Notice of Compliance with Agreed Order
Aqua Texas, Inc.; RN100843143
Docket No. 2012-0569-PWS-E; Enforcement Case No. 43756

Dear Mr. Laughman:

This letter is to inform you that a review of Texas Commission on Environmental Quality (TCEQ) records concerning the above-referenced enforcement matter indicates that Aqua Texas, Inc. has fulfilled the requirements of the Agreed Order effective on October 13, 2012. Specifically, Aqua Texas, Inc. has fulfilled the technical requirements and has paid the administrative penalty assessed in the Agreed Order. Based upon this, we conclude that your response has been satisfactory and no further action is necessary at this time with respect to this enforcement matter. The Order will remain on the compliance history for this regulated entity for five years from the effective date of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Mr. Christopher Moreno at (512)239-2618.

Sincerely,



Gilbert Angelle, Work Leader
Enforcement Division

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



Sandy Creek Ranches
2270054

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 10, 2012

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Robert L. Laughman, President
Aqua Texas, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

RECEIVED
OCT 11 2012

BY:

Re: TCEQ Enforcement Action
Aqua Texas, Inc.
Docket No. 2012-0569-PWS-E

Dear Mr. Laughman:

Enclosed for your records is a fully-executed copy of the Agreed Order for the above-referenced matter.

Should you have any questions, please contact Abigail Lindsey, the Enforcement Coordinator assigned to this matter, at (512) 239-2576.

Sincerely,

Debra Barber

Debra Barber
Enforcement Division

Enclosure

cc: Abigail Lindsey, Enforcement Division
Public Water Supply Section Manager, Region 11

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA TEXAS, INC.
RN100843143

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2012-0569-PWS-E

I. JURISDICTION AND STIPULATIONS

On SEP 27 2012, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Texas, Inc. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply at 23350 Big Sandy Drive in Travis County, Texas (the "Facility") that has approximately 203 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
3. The Respondent received notice of the violations alleged in Section II ("Allegations") on March 5, 2012.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of Six Hundred Sixty-Five Dollars (\$665) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Hundred Thirty-Two Dollars (\$532) of the administrative penalty and One Hundred Thirty-Three Dollars (\$133) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the

terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

6. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
7. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
8. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
9. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
10. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to provide an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(iv) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on May 20, 2011 and a record review conducted on February 24, 2012. Specifically, it was documented that with 203 connections in the Big Sandy pressure plane, the Facility is required to provide 20,300 gallons of elevated storage capacity. The elevated storage available at the Facility was 10,000 gallons, which is 51% deficient.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this

Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Texas, Inc., Docket No. 2012-0569-PWS-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:

- a. Within 240 days after the effective date of this Agreed Order, provide an elevated storage capacity of 100 gallons per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45.
- b. Within 255 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

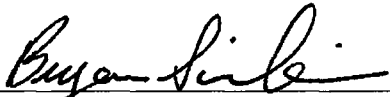
Water Section Manager
Austin Regional Office
Texas Commission on Environmental Quality
2800 South IH 35, Suite 100
Austin, Texas 78704-5712

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
7. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

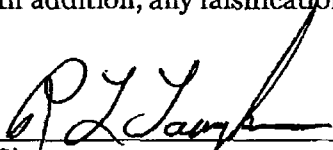

9/27/2012
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

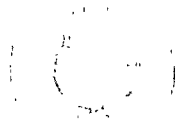
In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

Robert L. Laughman
Name (Printed or typed)
Authorized Representative of
Aqua Texas, Inc.

June 07, 2012
Date
President
Title

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

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



Shaw Baker

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 22, 2016

RECEIVED

Mr. Robert L. Laughman, President
Aqua Texas, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

TX ADMIN-AUSTIN

Re: Fourth Amended Schedule for Compliance with Ordering Provisions
Aqua Texas, Inc.; RN100843143
Docket No. 2012-0569-PWS-E; Enforcement Case No. 43756
Agreed Order Effective Date: October 13, 2012

Dear Mr. Laughman:

We are in receipt of electronic mail received July 25, 2016, from Mr. Scot Foltz, Environmental Compliance Manager, which requested an amended schedule for completion of Ordering Provision Nos. 2.a and 2.b of the above-referenced Agreed Order. The request also provided specific reasons for delays.

Based upon the reviewed information, we approve an amended schedule as requested. The new deadline for compliance with Ordering Provision Nos. 2.a and 2.b is December 31, 2016, provided an interim report demonstrating progress towards compliance is submitted by October 31, 2016.

Thank you for your continuing efforts to achieve compliance. If you have any questions, please contact Christopher Moreno of the Enforcement Division staff at (512)239-2618.

Sincerely,

Bryan Sinclair, Director
Enforcement Division

cc: Mr. Scot W. Foltz, Environmental Compliance Coordinator, Aqua Texas, Inc., 1106 Clayton Lane, Suite 400W, Austin, Texas 78723
Mr. Larry E. Mitchell, Environmental Compliance Coordinator, Aqua Texas, Inc., 1106 Clayton Lane, Suite 400W, Austin, Texas 78723
Mr. Steve Blackhurst, Regulatory and Compliance Manager, Aqua Texas, Inc., 1106 Clayton Lane, Suite 400W, Austin, Texas 78723



July 25, 2016

Mr. Christopher Moreno
TCEQ-Enforcement Division (MC-149A)
P. O. Box 13087
Austin, Texas 78711-3087

Re: RN100843143; PWS I.D. 2270054, Docket Number 2012-0569-PWS-E

Dear Mr. Moreno:

The needed construction is underway and is progressing well. Unfortunately earlier delays in design and budgeting caused the majority of the delay. There has been a slight delay in the manufacturing of the tank but as of earlier this month the tank was ready to be shipped and shouldn't cause a significant issue.

We have completed transmission line work and the hydro-pneumatic tank is installed, the booster building is complete and yard piping and header work is under way. The foundation for the new tank has also been completed.

We are requesting until December 31, 2016, to achieve compliance with ordering provisions 2.a and b. This is to permit sufficient time to complete the construction, test the facilities and ensure proper operations. If you have questions you may contact me at (512) 990-4400 x 56101 for by email at SWFoltz@AquaAmerica.com

Respectively,

A handwritten signature in black ink, appearing to read "Scot W. Foltz". The signature is stylized with a large, sweeping "S" and a distinct "F".

Scot W. Foltz
Environmental Compliance Manager

cc: Mike Merka, Field Supervisor, Central Texas, Aqua Texas
Chris Crockett, Chief Environmental Officer, Aqua America, Inc.

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



Sandy Creek
Mike

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 8, 2015

Mr. Robert L. Laughman
President
Aqua Utilities, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010-3489

RECEIVED

JAN 07 2016

TX ADMIN-AUSTIN

Re: TCEQ Enforcement Action
Aqua Utilities, Inc.
Docket No. 2015-0954-PWS-E

Dear Mr. Laughman:

Enclosed for your records is a fully-executed copy of the Agreed Order for the above-referenced matter.

Please review the enclosed Agreed Order, particularly the "Ordering Provisions" section, to determine if further action will be required of you, such as the completion of technical requirements to achieve compliance. When technical requirements are listed (usually Ordering Provision No. 2 or 3), a deadline will be provided based on a specific number of days after the effective date. The effective date is as stated in the enclosed Agreed Order.

Should you have any questions, please contact Yuliya Dunaway, the Enforcement Coordinator assigned to this matter, at (210) 403-4077.

Sincerely,

Candice Garrett

Candice Garrett
Enforcement Division

Enclosure

cc: Yuliya Dunaway, Enforcement Division
Public Water Supply Section Manager, Region 11

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN100843143

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2015-0954-PWS-E

I. JURISDICTION AND STIPULATIONS

On DEC 04 2015, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located at 14503 Round Mountain Road near Leander, Travis County, Texas (the "Facility") that has approximately 577 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
3. The Respondent received notice of the violations alleged in Section II ("Allegations") on June 15, 2015.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of Two Hundred Ten Dollars (\$210) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid One Hundred Sixty-Eight Dollars (\$168) of the administrative penalty and Forty-Two Dollars (\$42) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred

amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

6. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
7. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
8. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
9. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
10. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to provide two or more wells having a total capacity of 0.6 gallons per minute ("gpm") per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during a record review conducted on May 27, 2015. Specifically, the Facility's 577 connections require a minimum production capacity of 346 gpm. However, it was documented that only 252 gpm was provided, which is a 27% deficiency.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to

"TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2015-0954-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:

- a. Within 540 days after the effective date of this Agreed Order, provide a minimum well capacity of 0.6 gpm per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
- b. Within 555 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Water Section Manager
Austin Regional Office
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Bryan Sinclair
For the Executive Director

12/4/2015
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

Robert L. Laughman
Signature

Robert L. Laughman
Name (Printed or typed)
Authorized Representative of
Aqua Utilities, Inc.

9/22/2015
Date

President
Title

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

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



*Sandy Creek
Mike*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 8, 2015

Mr. Robert L. Laughman
President
Aqua Utilities, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010-3489

RECEIVED

JAN 07 2016

TX ADMIN-AUSTIN

Re: TCEQ Enforcement Action
Aqua Utilities, Inc.
Docket No. 2015-0954-PWS-E

Dear Mr. Laughman:

Enclosed for your records is a fully-executed copy of the Agreed Order for the above-referenced matter.

Please review the enclosed Agreed Order, particularly the "Ordering Provisions" section, to determine if further action will be required of you, such as the completion of technical requirements to achieve compliance. When technical requirements are listed (usually Ordering Provision No. 2 or 3), a deadline will be provided based on a specific number of days after the effective date. The effective date is as stated in the enclosed Agreed Order.

Should you have any questions, please contact Yuliya Dunaway, the Enforcement Coordinator assigned to this matter, at (210) 403-4077.

Sincerely,

Candice Garrett

Candice Garrett
Enforcement Division

Enclosure

cc: Yuliya Dunaway, Enforcement Division
Public Water Supply Section Manager, Region 11

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN100843143**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2015-0954-PWS-E

I. JURISDICTION AND STIPULATIONS

On DEC 04 2015, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located at 14503 Round Mountain Road near Leander, Travis County, Texas (the "Facility") that has approximately 577 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
3. The Respondent received notice of the violations alleged in Section II ("Allegations") on June 15, 2015.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of Two Hundred Ten Dollars (\$210) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid One Hundred Sixty-Eight Dollars (\$168) of the administrative penalty and Forty-Two Dollars (\$42) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred

amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

6. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
7. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
8. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
9. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
10. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to provide two or more wells having a total capacity of 0.6 gallons per minute ("gpm") per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(D)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during a record review conducted on May 27, 2015. Specifically, the Facility's 577 connections require a minimum production capacity of 346 gpm. However, it was documented that only 252 gpm was provided, which is a 27% deficiency.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to

"TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2015-0954-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:

- a. Within 540 days after the effective date of this Agreed Order, provide a minimum well capacity of 0.6 gpm per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
- b. Within 555 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Water Section Manager
Austin Regional Office
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Bryan Sinclair
For the Executive Director

12/4/2015
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

Signature

Robert L. Laughman

Name (Printed or typed)
Authorized Representative of
Aqua Utilities, Inc.

Date

President

Title

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

Mike

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



PWS_2270054_CO_20161115_Exception

Texas Commission on Environmental Quality

Protecting Texas by Reducing and Preventing Pollution

November 15, 2016

RECEIVED

Mr. Bryan W. Boyd, P.G.
Wet Rock Groundwater Services, LLC
317 Ranch Road 620 South, Suite 203
Austin, Texas 78734

* ADMIN-AUSTIN

Re: Sandy Creek Ranches Subdivision - PWS ID No. 2270054
Request for an Exception to the Sanitary Control Easement Rule
Proposed Big Sandy Well No. 4 (TCEQ Well ID Unassigned)
Travis County, Texas
RN 100843143 | CN 601570773

Dear Mr. Boyd,

On September 23, 2016, the Texas Commission on Environmental Quality (TCEQ) received your letter dated September 19, 2016, requesting an exception to the requirement that all public water supply wells have properly recorded sanitary control easements as specified in Title 30 of the Texas Administrative Code (30 TAC) §290.41(c)(1)(F). This request is for the Sandy Creek Ranches Subdivision's proposed Big Sandy Well No. 4 (TCEQ Well ID Unassigned). The submittal indicated that the well is not constructed at this time.

The TCEQ has determined that the inability to secure sanitary control easements indicates that this groundwater source may be susceptible to fecal contamination and may result in a risk to public health. Based on this concern, and in order to allow monitoring of the well to determine if the well has been impacted by lack of sanitary control, we are **temporarily granting** your request for an exception to the sanitary control easement requirement under the conditions listed below. This temporary exception applies to all of the property owned by: Douglas Coplin (Property ID 354417; Lot 33 & W 112 ft of Lot 32 Sandy Creek Ranches Phs 1 Sec 2 Title Canceled to Real Estate) and Julio Martinez (Property ID 354415; Lot 31 (1.64 AC) Sandy Creek Ranches Phs 1 Sec 2) within a 150-foot radius of proposed Big Sandy Well No. 4. In accordance with 30 TAC §290.46(b) and §290.109(c)(4)(E), the public water system (PWS) is required to fulfill the conditions of approval outlined below.

Condition 1:

- Upon placing the well into service, the Public Water System (PWS) must begin collecting one raw water sample per month from Well No. 4. The PWS must submit the sample for bacteriological analysis at a TCEQ-accredited laboratory with a current National Environmental Laboratory Accreditation Program (NELAP) certification, and maintain these records on site.

Please note that this monitoring requirement does not imply approval to use this well as a source. You must receive approval to use the well from the TCEQ Plan Review Team. Once you receive approval, a TCEQ Source ID will be assigned to the

well by the Drinking Water Special Functions Section. If for any reason the well is put in use prior to a TCEQ Source ID being assigned, the PWS may be subject to enforcement action.

The sampling procedure should be the same as the one used when collecting routine distribution samples. Please ensure that the sample is delivered to the laboratory clearly labeled with the proper TCEQ Well ID (G2270054"X" where "X" will be the specific well identifier assigned by the TCEQ) and marked "RAW."

For a list of TCEQ-accredited laboratories see our website at:

www.tceq.texas.gov/assets/public/compliance/compliance_support/qa/txnelap_lab_list.pdf

Please note that this monthly monitoring requirement will remain in effect should a final exception be granted following the review of the bacteriological sample results. These samples are in addition to the normally required monthly distribution bacteriological samples and must be collected at a point prior to the disinfectant injection point. The sample results should be submitted in the same manner as the results of the monthly distribution bacteriological samples.

Once twelve (12) consecutive monthly bacteriological sample results have been received and reviewed, the TCEQ will evaluate the results and reissue, if appropriate, an exception without an expiration date. Additional monitoring and/or treatment may be required based on the results of the raw water bacteriological samples.

If any of the samples come back positive, please follow the instructions in Enclosure 1: *Instructions for Positive Bacteriological Samples*.

Please update your system's monitoring plan to reflect the monitoring requirements outlined in this letter and mail to the TCEQ Monitoring Plan Coordinator at the following address:

Monitoring Plan Coordinator (MC 155)
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Additional information is available in TCEQ's Regulatory Guidance No. 384 (RG-384), *How to Develop a Monitoring Plan for a Public Water System*, or on our website at:

www.tceq.texas.gov/permitting/water_supply/pdw/monitoring_plans/monitoring_plans.html

All public water system monitoring plans are required to be kept up-to-date and on file at the system at all times and must be presented to TCEQ staff upon request.

Condition 2:

- **This temporary exception will expire in 36 months from the date of this letter (November 15, 2019).**

We note you provided in your submittal a map showing the location of the proposed well and property boundaries, plans including the proposed well, a copy of the recorded deed for the property owned by the PWS, the copies of the letters requesting sanitary control easements and the certified mail receipts, and a statement that sanitary hazards prohibited by the required sanitary easement are not located within a 150-foot radius of the proposed Well No. 4.

Mr. Bryan W. Boyd, P.G.
Page 3 of 3
November 15, 2016

A copy of this letter and all related monitoring data must be maintained with the water system's records for as long as this exception is in effect. These records must be made available to TCEQ staff upon request. If contamination of a well occurs which is not remediated through treatment, a new properly constructed well may be required at another location and abandonment, proper plugging, and sealing of the abandoned well will be required.

All exceptions are subject to periodic review and may be revoked or amended if warranted as specified in 30 TAC §290.39(l)(2) or evidence is found that granting of an exception results in a degradation of water quality or water supply. Noncompliance with any condition stated in this exception letter may result in enforcement action as specified in 30 TAC §290.39(l)(5). This exception is not intended to waive compliance with any other TCEQ requirement in 30 TAC Chapter 290. This exception cannot be used as a defense in any enforcement action resulting from noncompliance with any other requirement of 30 TAC Chapter 290.

If you have questions concerning this letter, or if we can be of additional assistance, please contact Sang Han at sang.han@tceq.texas.gov, by telephone at (512) 239-2509, or by correspondence at the following address:

Technical Review and Oversight Team (MC 159)
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



Tamira Konkin-Garcia, Team Leader
Technical Review and Oversight Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

TKG/shh

Enclosure 1: *Instructions for Positive Bacteriological Samples*

cc: Mr. Brent Reeh, Manager, Aqua Texas, Inc., 1106 Clayton Lane, Suite 400W, Austin, TX
78723-2476

Instructions for Positive Bacteriological Samples

If multiple raw water samples are found to be **positive** for total coliform and **negative** for *E. coli* and other fecal indicators, additional treatment may be required and the conditions established in the exception letter may be revised. TCEQ personnel recommend reviewing the sample collection protocol to ensure proper sample collection methods are in place. Personnel also recommend well disinfection according to American Water Works Association (AWWA) well disinfection standards.

If a raw water sample is found to be **positive** for total coliform and **positive** for *E. coli* or other fecal indicators, Groundwater Rule requirements include:

- A. Issuance of a Public Notice to water system customers in accordance with 30 TAC §290.122(a) within 24 hours of being notified of the positive result.
- B. Notification to all consecutive systems served by the well within 24 hours of being notified of the positive result.
- C. Notification to TCEQ Drinking Water Quality Team personnel at 512-239-4691 or GWRdata@tceq.texas.gov within 24 hours of being notified of the positive result.
- D. Implementation of one or more of the Corrective Actions described in 30 TAC §290.116 as indicated by TCEQ Drinking Water Quality Team personnel.

Additionally, the exception may be revoked or the conditions established in the exception letter may be revised.

Information on the Groundwater Rule can be found by calling 512-239-4691 and asking to speak to a member of the Drinking Water Quality Team or at the following website:

http://www.tceq.texas.gov/drinkingwater/microbial/gwr_main.html

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



RECEIVED

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

TX ADMIN-AUSTIN

October 28, 2016

CERTIFIED MAIL - RETURN RECEIPT REQUESTED 91 7199 9991 7033 3026 0945

Mr. Robert Laughman, President
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

Re: Notice of Enforcement
B & W Gatherings Wastewater Treatment Facility
RN101518926, TPDES Permit No. WQ0011332001, EPA ID No. TX0062014
CCEDS Investigation No. 1363397

Dear Mr. Laughman:

We have conducted a record review investigation of the self-reported data for the above-referenced permit and noted the following alleged violations.

Alleged Violations

1.	Failure to comply with the permit effluent limit for Total Suspended Solids daily average (mg/L) at Outfall 001A for the monitoring periods ending 03/31/2016 and 04/30/2016.
2.	Failure to comply with other permit effluent limits during the period of 01/2016 through 07/2016.

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

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

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

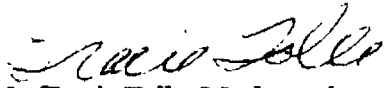
Mr. Robert Laughman
Page 2

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

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

If you or members of your staff have any questions, please feel free to contact Ms. Tennille Thomas of my staff at (512) 239-1269.

Sincerely,


Ms. Tracie Tolle, Work Leader
Compliance Monitoring Team (MC 224)
Texas Commission on Environmental Quality

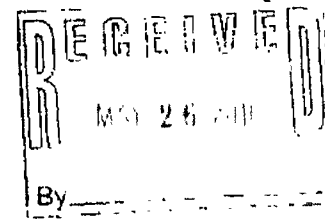
BW ST
Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 20, 2016



Mr. Robert Laughman
President
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400 West
Austin, Texas 78723

Re: Notice of Compliance with Agreed Order
Aqua Utilities, Inc.; RN101518926
Docket No. 2014-0193-MWD-E; Enforcement Case No. 48237

Dear Mr. Laughman:

This letter is to inform you that a review of Texas Commission on Environmental Quality (TCEQ) records concerning the above-referenced enforcement matter indicates that Aqua Utilities, Inc. has fulfilled the requirements of the Agreed Order effective on August 1, 2014. Specifically, Aqua Utilities, Inc. has fulfilled the technical requirements and has paid the administrative penalty assessed in the Agreed Order. Based upon this, we conclude that your response has been satisfactory and no further action is necessary at this time with respect to this enforcement matter. The Order will remain on the compliance history for this regulated entity for five years from the effective date of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Mr. John Shelton at (512)239-2563.

Sincerely,

Lanae Foard, Work Leader
Enforcement Division

cc: Mr. Abel Bautista, Wastewater Compliance Coordinator, Aqua Utilities, Inc., 2211 Louetta Road, Spring, Texas 77388

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



Bo H. Mathewson
11332-001

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 17, 2015

Mr. Robert Laughman, President
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400 West
Austin, Texas 78723

RECEIVED

NOV 23 2015

TX ADMIN-AUSTIN

Re: Third Amended Schedule for Compliance with Ordering Provisions
Aqua Utilities, Inc.; RN101518926
Docket No. 2014-0193-MWD-E; Enforcement Case No. 48237
Agreed Order Effective Date: August 1, 2014

Dear Mr. Laughman:

We are in receipt of letters dated August 27, 2015 and October 16, 2015, from Mr. Abel Bautista, which requested an amended schedule for completion of Ordering Provision No. 2 of the above-referenced Agreed Order. Your letter also provided specific reasons for delays.

Based upon the reviewed information, we approve an amended schedule. The new deadline for compliance with Ordering Provision No. 2 is February 29, 2016.

Thank you for your continuing efforts to achieve compliance. If you have any questions, please contact John Shelton of the Enforcement Division staff at (512)239-2563.

Sincerely,

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

Bryan Sinclair, Director
Enforcement Division

cc: Mr. Abel Bautista, Wastewater Compliance Coordinator, Aqua Utilities, Inc., 2211
Louetta Road, Spring, Texas 77388
Mr. Scot W. Foltz, Environmental Compliance Manager, 1106 Clayton Lane, Suite 400W,
Austin, Texas, 78723

Mike

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
March 30, 2015

RECEIVED

APR 06 2015

TX ADMIN-AUSTIN

Mr. Scot Foltz, Environmental Compliance Manager
Aqua Utilities
1106 Clayton Ln., Ste. 400
Austin, TX 78723

Re: Compliance Evaluation Investigation at:
B & W Gatherings Wastewater Treatment Plant, north of Highcrest Drive and Moss
Downs Drive, near Granite Shoals, Burnet County
Regulated Entity No.: RN101518926, TCEQ ID No.: WQ0011332001,
EPA ID No.: TX0062014

Dear Mr. Foltz:

On February 20, 2015, Ms. Patricia Phillips of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for wastewater treatment. No violations are being alleged as a result of the investigation, however, please see the enclosed Additional Issue.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Stewart".

Shawn Stewart
Water Section Work Leader
Austin Region Office

SS/pjp

cc: Abel Bautista, Wastewater Compliance Coordinator, Aqua Texas, Inc., 2211 Louetta Rd.,
Spring, TX 77388 (include Attachment)

Attachment: Summary of Investigation Findings

Summary of Investigation Findings

B & W GATHERING WWTP

Investigation #

1227883

Investigation Date: 02/20/2015

, BURNET COUNTY,

Additional ID(s): TX0062014
WQ0011332001

No Violations/Assessment/Investigation

ADDITIONAL ISSUES

Description

Is the regulated entity compliant with the self-monitored effluent limitations?

Additional Comments

The permit holder has an active Agreed Order Docket No. 2014-0193-MWD-E for effluent exceedances between 01/2013-08/2013. According to enforcement procedures, self-reported violations that occurred after 08/2013 cannot be included in enforcement action while the technical requirements of the active Agreed Order are still open and compliance has not been certified. The current on-site investigation noted 8 instances of noncompliance with the permit parameters during the review period of December 2013 - January 2015:
TSS Daily Average exceeded for Feb., March, Aug., and Nov. 2014
BOD5-day Daily Average exceeded for June and Aug. 2014
Total Phosphorus Daily Average exceeded for March 2014
Chlorine residual minimum level was not met for April 2014
The permittee is reminded that self-reported effluent violations are subject to enforcement, including penalties, upon review by the Enforcement Division.

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

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 24, 2016

CERTIFIED MAIL #91 7199 9991 7033 2846 0067
RETURN RECEIPT REQUESTED

RECEIVED

Mr. Scott Foltz, Manager
Aqua Utilities
1106 Clayton Ln., Ste. 400
Austin, TX 78723

JUN 27 2016

TX ADMIN-AUSTIN

Re: Notice of Violation for Compliance Evaluation Investigation at:
B&W Gatherings WWTF, Highcrest Dr., Granite Shoals (Burnet County), Texas
TCEQ Additional ID:WQ0011332001, EPA ID No:TX0062014, Investigation No. 1337746

Dear Mr. Foltz:

On June 8, 2016, Michael Daniels of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for wastewater treatment. Enclosed is a summary which lists the investigation findings. During the investigation, an alleged violation was identified for which compliance documentation was required. Based on the information you have provided, the TCEQ has adequate documentation to resolve the alleged violation. Therefore, no further action is required. Self-reported effluent violations may be subject to enforcement, including penalties, upon review by the Enforcement Division.

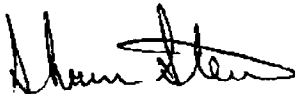
In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Austin Region Office at 512-339-2929 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. If you have additional information that we are unaware of, you have the opportunity to contest the violation documented in this notice. Should you choose to do so, you must notify the Austin Region Office within 10 days from the date of this letter. At that time, Ms. Carolyn Runyon will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

Mr. Scott Foltz
Page 2
June 24, 2016

If you or members of your staff have any questions, please feel free to contact Mr. Michael Daniels in the Austin Region Office at 512-339-2929.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Stewart". The signature is fluid and cursive, with a large, stylized "S" at the beginning.

Shawn Stewart
Water Program Work Leader
Austin Region Office

SS/mjd

cc: Mr. Abel Bautista, Compliance Coordinator, Aqua Texas, 2211 Louetta Rd., Spring, TX 77388 (include Summary of Investigation Findings)
Mr. Michael Merka, Supervisor, Aqua Texas, 3209 Hillbilly Ln., Austin, TX 78746 (include Summary of Investigation Findings)