



Control Number: 52172



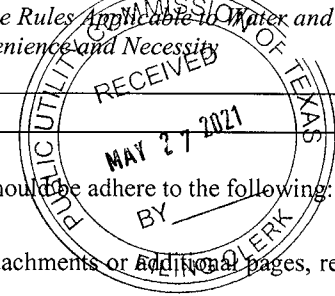
Item Number: 1

Addendum StartPage: 0



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

Pursuant to 16 Texas Administrative Code (TAC) Chapter 24, Substantive Rules Applicable to Water and Sewer Service Providers, Subchapter G: Certificates of Convenience and Necessity



CCN Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, you should adhere to the following:
 - i. Answer every question and submit all required attachments.
 - ii. Use attachments or additional pages if needed to answer any question. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part F: Mapping & Affidavits.
 - iv. Provide any other necessary approvals from the Texas Commission on Environmental Quality (TCEQ), or evidence that a request for approval is being sought at the time of filing with the Commission.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.
SEND TO: Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (NOTE: Electronic documents may be sent in advance of the paper copy; however, they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records).
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicant will be ordered to provide information to cure the deficiencies by a certain date (usually 30 days from ALJ's order). *Application is not accepted for filing.*
 - ii. **SUFFICIENT (Administratively Complete):** Applicant will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. *Application is accepted for filing.*
- IV. Once the Applicant issues notice, a copy of the actual notice sent (including any map) and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may choose to take one of the following actions:
 - i. **HEARING ON THE MERITS:** an affected party may request a hearing on the application. The request must be made within 30 days of notice. If this occurs, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
 - ii. **LANDOWNER OPT-OUT:** A landowner owning a qualifying tract of land (25+ acres) may request to have their land removed from the requested area. The Applicant will be requested to amend its application and file new mapping information to remove the landowner's tract of land, in conformity with this request.
- V. **PROCEDURAL SCHEDULE:** Following the issuance of notice and the filing of proof of notice in step 4, the application will be granted a procedural schedule for final processing. During this time the Applicant must respond to hearing requests, landowner opt-out requests, and requests for information (RFI). The Applicant will be requested to provide written consent to the proposed maps, certificates, and tariff (if applicable) once all other requests have been resolved.
- VI. **FINAL RECOMMENDATION:** After receiving all required documents from the Applicant, Staff will file a recommendation on the CCN request. The ALJ will issue a final order after Staff's recommendation is filed.

FAQ:

Who can use this form?

Any retail public utility that provides or intends to provide retail water or wastewater utility service in Texas.

Who is required to use this form?

A retail public utility that is an investor owned utility (IOU) or a water supply corporation (WSC) must use this form to obtain or amend a CCN prior to providing retail water or sewer utility service in the requested area.

What is the purpose of the application?

A CCN Applicant is required to demonstrate financial, managerial, and technical (FMT) capability to provide continuous and adequate service to any requested area. The questions in the application are structured to support an Applicant's FMT capabilities, consistent with the regulatory requirements.

Application Summary

Applicant: Aqua Texas, Inc.

CCN No. to be amended: 13201

or Obtain NEW CCN Water Sewer

County(ies) affected by this application: Collin

Dual CCN requested with: _____

CCN No.: _____ (name of retail public utility)
 Portion or All of requested area

Decertification of CCN for: _____

CCN No.: _____ (name of retail public utility)
 Portion or All of requested area

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Please mark the items included in this filing

- | | | |
|-------------------------------------|--|-----------------------|
| <input type="checkbox"/> | Partnership Agreement | Part A: Question 4 |
| <input type="checkbox"/> | Articles of Incorporation and By-Laws (WSC) | Part A: Question 4 |
| <input checked="" type="checkbox"/> | Certificate of Account Status | Part A: Question 4 |
| <input type="checkbox"/> | Franchise, Permit, or Consent letter | Part B: Question 7 |
| <input checked="" type="checkbox"/> | Existing Infrastructure Map | Part B: Question 8 |
| <input checked="" type="checkbox"/> | Customer Requests For Service in requested area | Part B: Question 9 |
| <input checked="" type="checkbox"/> | Population Growth Report or Market Study | Part B: Question 10 |
| <input checked="" type="checkbox"/> | TCEQ Engineering Approvals | Part B: Question 11 |
| <input checked="" type="checkbox"/> | Requests & Responses For Service to 1/2 mile utility providers | Part B: Question 12.B |
| <input checked="" type="checkbox"/> | Economic Feasibility (alternative provider) Statement | Part B: Question 12.C |
| <input type="checkbox"/> | Alternative Provider Analysis | Part B: Question 12.D |
| <input checked="" type="checkbox"/> | Enforcement Action Correspondence | Part C: Question 16 |
| <input checked="" type="checkbox"/> | TCEQ Compliance Correspondence | Part D: Question 20 |
| <input type="checkbox"/> | Purchased Water Supply or Treatment Agreement | Part D: Question 23 |
| <input type="checkbox"/> | Rate Study (new market entrant) | Part E: Question 28 |
| <input checked="" type="checkbox"/> | Tariff/Rate Schedule | Part E: Question 29 |
| <input checked="" type="checkbox"/> | Financial Audit | Part E: Question 30 |
| <input type="checkbox"/> | Application Attachment A & B | Part E: Question 30 |
| <input type="checkbox"/> | Capital Improvement Plan | Part E: Question 30 |
| <input type="checkbox"/> | Disclosure of Affiliated Interests | Part E: Question 31 |
| <input checked="" type="checkbox"/> | Detailed (large scale) Map | Part F: Question 32 |
| <input checked="" type="checkbox"/> | General Location (small scale) Map | Part F: Question 32 |
| <input checked="" type="checkbox"/> | Digital Mapping Data | Part F: Question 32 |
| <input checked="" type="checkbox"/> | Signed & Notarized Affidavit | Page 12 |

Part A: Applicant Information

1. A. Name: Aqua Texas, Inc.
(individual, corporation, or other legal entity)
 Individual Corporation WSC Other: _____

B. Mailing Address: 1106 Clayton Ln, Suite 400W, Austin, TX 78723

Phone No.: (512) 990-4400 Email: not applicable

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

Name: Mr. Kaveh Khorzad Title: hydrogeologist

Mailing Address: 317 Ranch Road 620 S. Ste. 203, Austin, TX 78734

Phone No.: (512) 773-3226 Email: k.khorzad@wetrockgs.com

2. If the Applicant is someone other than a municipality, is the Applicant currently paid in full on the Regulatory Assessment Fees (RAF) remitted to the TCEQ?

Yes No N/A

3. If the Applicant is an Investor Owned Utility (IOU), is the Applicant current on Annual Report filings with the Commission?

Yes No If no, please state the last date an Annual Report was filed: _____

4. The legal status of the Applicant is:

Individual or sole proprietorship

Partnership or limited partnership (*attach* Partnership agreement)

Corporation: Charter number (recorded with the Texas Secretary of State): _____ Texas Taxpayer Number 32014405503, Te

Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]
Charter number (as recorded with the Texas Secretary of State): _____

Articles of Incorporation and By-Laws established (*attach*)

Municipally-owned utility

District (MUD, SUD, WCID, FWSD, PUD, etc.)

County

Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)

Other (please explain): _____

5. If the Applicant operates under an assumed name (i.e., any d/b/a), provide the name below:

Name: Aqua Texas

Part B: Requested Area Information

6. Provide details on the existing or expected land use in the requested area, including details on requested actions such as dual certification or decertification of service area.

The expected land use in the requested area includes the Mansion II of Prosper which will include 450 duplex living units and the Luxe of Prosper which will include 474 duplex living units.

7. The requested area (check all applicable):

- Currently receives service from the Applicant Is being developed with no current customers
 Overlaps or is within municipal boundaries Overlaps or is within district boundaries

Municipality: _____ District: _____

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

8. Describe the circumstances (economic, environmental, etc.) driving the need for service in the requested area:

The property is being developed to serve the needs of a growing population in the area. This growth is requiring water service to serve the residents.

9. Has the Applicant received any requests for service within the requested area?

- Yes* No *Attach copies of all applicable requests for service and show locations on a map

10. Is there existing or anticipated growth in the requested area?

- Yes* No *Attach copies of any reports and market studies supporting growth

11. A. Will construction of any facilities be necessary to provide service to the requested area?

- Yes* No *Attach copies of TCEQ approval letters

B. Date Plans & Specifications or Discharge Permit App. submitted to TCEQ: 7-17-19 (wells/plant) 11-21-19 (waterlines)

C. Summarize an estimated timeline for construction for any required facilities to serve the requested area:

North Custer Road (PWS) has received approval from TCEQ to begin construction of the facilities. Construction has been completed on the required facilities. See Attachment 5.

D. Describe the source and availability of funds for any required facilities to serve the requested area:

Aqua Texas, Inc. has the financial ability through customer collections and infusions of capital from lenders, as well as capital contributions from its parent Essential Utilities, Inc. f/k/a Aqua America, Inc., to make any required improvements necessary to meet TCEQ and PUC minimum requirements for continuous and adequate service.

Note: Failure to provide applicable TCEQ construction or permit approvals, or evidence showing that the construction or permit approval has been filed with the TCEQ may result in the delay or possible dismissal of the application.

12. A. If construction of a physically separate water or sewer system is necessary, provide a list of all retail public water and/or sewer utilities within one half mile from the outer boundary of the requested area below:

City of McKinney and City of Prosper. See Attachment 6.

B. Did the Applicant request service from each of the above water or sewer utilities?

Yes*

No

*Attach copies of written requests and copies of the written response

C. Attach a statement or provide documentation explaining why it is not economically feasible to obtain retail service from the water or sewer retail public utilities listed above.

D. If a neighboring retail public utility agreed to provide service to the requested area, attach documentation addressing the following information:

- (A) A description of the type of service that the neighboring retail public utility is willing to provide and comparison with service the applicant is proposing;
- (B) An analysis of all necessary costs for constructing, operating, and maintaining the new facilities for at least the first five years of operations, including such items as taxes and insurance; and
- (C) An analysis of all necessary costs for acquiring and continuing to receive service from the neighboring retail public utility for at least the first five years of operations.

13. Explain the effect of granting the CCN request on the Applicant, any retail public utility of the same kind serving in the proximate area, and any landowners in the requested area. The statement should address, but is not limited to, regionalization, compliance, and economic effects.

The public interest is served when a centralized water utility provides water to a property instead of individual water wells. In addition, the public interest and future landowners within the property are served when with a water utility with access to capital and the resources necessary to provide a safe, reliable drinking water source such as Aqua Texas. This will eliminate the need for many single wells which otherwise would be drilled, causing additional stress on the aquifer.

Aqua Texas has the financial resources and access to capital to provide for a quality infrastructure to the water system including the required storage and water supply capacity requirements. Other retail public utilities within the area will be unaffected. The proposed service area is located within a recently decertified area.

Part C: CCN Obtain or Amend Criteria Considerations

14. Describe the anticipated impact and changes in the quality of retail utility service for the requested area:

The quality of service will remain at a high level due to the experienced operators employed by Aqua Texas, Inc. and will meet or exceed current levels. Aqua Texas, Inc. will deal promptly with any service issues which may arise.

15. Describe the experience and qualifications of the Applicant in providing continuous and adequate retail service:

See Attachment 7. A TCEQ Compliance History Report for Aqua Texas, Inc. is included as in addition to a report describing the compliance status for Aqua Texas' systems is included as Attachment 7. Aqua Texas, Inc. will provide additional system detail information to the Commission upon request.

16. Has the Applicant been under an enforcement action by the Commission, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG), or the Environmental Protection Agency (EPA) in the past five (5) years for non-compliance with rules, orders, or state statutes?

Yes* No See Attachment 7

*Attach copies of any correspondence with the applicable regulatory agency concerning any enforcement actions, and attach a description of any actions or efforts the Applicant has taken to comply with these requirements.

17. Explain how the environmental integrity of the land will or will not be impacted or disrupted as a result of granting the CCN as requested:

There will be no change with respect to environmental integrity or land impact/disruption as a result of the proposed transaction.

18. Has the Applicant made efforts to extend retail water or sewer utility service to any economically distressed area located within the requested area?

No.

19. List all neighboring water or sewer retail public utilities, cities, districts (including ground water conservation districts), counties, or other political subdivisions (including river authorities) providing the same service located within two (2) miles from the outer boundary of the requested area:

City of Frisco, City of Celina, City of McKinney, Town of Prosper, North Texas Municipal Water District, Collin County Judge (The Honorable Chris Hill), North Texas Groundwater Conservation District.

Part D: TCEQ Public Water System or Sewer (Wastewater) Information

20. A. Complete the following for **all** Public Water Systems (PWS) associated with the Applicant's CCN:

TCEQ PWS ID:	Name of PWS:	Date of TCEQ inspection*:	Subdivisions served:
	See Attachment 7		

*Attach evidence of compliance with TCEQ for each PWS

- B. Complete the following for **all** TCEQ Water Quality (WQ) discharge permits associated with the Applicant's CCN:

TCEQ Discharge Permit No:	Date Permit expires:	Date of TCEQ inspection*:	Subdivisions served:
WQ-			
WQ-			
WQ-			
WQ-			

*Attach evidence of compliance with TCEQ for each Discharge Permit

- C. The requested CCN service area will be served via: PWS ID: 0430077
WQ -

21. List the number of **existing** connections for the PWS & Discharge Permit indicated above (Question 20. C.):

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

22. List the number of **additional** connections projected for the requested CCN area:

Water				Sewer	
	Non-metered		2"		Residential
924	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			924	Total Sewer Connections: 0	

23. A. Will the system serving the requested area purchase water or sewer treatment capacity from another source?

Yes* No *Attach a copy of purchase agreement or contract.

Capacity is purchased from:

Water: _____

Sewer: _____

B. Are any of the Applicants PWS's required to purchase water to meet the TCEQ's minimum capacity requirements or TCEQ's drinking water standards?

Yes No

C. What is the amount of supply or treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0%
Sewer:		0%

24. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

Yes No

25. List the name, class, and TCEQ license number of the operators that will be responsible for the operations of the water or sewer utility service provided to the requested area:

Name (as it appears on license)	Class	License No.	Water/Sewer
See Attachment 8			

26. A. Are any improvements required for the existing PWS or sewer treatment plant to meet TCEQ or Commission standards?

Yes No

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

27. Provide a map (or maps) showing all facilities for production, transmission, and distribution, and the location of existing or proposed customer connections, in the requested area. Facilities should be identified on subdivision plats, engineering planning maps, or other large scale maps. Color coding can be used, and is encouraged, to distinguish types of facilities.

See Attachment 9

Part E: Financial Information

28. If the Applicant seeking to obtain a CCN for the first time is an Investor Owned Utility (IOU) and under the original rate jurisdiction of the Commission, a proposed tariff must be attached to the application. The proposed rates must be supported by a rate study, which provides all calculations and assumptions made. Once a CCN is granted, the Applicant must submit a rate filing package with the Commission within 18 months from the date service begins. The purpose of this rate filing package is to revise a utility's tariff to adjust the rates to a historic test year and to true up the new tariff rates to the historic test year. It is the Applicant's responsibility in any future rate proceeding to provide written evidence and support for the original cost and installation date of all facilities used and useful for providing utility service. Any dollar amount collected under the rates charged during the test year in excess of the revenue requirement established by the Commission during the rate change proceeding shall be reflected as customer contributed capital going forward as an offset to rate base for ratemaking purposes.

29. If the Applicant is an existing IOU, please attach a copy of the current tariff and indicate:

- A. Effective date for most recent rates: 9/25/2020
- B. Was notice of this increase provided to the Commission or a predecessor regulatory authority?
 No Yes Application or Docket Number: 50574
- C. If notice was not provided to the Commission, please explain why (ex: rates are under the jurisdiction of a municipality)

If the Applicant is a Water Supply or Sewer Service Corporation (WSC/SSC) and seeking to obtain a CCN, attach a copy of the current tariff.

30. **Financial Information**
Applicants must provide accounting information typically included within a balance sheet, income statement, and statement of cash flows. If the Applicant is an existing retail public utility, this must include historical financial information and projected financial information. However, projected financial information is only required if the Applicant proposes new service connections and new investment in plant, or if requested by Commission Staff. If the Applicant is a new market entrant and does not have its own historical balance sheet, income statement, and statement of cash flows information, then the Applicant should establish a five-year projection.

Historical Financial Information may be shown by providing any combination of the following that includes necessary information found in a balance sheet, income statement, and statement of cash flows:

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
3. Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Projected Financial Information may be shown by providing any of the following:

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

31. Attach a disclosure of any affiliated interest or affiliate. Include a description of the business relationship between all affiliated interests and the Applicant.

DO NOT INCLUDE ATTACHMENTS A OR B IF LEFT BLANK

Part F: Mapping & Affidavits

32. Provide the following mapping information with each of the seven (7) copies of the application:
1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The Applicant should adhere to the following guidance:
 - i. If the application includes an amendment for both water and sewer certificated service areas, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
 2. A detailed (large scale) map identifying the requested area in reference to verifiable man-made or natural landmarks such as roads, rivers, and railroads. The Applicant should adhere to the following guidance:
 - i. The map should be clearly labeled and the outer boundary of the requested area should be marked in reference to the verifiable man-made or natural landmarks. These verifiable man-made and/or natural landmarks must be labeled and marked on the map as well.
 - ii. If the application includes an amendment for both water and sewer certificated service area, separate maps need to be provided for each.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
 3. One of the following identifying the requested area:
 - i. A metes and bounds survey sealed or embossed by either a licensed state land surveyor or a registered professional land surveyor. Please refer to the mapping guidance in part 2 (above);

- ii. A recorded plat. If the plat does not provide sufficient detail, Staff may request additional mapping information. Please refer to the mapping guidance in part 2 (above); or
- iii. Digital mapping data in a shapefile (SHP) format georeferenced in either NAD 83 Texas State Plane Coordinate System (US Feet) or in NAD 83 Texas Statewide Mapping System (Meters). The digital mapping data shall include a single, continuous polygon record. The following guidance should be adhered to:
 - a. The digital mapping data must correspond to the same requested area as shown on the general location and detailed maps. The requested area must be clearly labeled as either the water or sewer requested area.
 - b. A shapefile should include six files (.dbf, .shp, .shx, .sbx, .sbn, and the projection (.prj) file).
 - c. The digital mapping data shall be filed on a data disk (CD or USB drives), clearly labeled, and filed with Central Records. Seven (7) copies of the digital mapping data is also required.

Part G: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice until the application is deemed sufficient for filing and the Applicant is ordered to provide notice.

33. Complete the following using verifiable man-made and/or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: 138

Number of customer connections in the requested area: 0

The closest city or town: McKinney

Approximate mileage to closest city or town center: 6

Direction to closest city or town: South on N. Custer Road to US Hwy 380. East on US Hwy 380 to McKinney

The requested area is generally bounded on the North by: County Road 123

on the East by: County Road 124

on the South by: Wilson Creek

on the West by: N. Custer Road

34. A copy of the proposed map will be available at 1106 Clayton Ln, Suite 400W, Austin, TX 78723

Applicant's Oath


STATE OF TEXAS

COUNTY OF TRAVIS

I, Robert L. Laughman being duly sworn, file this application to obtain or amend a water or sewer CCN, as President of Aqua Texas, Inc.
(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further represent that the application form has not been changed, altered, or amended from its original form.
I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants within its certificated service area should its request to obtain or amend its CCN be granted.

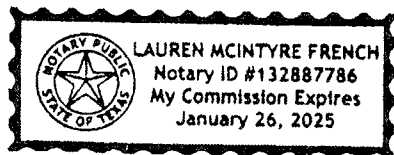



AFFIANT
(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas
this day the 20th of MAY, 2021

SEAL





**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

LAUREN MCINTYRE FRENCH

PRINT OR TYPE NAME OF NOTARY

My commission expires: _____

Aqua Texas' Application for New Water CCN

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Attachment 13	General Location and Detailed Maps (Question 32)

Attachment 1
Overview

Overview

The proposed CCN application by Aqua Texas is located on approximately 138.413 acres of land owned by three entities as described below:

1. AIRW 2017-7, LP (Collin County Property ID: 2790109) – A 2.312 acre tract of land containing the groundwater wells and water treatment plant for the water system;
2. WRIA 2018-4, LP (Collin County Property ID: 2804826 and 2804827) - A 60.444 acre tract (Property ID: 2804826) and a 3.195 acre tract (Property ID: 2804827) which will contain the Mansions of Prosper II, a multi-family residential community consisting of 450 duplex units; and
3. WRIA 2018-5, LP (Collin County Property ID: 2803333 and 2803334) - A 71.3 acre tract (Property ID: 2803333) and a 1.162 acre tract (Property ID: 2803334) which will contain the Luxe of Prosper, a multi-family residential community consisting of 474 duplex units.

The developer (WRIA 2018-4, LP owner and developer of the Mansions of Prosper II and WRIA 2018-5, LP owner and developer of Luxe of Prosper) of the duplex units has requested water service and has signed a water service agreement (See Attachment 2) with Aqua Texas, Inc which includes conveying the two public supply wells and water plant located on the AIRW 2017-7, LP property.

Attachment 2
Water Service Agreement

WATER SERVICE AGREEMENT

LUXE OF PROSPER AND MANSIONS OF PROSPER II

THIS Water Service Agreement ("Agreement") is entered into on the 27 day of March, 2020 by and between Aqua Texas, Inc., a Texas corporation, whose corporate headquarters and principal place of business is at 1106 Clayton Lane, Suite 400W, Austin, Texas 78723 ("Aqua Texas"), and WRIA 2018-4, LP, Owner and Developer of Mansions of Prosper II, and WRIA 2018-5, LP, Owner and Developer of Luxe of Prosper, both Texas limited partnerships whose office is located at 2505 N. State Highway 360, Suite 800, Grand Prairie, Texas 75050 ("Developer"). Aqua Texas and Developer are sometimes hereinafter referred to singularly as a "Party", and collectively as the "Parties".

BACKGROUND AND RECITALS

Developer is the owner and developer of two (2) tracts of land (71.3 & 60.4 acres) in Collin County, Texas, (the "Property"). Developer intends to develop the Properties with the construction of a 470-unit duplex community locally known as Luxe of Prosper and a 448-unit duplex community locally known as Mansions of Prosper II (the "Development") that will require the provision of water services, and desires Aqua Texas to provide such services subject to the terms and conditions contained herein.

The Property is not presently located in Aqua Texas' Certificate of Convenience and Necessity ("CCN") service area No. 13201 but Aqua Texas will participate with Developer to seek an amendment to its CCN to include the Property. To that end, Developer will retain, at Developer's sole expense, Wet Rock Groundwater Services, L.L.C ("Wet Rock") to apply for and pursue an amendment to Aqua's CCN with the Public Utility Commission of Texas ("PUC") to include the Development. In addition, Aqua will provide water utility service to the Development from a Water Plant and Utility System to be constructed by Developer, at Developer's sole expense, and Developer will convey said water facilities to Aqua, in accordance with the terms of this Agreement. Aqua Texas is a retail public utility company engaged in the business of installing, owning, operating and maintaining water utility systems in the State of Texas in accordance with the grant of authority by the Texas Commission on Environmental Quality ("TCEQ") and the PUC.

As the CCN holder, Aqua Texas has the exclusive right and obligation to provide water utility service to the Properties, and Developer is willing to proceed with Aqua Texas as the water utility service provider for the Development.

Aqua Texas represents that in order to serve the Development, Developer will need to design, permit, and construct a new water well or wells and a water plant in accordance with the statutes and laws of the State of Texas and the rules and regulations of the Texas Commission on Environmental Quality ("TCEQ") to serve the Development at full build out. Upon request by

Aqua Texas, Developer will provide in writing to Aqua Texas, Developer's then current requirement of water capacity needs in the Development for the ensuing three years.

Following the completion of construction of the aforementioned new water plant and approval and acceptance of same by Aqua Texas, Developer shall convey them to Aqua Texas. Without such facilities from Developer, Aqua Texas will be unable to provide continuous and adequate retail water utility services to the Development as required by the laws and statutes of the State of Texas and the rules and regulations of the TCEQ and the PUC.

Aqua Texas is willing to accept the conveyance from Developer, the new water plant designed, permitted, constructed, and installed by Developer, pursuant to the terms and conditions described in this Agreement.

In consideration of the mutual covenants contained herein, and intending to be legally bound, Aqua Texas and Developer agree as follows:

- A. **GENERAL CONCEPTS.** The general concept of the Agreement and the intent of the parties with respect to this arrangement and all associated agreements executed in connection herewith is as follows:
1. Developer will cause all the Development to be covered by this Agreement and to be included in the Aqua Texas CCN, if not already in the Aqua Texas CCN. The Development will be developed in one or more phases or sections as Developer's development schedule dictates, with each phase or section being a "Development" and collectively the "Developments."
 2. The Developer has requested two (2) 8" master meters for domestic purposes for the Development, one each for Mansions of Prosper II and Luxe of Prosper. The connection to the Aqua Texas water system in the Development shall become a permanent customer of Aqua Texas.
 3. Developer shall design, permit, and construct a new water well or wells and new water plant which is needed to provide retail water utility service to the Development, being the Central Facilities as hereinafter defined, and shall contribute the Central Facilities to Aqua Texas. Upon completion of the Central Facilities Project in accordance with the terms of this Agreement and provided that Developer is not in breach of any provision of this Agreement, Aqua will notify the Developer in writing that Aqua will accept contribution of the Central Facilities ("Contribution") as provided herein.
 4. Aqua Texas shall utilize the Central Facilities to provide continuous and adequate service to customers located within the Development in accordance with laws and statutes of the State of Texas and the rules and regulations of the TCEQ, the PUC, and Aqua Texas' then current tariff.

5. Upon completion, the Developer shall certify to Aqua the actual cost of the Central Facilities. Developer will complete a certification form -- using the format provided by Aqua -- which shall provide the actual cost of the Extension Project. Developer will supply copies of the actual invoices to support the cost certification. The certification provided by Developer shall warrant that the stated cost is complete and accurate. The Developer shall indemnify Aqua against any claims under which the final cost certification is determined not to be complete and accurate. Aqua may require the Developer to correct the final cost certification if Aqua determines that the certification lacks clear or supporting documentation or inaccurately reflects the final cost of the Extension Project. Aqua may postpone Contribution and service until such corrections have been completed to its satisfaction.
6. After Contribution, Aqua shall have the right to expand its certified service area and serve the expanded service area from the Central Facilities with no further obligation to Developer.

B. CCN SERVICE AREA, RATE TARIFF, CENTRAL FACILITIES.

1. **CCN Service Area.** Developer acknowledges and agrees that all Developments generally covered by or anticipated to be covered by this Agreement are already included in or will become part of the Aqua Texas CCN. If any areas are subsequently determined to be outside of the Aqua Texas CCN, Developer consents to the inclusion of such areas in the Aqua Texas CCN. Thirty days after determining that an area is not in the Aqua Texas CCN, Developer, with the assistance of Wet Rock shall, at its sole expense, apply for and obtain approval for the Developments to be included in the Aqua Texas CCN, which inclusion designates Aqua Texas as the sole provider of water utilities in the Developments. Developer and Wet Rock shall act promptly to file an application with the PUC to add the Development to Aqua Texas' CCN, and for obtaining, if necessary, any other permits by providing relevant information to Aqua Texas promptly upon request.
2. **Rate Tariff.** All connections to the Aqua Texas water system shall become permanent customers of Aqua Texas; and such customers shall be obligated to pay water bills for use of such systems, in accordance with the then current Tariff approved by the PUC or any successor agency having jurisdiction over water and wastewater utility providers and the rates associated with services, as such Tariff may change from time to time.
3. **Central Facilities.** Developer shall be solely responsible for the design, engineering, permitting, installation, and construction of central water facilities needed to serve the Development or ensuing developments, including plant expansions, if necessary. For purposes of this Agreement, the "Central Facilities" are agreed to be as follows: A water well or wells and treatment plant with appropriate pumps and storage, adequate to serve the two (2) 8" master meters designed to provide water service to at least the number of

duplex units described above, constructed on a mutually agreeable site to be conveyed by Developer to Aqua Texas.

4. **Central Facilities Sites.** Developer shall contribute a mutually agreeable site to Aqua Texas for the Central Facilities which contains at least one acre of usable area, not located in a flood zone, along with a sanitary control easement extending 150' around the perimeter of the site. Prior to conveyance, the site must be cleared and grubbed, must have public or specified private road access, must have three phase electric power and associated utility service readily available at such site without the need for additional utility construction by Aqua Texas, other than minimal connection costs, and must contain the fully completed water well or wells, water plant and associated equipment and storage. Aqua Texas shall not be required to accept any conveyance or to close on any site conveyance until there are roads, utilities, and houses under construction within the first phase of Development, and general development is underway in the Development.
- C. **ENGINEERING, DESIGN, AND CONSTRUCTION.** The following requirements apply to the design, engineering, construction and installation of the Central Facilities.
1. **Construction Agreement.** The respective obligations of Aqua Texas and Developer with respect to the actual construction of each phase of the Central Facilities shall be delineated in this Agreement.
 2. **Design and Regulatory Requirements.** Developer shall engage a licensed Texas engineer to design the Central Facilities. The design must be consistent with general industry standards, all regulatory requirements, and local Aqua Texas specifications, and must be approved in writing by Aqua Texas' engineer prior to construction, which approval shall not be unreasonably withheld or delayed, except for matters relating to System design and specifications, in which case approval may be withheld in the Aqua Texas engineer's sole discretion. Following approval by the Aqua Texas engineer, Developer will make application and obtain from each applicable Regulatory Agency all necessary permits and approvals for the construction and installation of the Central Facilities and will take all necessary steps to assure compliance with Regulatory Requirements prior to initiating construction or installation of any part of the Central Facilities.
 3. **Easements and Environmental Assessment.** Prior to beginning construction on the Central Facilities, Developer will obtain any required easements or right of way necessary for the construction and installation of the water plant, either by plat or by specific conveyance instrument. Except as otherwise specifically set forth herein, Developer shall bear all costs, if any, associated with procuring the required easements and/or right of way for the Central Facilities. Prior to construction, Developer shall make available for review to Aqua Texas a copy of a Phase I Environmental Site Assessment for the Development, which shall have been conducted by a reputable environmental engineering firm reasonably

acceptable to Aqua Texas in accordance with American Society Testing Methods (ASTM) standards (the "Environmental Report").

- 4. Construction.** Developer shall have the sole responsibility to design, furnish and install, at Developer's sole expense, all of the Central Facilities. Developer or its contractor, shall be responsible for supplying all necessary materials and performing the construction and installation of the Central Facilities, which includes but is not limited to design, engineering, financing, construction, installation, and inspection. Developer will provide accurate and complete as-built information; and concurrently with progress of construction, will make the As-Built Information available to a designated Aqua Texas representative.
- 5. Worksite Responsibility.** As between Developer and Aqua Texas, Developer shall be responsible for the worksite, including the means and methods of construction, and safety precautions, procedures and programs so that work is conducted in a safe manner for the protection of anyone on or near the Central Facilities. Under no circumstances shall Aqua Texas be deemed to be responsible for the methods of construction or the safety precautions and procedures at the worksite. Developer will install and complete the Central Facilities in a workmanlike manner, in accordance with all applicable laws, regulations and ordinances, including without limitation environmental laws and regulations, and the construction plans and specifications previously approved by Aqua Texas. Pursuant to applicable law, before starting work, Developer will independently investigate and verify in the field the existence and location of underground utilities, whether or not indicated on the plans.
- 6. Connection into Aqua Texas Facility.** Except with the prior written authorization of Aqua Texas, Developer is prohibited from connecting the Interior Lines for the Development into any Central Facilities, which connection will be performed by Aqua Texas or under its direction. Developer is responsible for all maintenance and repair of the installed Central Facilities prior to Contribution, whether or not Aqua Texas has commenced providing service.
- 7. Warranty by Developer.** Developer and its contractor will warrant that the Central Facilities and all associated components, including without limitation integrity of trenches and integrity of paving and other restoration work, will not leak and will be free from defects in materials and workmanship for a period of one (1) year from the date of Contribution of such Central Facilities, and that the final As-Built Information, when delivered to Aqua Texas, will be accurate and complete. Developer shall provide to Aqua Texas three (3) sets of full-size and one electronic copy of the As-Built Plans of the Central Facilities prior to conveyance of the Facilities. Developer will promptly proceed at its own cost and expense to make good all portions of the work or materials determined by Aqua Texas which fail to conform with Aqua Texas specifications, which fail in whole or in part prior to the end of the one year warranty period, or which are damaged or destroyed by

removal of the non-conforming work or materials; and Developer or its contractor will replace or repair those portions to be in accordance with the requirements and specifications, and will revise the As-Built Information to be accurate and complete. In connection with and as security for this warranty obligation, Developer or its contractor shall provide a one year maintenance bond or a one year letter of credit equivalent to the amount of the total cost certification of the Central Facilities. If Developer or its contractor fails to remedy or correct non-conforming work or materials or to revise the As-Built Information to be accurate and complete, Aqua Texas may bring the work or materials or As-Built Information into conformation at the expense of Developer (for which Aqua Texas may draw down on the Maintenance Bond or Letter of Credit and/or pursue any other available remedy).

- 8. Contractor.** Developer is free to engage a contractor or sub-contractor of its choosing to construct the Central Facilities, provided that such contractor is approved in writing in advance by Aqua Texas, and that such contractor agrees to be bound by the various warranty, workmanship, safety, and other provisions in this Agreement. Because Aqua Texas will not be in privity with said contractor, Developer shall remain ultimately responsible for all obligations hereunder.
- 9. Final Cost Certification.** Upon completion of each phase of the Central Facilities, Developer will certify to Aqua Texas the total cost of the construction, installation, engineering, and design of such facilities. In addition, Developer will supply the actual invoices or copies thereof to support the cost certification. Developer will represent that the stated cost is complete and accurate and indemnify Aqua Texas against any claim that the cost is not complete and accurate. Aqua Texas reserves the right to review and audit, at its cost, all information provided and utilized in preparing the cost certification and to make the final determination of cost.
- 10. Contribution.** Upon completion of each phase of the Central Facilities, Developer will convey such Central Facilities to Aqua Texas, such that the facilities become the property of Aqua Texas (from which Aqua Texas may serve customers). The contribution will occur upon the execution of a Bill of Sale and conveyance prepared by Aqua Texas' attorney, and the acceptance of such Bill of Sale and conveyance by Aqua Texas, said two acts together constituting the "Contribution." After Contribution, Aqua Texas will assume full responsibility for operating and maintaining the Central Facilities, subject to Developer's warranty obligations herein.
- 11. Matters in Connection with Contribution.** The following must be completed prior to Contribution of each phase of the Central Facilities:
 - a) Completion of the work in accordance with the plans and specifications approved by Aqua Texas;

- b) Passing all testing procedures normally performed or supervised by Aqua Texas in accordance with its regular pre-service procedures;
- c) Provision of accurate As-Built Information on the Contributed facilities to Aqua Texas;
- d) Final cost certification;
- e) Developer's certification, and provision of evidence reasonably satisfactory to Aqua Texas, that Developer has paid or discharged any mechanic's liens or other encumbrances which may have been filed against the Contributed Central Facilities;
- f) Developer's certification, and provision of evidence reasonably satisfactory to Aqua Texas, that Developer has paid or discharged the contractor constructing such Central Facilities;
- g) Payment to Aqua Texas of any outstanding fees or other amounts owed by Developer to Aqua Texas; and
- h) Conveyance and transfer of the water plant site and all necessary and appropriate easements and rights-of-way, including any grant, revision, correction or confirmation of Easements, in addition to Easements granted prior to construction, which Aqua Texas may reasonably require to operate the Central Facilities.

D. LIMITATIONS AND EXCLUSIONS

1. Pursuant to Aqua's tariff and applicable law, Aqua is entitled to collect Contribution in Aid of Construction ("CIAC") or impact fees for each Living Unit Equivalent ("LUE" – one LUE is based upon the average daily water flow through a single 5/8 x 3/4 inch meter) to secure capacity for the Development in Aqua's Regional Water System. Aqua's water CIAC fee for one LUE is \$1,147.00. Developer's request for two (2) 8" master meters equates to 160 LUEs of water capacity. The water CIAC fee for the Development is \$183,520.00. In exchange for Developer's expense and effort for amending the Aqua Texas CCN and designing, constructing, conveying and warranting the Central Facilities to Aqua Texas, including but not limited to Developer's contribution to Aqua Texas of a new water well or wells on a 0.0289 acre remote well site with a related Sanitary Control Easement and water plant and new well on a 1.809 acre water plant site with a related Sanitary Control Easement, Aqua Texas agrees to waive the water CIAC fee which would normally be due from Developer for the 160 LUEs equating to the two (2) 8" master meters.

E. TERM

1. **Term and Termination.** This Agreement shall be effective upon the full execution of this document and will continue in effect for a period commencing on the date hereof and continuing until the fifth (5th) anniversary hereunder or until terminated by mutual agreement of the parties.

F. GENERAL

1. **Governing Law.** This Agreement, all attachments hereto, and all documents and instruments to be furnished or delivered hereto, shall be governed by the laws of the State of Texas without giving effect to conflicts of laws principles.
2. **Assignment; Change in Ownership.** Developer shall not assign its rights and obligations under this Agreement, directly or indirectly, voluntarily or involuntarily, without the prior written approval of Aqua Texas, which shall not be unreasonably withheld.
3. **Survival of Provisions on Contribution or Termination.** All warranties, representations, agreements and covenants made by Developer in this Agreement, or in any document or instrument referred to in, or to be delivered or furnished pursuant to, this Agreement, will survive Contribution of the Central Facilities and any termination of this Agreement.
4. **Entire Agreement; Amendments.** This Agreement, together with all exhibits and attachments, and the final executed form of all documents for which the form is set forth in the attachments, constitute the entire agreement between Aqua Texas and Developer with respect to the conveyance of the Central Facilities to Aqua Texas by Developer. Prior or contemporaneous discussions or agreements are not part of this Agreement, and are of no force or effect. This Agreement may be modified or amended only by a writing signed by the party against whom enforcement is sought.
5. **Severability.** The provisions of this Agreement and all other agreements and documents referred to herein are to be deemed severable, and the invalidity or unenforceability of any provision shall not affect or impair such provision to the extent it has been deemed valid and enforceable, nor the remaining provisions, which shall continue in full force and effect.
6. **Third Parties.** Nothing contained in this Agreement shall be deemed to confer upon any third party any right against Aqua Texas or Developer.
7. **Headings.** The headings of any section or subsection of this Agreement are for convenience only and shall not be used to interpret any provision of this Agreement.
8. **Binding Agreement; Successors and Assigns.** This Agreement is binding on and will inure to the benefit of the parties and their successors and permitted assigns.

9. **Notices.** Notices, demands and requests required or permitted to be given under this Agreement (collectively Notices) must be in writing and must be delivered personally or by nationally-recognized courier or sent by United States certified mail, return receipt requested, postage prepaid. Notices must be addressed to the party at its address set forth below. A notice is effective when actually received or rejected. The initial addresses of the parties may be changed by appropriate notice:

To Developer:

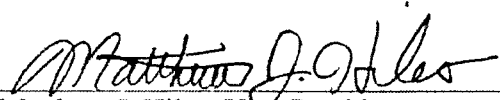
Matthew J. Hiles, Executive Vice President
WRIA 2018-4, LP & WRIA 2018-5, LP
2505 N. State Highway 360, Suite 800
Grand Prairie, Texas 75050

To Aqua Texas:

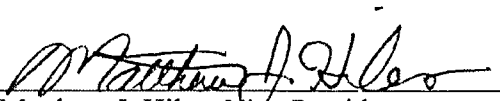
Robert L. Laughman, President
Aqua Texas, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written above:

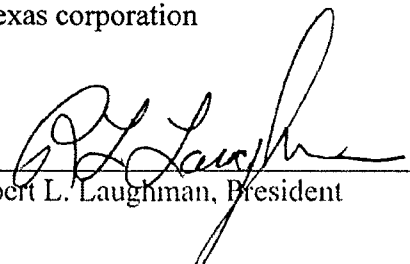
WRIA 2018-4, LP
A Texas limited partnership

By: 
Matthew J. Hiles, Vice President

WRIA 2018-5, LP
A Texas limited partnership

By: 
Matthew J. Hiles, Vice President

Aqua Texas, Inc.,
A Texas corporation

By: 
Robert L. Laughman, President

Attachment 3
Request for Service (Question 9)



LUXURY
LIVING

July 17, 2019

Stephen M. Dunnahoe

Business Development Manager

Aqua Texas

9450 Silver Creek Road

Fort Worth, Texas 75108

Dear Steve,

This updated letter is in reference to our McKinney ETJ project that we have been working with Aqua on to service since October 2017. The final unit mix calls for 924 duplex units averaging 1,100 square feet each and two clubhouses. We have decertified from McKinney's water CCN and developed plans for a water plant with significant input from Aqua. We have also commenced construction on two associated water wells and have bid out the water plant construction. Permitting of the water plant is underway.

As previously mentioned, we will no longer build a wastewater plant as we found a routing to get to a nearby regional interceptor line and McKinney has agreed to be our retail provider of wastewater.

We would still very much like to build the water plant and wells at no cost to Aqua and convey those assets and corresponding land once Aqua has brought this land into their CCN. We also would like to pay any costs of Aqua associated with this CCN work. To help expedite the CCN work, we have obtained a proposal from Wet Rock Groundwater Services, L.L.C. to prepare and process the CCN application for Aqua at our expense. A copy of the proposal is attached. Also, as on prior projects, we would want Aqua to operate the plant until the water plant land and improvements have been conveyed. The total estimated value of the water plant and wells is approximately \$3,800,000.

Please confirm that we can proceed on this basis and work to finalize a corresponding development agreement.

Sincerely,

A handwritten signature in black ink that reads "Matthew J. Hiles".

Matthew J. Hiles

Executive Vice President



Wet Rock Groundwater Services, L.L.C.

Groundwater Specialists

TBPG Firm No: 50038

317 Ranch Road 620 South, Suite 203

Austin, Texas 78734 • Ph: 512-773-3226

www.wetrockgs.com

July 16, 2019

Mr. Matthew Hiles
Executive Vice President
W3
2505 N. State Hwy 360, Ste. 800
Grand Prairie, Texas 75050

RE: Proposal – AIWR 2017-7 CCN Application

Dear Mr. Hiles:

Please find our proposal to assist in the completion of and the submission of an application to the Public Utility Commission (PUC) for a new Certificate of Convenience and Necessity (CCN) located within Collin County. This proposal assumes that the CCN application will be in the name of Aqua Texas, Inc.

Task 1: Certificate of Convenience and Necessity (CCN) Application

Task 1 will include assisting with the completion of and submittal of an application for a new water CCN application to the PUC on behalf of W3 in the name of Aqua Texas, Inc. A CCN is required by the PUC to operate a public water system (PWS) with the CCN serving as the designated service area for the PWS. The application process will require yours and Aqua Texas, Inc's input on certain portions of the application which include but are not limited to company financials, legal survey description of CCN area, projected construction costs of the water system, and proposed rates with description of how rates were determined. We will work closely with you and Aqua Texas, Inc's representative to ensure the application is completed to PUC standards.

As part of the CCN application we propose that a rate study be conducted and provided by Aqua Texas, Inc. The rate study will also need to include completion of the utility's tariff and rate schedule with back up evidence of the proposed rates.

Items included:

- 1) Gathering and review of information required for application;
- 2) Submittal of TCEQ Core Data Form for required CN and RN IDs;
- 3) Submittal of new water CCN application with required copies to the TCEQ;
- 4) Mapping required for application;
- 5) Proper notices; and
- 6) Meetings and correspondence to ensure application is administratively complete.

Items not included:

- 1) Information required about Aqua Texas, Inc for application. This will be provided to us by owner or Aqua Texas, Inc.
- 2) Requests for service, reports or market studies supporting growth in area. This will be provided to us by owner or Aqua Texas, Inc.
- 3) Plans and specifications submittals and construction timelines for the new water system. This will be provided to us by owner or Aqua Texas, Inc.
- 4) Source and availability of funds for water system facilities to serve the area. This will be provided to us by owner or Aqua Texas, Inc.
- 5) Documents showing that requests for service are not economically feasible or requests for service were denied from water systems within ½ mile.
- 6) List of all of Aqua Texas, Inc. water systems, the subdivisions served and date of last TCEQ inspection. This will be provided to us by owner or Aqua Texas, Inc.
- 7) List of all TCEQ water quality discharge permits for Aqua Texas, Inc. This will be provided to us by owner or Aqua Texas, Inc.
- 8) List of the number of connections and meter sizes for the water system. This will be provided to us by owner or Aqua Texas, Inc.
- 9) List of operators and TCEQ license numbers that will run the system. This will be provided to us by owner or Aqua Texas, Inc.
- 10) Map showing all facilities of the water system, location of proposed customer connections. This will be provided to us by owner or Aqua Texas, Inc.
- 11) Current tariff, effective date for most recent rates, date notice for rate increase provided to PUC or TCEQ. This will be provided to us by owner or Aqua Texas, Inc.
- 12) Financial information required under the application. This will be provided to us by owner or Aqua Texas, Inc.
- 13) Analysis of all necessary costs for construction, operating maintenance, or source of capital. This will be provided to us by owner or Aqua Texas, Inc.
- 14) Postage or public notice costs;
- 15) Application costs; or
- 16) Any additional work required above what is provided in this proposal, including if the application is protested.

Invoicing

Wet Rock Groundwater Services, L.L.C. proposes our services for Task 1 on a time and materials basis not to exceed \$10,000.00 based upon our Hourly Rate Schedule (attached).

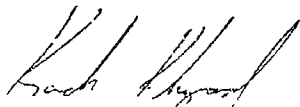
Invoices will be billed monthly with a 15 day due date from the date of the invoice. Invoices past due for over 30 days after the invoice date will result in a stoppage of work until all overdue invoices are paid in full. Any additional work or site visits outside of the scope of this proposal will be billed at our hourly rates detailed in our Hourly Rate Schedule.



I appreciate the opportunity to provide you with this proposal. If you have any questions regarding the proposal please feel free to call me at 512-773-3226 so that I can better explain the process involved in this project.

Respectfully Proposed by,

Wet Rock Groundwater Services, L.L.C.



Kaveh Khorzad, P.G.
President/ Senior Hydrogeologist

Accepted By:

Print Name: _____

Signed: _____

Date: _____



Wet Rock Groundwater Services, LLC



Groundwater Specialists

HOURLY RATE SCHEDULE

Wet Rock Groundwater Services, LLC's hourly rates for each employee effective Jan. 1, 2019 are:

<u>PROFESSIONAL SERVICES</u>	<u>HOURLY RATES</u>
Principal\Senior Hydrogeologist:	\$150
Senior Staff Hydrogeologist:	\$140
Staff Hydrogeologist:	\$130
Administrative Assistant:	\$80

NOTES

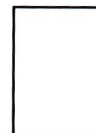
1. Travel: Mileage charged at the federal government rate (currently \$0.58/mile);
2. Expenses are billed at cost. Reimbursable expenses include travel expenses (hotels, meals, airline tickets, etc).
3. Rates shown include all salaries, payroll taxes, insurance and overhead but do not include reimbursable expenses. If pertinent, associated reimbursable expenses will be addressed within each individual contract;
4. Invoices are payable within a 15 day due date from the date of the invoice. Invoices past due for over 45 days after the invoice date will result in a stoppage of work until all overdue invoices are paid in full. Accounts unpaid for more than 45 days after the invoice date accrue 1.25 percent interest per month (15 percent annual rate) from the date of the invoice; and
5. Rates are subject to review and/or increase annually.



Attachment 4

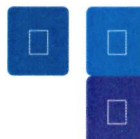
Report Showing Growth in Area (Question 10)

.st0 {fill: #F26A24;}st1 {fill: #495965;}



/Analytics Blog /Local Markets / The Nation's Top 10 Busiest Submarkets: 6. Frisco/Prosper, Texas

The Nation's Top 10 Busiest Submarkets: 6. Frisco/Prosper, Texas



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by **Analytics Contributor** Posted Dec 13, 2014 in **Dallas,**

Local Markets

The U.S. apartment market has seen elevated construction levels in this cycle. But construction activity has been concentrated in some spots more than others, and MPF Research has identified the nation's 10 busiest submarkets for construction in this cycle. The submarkets were identified based on inventory growth since 2012, including the total number of units completed since 1st quarter 2012 and the total number of units under construction at the end of 3rd quarter 2014. Why have these spots attracted so much development? We'll take a deeper look in this series highlighting each of the top 10 submarkets.

In The News

- Smart Investors listen to Apartment Economist Greg Willett at RealPage. Will you? | **Old Capital Real Estate Investing Podcast**
- 'It's A Fact': Overbuilding Impacting

10. Cedar Park, Texas

9. Far North Central San Antonio, Texas

8. Downtown Indianapolis, Indiana

7. Far Northwest San Antonio, Texas

Frisco/Prosper, Texas

Landing in the No. 6 spot on our list of rapid inventory growth is the Frisco/Prosper submarket in the Dallas metro.

Frisco/Prosper's inventory expansion rate since 2012 is 44.5%. That calculation includes new apartment supply plus units under construction at the end of 3rd quarter 2014. Turning that percentage into an actual unit count, Frisco/Prosper has received 1,612 new apartments since 2012, and had an additional 2,081 units under construction at the end of 3rd quarter 2014.



Atlanta Apartment Market | **Bisnow**

□ Houston Offers Leasing Incentives More Frequently | **GlobeSt.com**

□ Portland-area rents are growing faster | **The Oregonian**

□ Chicago apartment supply hits 20-year high | **HousingWire**

□ As Recession Fears Rise, Here's the Lowdown for Real Estate | **Realtor.com**

□ Apartment construction is slowing down, even as occupancy reaches an all-time high | **HousingWire**

□ Dallas apartment renters are wooed with giveaways | **The Dallas Morning News**

□ The Many Issues of Multifamily: Connect Texas Multifamily Recap | **Connect Media**

□ Report: Detroit apartment rents ahead



of national norm | **WXYZ**
Detroit

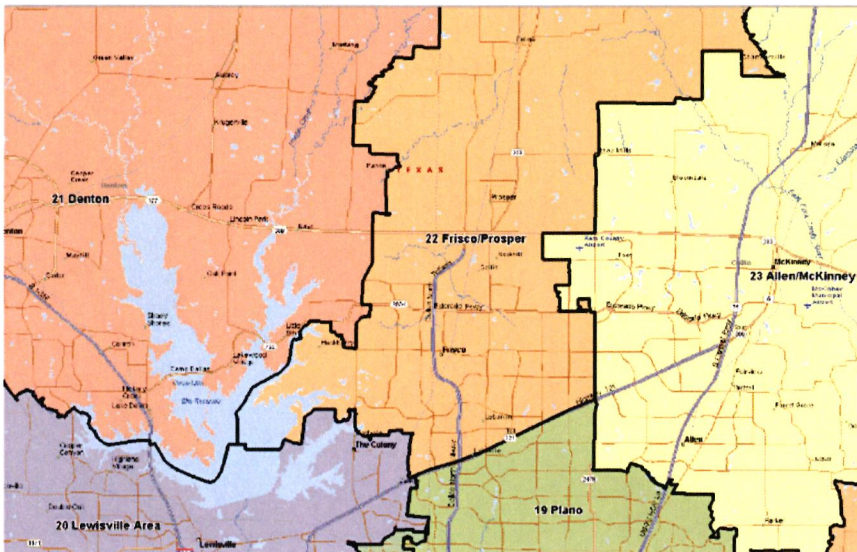


Location

The Dallas region is primarily growing north, where the Frisco/Prosper submarket is located. The Frisco/Prosper submarket is north of Highway 121, west of Custer Road, east of Lake Lewisville and extends north to the city of Celina. The Dallas North Tollway (DNT) cuts through the middle of the

submarket. The most important part of its location is that Highway 121/DNT corridor, where A LOT of office/retail/apartment construction is going on.

The Frisco/Prosper submarket is considered to be a “commuter” town, but with continued growth over the past decade, it has gained a number of employers. The submarket has three major highways — Dallas North Tollway, Highway 121 and US 380 — that provide residents with good access to other employment areas in north Dallas. For example, the Dallas North Tollway is a straight shot to numerous corporate campuses in the suburbs Plano and Addison and employers in the Galleria area of north Dallas proper and downtown Dallas. Moreover, the area is approximately 25 minutes away from the Dallas/Fort Worth International Airport via Highway 121.



The Frisco area is a hot area right now – a lot of commercial construction and apartment construction is taking place (close to that 121/DNT corridor) currently in this area. Prosper, while commercial and apartment construction isn't as abundant as it is in Frisco, is starting to see construction activity pick up.

So let's get to the question: why is the Frisco/Prosper

submarket exploding with apartments? Let's start with the economy

Access to employers

Over the past couple of years there have been a few big announcements of companies moving their headquarters close to the Highway 121/DNT corridor. Let's take a look at some of the larger ones that are driving demand.

1) Dallas Cowboys. One of the more publicized moves was the announcement that the Dallas Cowboys are moving their headquarters to Frisco. The development -- dubbed The Star -- will not only include the Cowboys new training complex, but will also have a 12,000-seat multi-use event center, an Omni hotel and several other mixed-use projects, according to local media reports. The Star is under way on 91 acres at the northwest corner of Warren Parkway and the Dallas North Tollway. The project is expected to create over 4,500 jobs by 2026 and pump \$23.4 billion into the regional economy over the next 30 years.

2) Toyota. Toyota recently announced they are moving their headquarters (and roughly 4,000 employees) to the Legacy West development in northwest Plano, just south of the Frisco/Prosper submarket border. The company is building their new \$350 million headquarters on the southwest corner of State Highway 121 and Legacy Drive. The campus is being developed on 100 acres and will have over 1 million square feet of office space.

3) FedEx Office. FedEx Office also recently announced that they are moving their headquarters from the Dallas Galleria office to the Legacy West development. The company's

265,000-square-foot corporate campus is being constructed at the northeast corner of Legacy and Headquarters Drive. Also moving to the area will be around 1,200 FedEx Office employees.

Not only have companies announced their intentions of moving headquarters to the Frisco/Prosper area, but there has been a lot of office construction popping up, too. And with office construction comes jobs. Here are a few office projects under way.

1) Hall Office Park. Hall Office Park's 16th office building was recently completed, encompassing eight stories and 200,000 square feet. Hall Office Park sits on a total of 160 acres and has over 2 million square feet of Class A office space. Not to mention, it's just down the street from The Star.

2) Frisco Bridges Place. This 170,000-square-foot office building is currently under construction on Hicks Road and the Dallas North Tollway, just southeast of Gaylord Parkway.

3) Matthews Paradise Office Project. This 275,000-square-foot project has not yet broken ground, but will be located on the northwest corner of the Dallas North Tollway and Highway 380.

4) Texas Health Resources. This medical company just purchased 10.45 acres next door to the proposed Matthews Paradise office project to build an outpatient medical center.

Retail, tons of retail

Not only are offices and medical buildings popping up in the area, but so is retail. And there have been several big developments recently completed or announced.

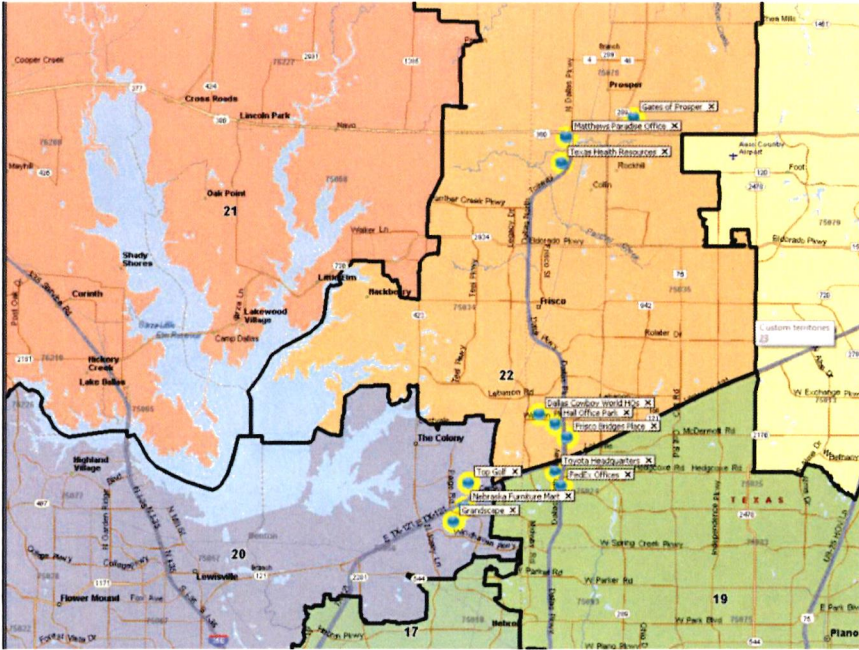
1) Nebraska Furniture Mart Development This development is in The Colony, on the southeast corner of Highway 121 and Plano Parkway, near the Frisco/Prosper submarket border. Here's a fun fact: Nebraska Furniture Mart's 1.9 million-square-foot retail and distribution center will be about the size of 27 football fields and will be able to hold 500,000 pieces of furniture. That's huge. And working in this massive retail complex are an anticipated 2,300 or more workers once all is said and done in Spring 2015.

2) Grandscape The Nebraska Furniture Mart Development is the anchor for this \$1.5 billion mixed-use development on 433 acres, according to the *Dallas Morning News*. Fun fact here, too. Grandscape will span 327 football fields and have up to 3.9 million square feet of retail, entertainment and dining space. Moreover, the city of The Colony predicts that the Grandscape facility will create 20,426 jobs over the first 40 years.

3) Top Golf This entertainment venue wrapped up construction last year.

4.) Gates of Prosper This is a 500-acre mixed-use development at the northeast corner of Highway 380 and Preston Road, by Dallas Cowboys owner Jerry Jones' Blue Star Land Co. Construction has not yet begun yet (with a target start date in early 2015), but the first phase will consist of around 300,000 square feet of retail space.

And those just name SOME of the larger commercial developments planned, under way, or recently completed.



Population growth

Another reason the Frisco/Prosper submarket is bustling with apartment construction? It's growing. According to the Frisco Economic Development Corporation, the city of Frisco's population has grown 300% since 2000. In the year-ending July 2013, the city's population grew 6.5%, to 136,791, according to the most recent Census data available. That annual growth rate made Frisco the second fastest-growing city in America.

Schools

And yet another demand driver in the area is the school districts. Specifically, Frisco has one of the fastest-growing school districts in the U.S., adding hundreds of students each year. However, Frisco Independent School District chose to limit each of its high schools to an enrollment of no more than 2,100 students. In 2013, eight of the top 10 neighborhoods for public schools in the north Texas region were in Frisco ISD.

Apartments

Let's take a look at a few apartment complexes in the Frisco/Prosper submarket. Several of the apartments are located right off the Dallas North Tollway, close to the 121 intersection.

1) **Emerson at Frisco Market Center** The Emerson at Frisco Market Center is currently under construction within the Frisco Market Center's 100-acre, mixed-use, master-planned community, near the Legacy Drive and Main Street intersection, just north of the DNT. This 410-unit project will include amenities ranging from a Doggie Oasis Pet Spa and The Cave Lounge to tanning beds and a professionally equipped athletic center.

2) **Cool Springs at Frisco Bridges** This 290-unit conventional property is located near the intersection of 121 and the DNT on Parkwood Boulevard. The property recently wrapped up construction and has studio and one-, two- and three-bedroom units available.

3) **Origin at Frisco Bridges** This 345-unit apartment project recently broke ground at the Gaylord Parkway and Parkwood Drive intersection. The property is part of a mixed-use project that will eventually house a Hyatt House hotel. Origin at Frisco Bridges will boast a variety of amenities not limited to a party cave and dog park to amplified built-in ceiling speakers in each individual unit.

Other area attractions:

1.) Toyota Stadium: Home of FC Dallas

2.) Dr. Pepper Arena: Home to Dallas Stars NHL and Texas

Tornado Hockey NAHL

3) Dr. Pepper Ballpark (pictured) Home of the Frisco RoughRiders

4) Fieldhouse USA 144,000 SF sports facility with basketball/volleyball courts, indoor soccer/football turf and 13,200 square feet of retail space)

5) Indoor Sky Diving iFly

6) Frisco Indoor Trampoline Park

7) Stonebriar Centre shopping mall

8.) IKEA furniture store

(Image by Rainchill via Wikimedia Commons)

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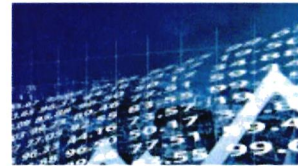
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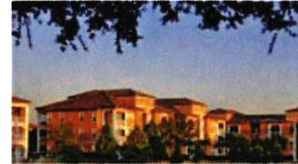
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Attachment 5

TCEQ Plans and Specifications Approvals (Question 11)

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Toby Baker, *Executive Director*



PWS_0430077_CO_20190912_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 12, 2019

Mr. Mark A. Perkins, P.E.
Perkins Engineering Consultants, Inc.
6001 Interstate 20 West
Arlington, TX 76017

Re: North Custer Road Plant - Public Water System ID № 0430077
Proposed Wells and Water Plant
Engineer Contact Telephone: (817) 719-0372
Plan Review Log № P-07172019-125
Collin County, Texas

CN: 605607753; RN: 110835733

Dear Mr. Perkins:

On July 17, 2019, the Texas Commission on Environmental Quality (TCEQ) received planning material for the proposed wells and water plant. Revised and additional information was received on August 23 and 26, 2019 via emails. 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 is **conditionally approved for construction** if the project plans and specifications meet the following requirements:

1. A copy of the recorded deed and map demonstrating that the public water system owns all of or a portion of real property within 150 feet of the well shall be obtained, in accordance with 30 TAC §290.41(c)(1)(F)(iv)(I)-(II). For any real property within 150 feet of the well not owned by the public water system, a sanitary control easement or sanitary control easements as filed at the county courthouse (bearing the county clerk's stamp) shall be obtained, as described in 30 TAC §290.41(c)(1)(F). Please provide a copy of the recorded deed and a map showing all land owned by the public water system within 150 feet of the well and for any land within 150 feet of the well not owned by the public water system provide copies of all recorded sanitary control easements with the well completion materials.
2. Three corrosive indices (Langelier Saturation Index, Ryznar Stability Index and 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.
3. Please provide design capacity, horsepower, total dynamic head, setting depth and pump curve for well pumps with well completion submittal.

4. 30 TAC §290.42(f)(1)(B) requires day tanks to be provided to minimize the possibility of severely overfeeding liquid chemicals from bulk storage facilities. Day tanks will not be required if adequate process control instrumentation and procedures are employed to prevent chemical overfeed incidents. Please provide day tanks for chemical feeds or have written procedures for adequate process control instrumentation.

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 by emailing jonathan.pi@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 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 these wells.

The submittal consisted of 37 sheets of engineering drawings, technical specifications and an engineering summary. The proposed project consists of:

- Two (2) public water supply wells drilled to 1,500 feet with 1,300 linear feet (lf) of 10-inch nominal diameter (n.d.) steel casing and pressure-cemented 1,300 lf each;
- 200 lf of 6-inch n.d. stainless steel screen, 100 lf of 6-inch n.d. blank steel liner, with 24-inch underream and 300 lf gravel pack for each well;
- Each well is anticipated to have a production capacity of 300 gallons per minute (gpm) yield. ***The design parameters of horsepower (hp), setting depth, design capacity, total dynamic head (tdh) to be determined for each well;***
- One (1) 200,000-gallon America Water Works Association (AWWA) Standard D103 factory coated bolted steel ground storage tank with an AWWA Standard D108 aluminum dome roof;
- Two (2) 10,000-gallon American Society of Mechanical Engineers Section VIII Division I welded steel hydropneumatic tanks;
- Five (5) 375-gpm service pumps with 40 hp at 196 feet tdh;
- Sodium hypochlorite disinfection equipment consisting of two (2) positive, displacement, peristaltic metering pumps with a maximum capacity of 1.8 gallons per hour each, one (1) active and one (1) standby, and two (2) 55-gallon drums with secondary containment;
- One (1) emergency power generator;
- All-weather access road and intruder-resistant fence; and
- All associated yard pipes, valves and appurtenances.

Mr. Mark A. Perkins, P.E.
Page 3
September 12, 2019

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

The North Custer Road Plant public water system provides water treatment.

The project is located is located approximately 1,400 feet southeast of the intersection of County Road 123 and Farm-to-Market Road 2479 (North Custer Road), in Collin County, Texas.

An appointed engineer must notify the TCEQ's Region 4 Office in Dallas/Fort Worth at (817) 588-5800 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the TCEQ'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 TCEQ as required in 30 TAC §290.39(h)(3).

Please refer to the Plan Review Team's Log № P-07172019-125 in all correspondence for this project.

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>

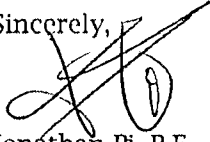
You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

Mr. Mark A. Perkins, P.E.
Page 4
September 12, 2019

If you have any questions concerning this letter or need further assistance, please contact Mr. Jonathan Pi, P.E. at (512) 239-6968 or by email at jonathan.pi@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,



Jonathan Pi, 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/JPI/sg

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

cc: AIRW 17-7, LLC, Attn: Mr. Matt Hiles, Vice President, 2505 North State Highway 360,
Suite 800, Grand Prairie, TX 75050-7803

Mr. Mark A. Perkins, P.E.
Page 5
September 12, 2019

bcc: TCEQ Central Records PWS File 0430077 (P-07172019-125/North Custer Road Plant)
TCEQ Region № 4 Office - Dallas/Fort Worth
TCEQ PWSINVEN, MC-155

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 feet, 50 feet, 150 feet, 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

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

- (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)]
- 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 tests. Maximum contaminant level (MCL) and secondary constituent level (SCL) units are in milligrams per liter (except arsenic which is in micrograms per liter). [§290.41(c)(3)(G) and §290.104 and §290.105]

Table 1: Primary Constituents with Maximum Contaminant Level (MCL)

PRIMARY	MCL
Nitrate	10 (as N)
Nitrite	1 (as N)
Arsenic	10
Fluoride	4.0

Table 2: Secondary Constituents with Secondary Contaminant Level (SCL)

SECONDARY	MCL
Aluminum	0.2
Copper	1.0
Iron	0.3
Manganese	0.05
Zinc	5.0
Total Dissolved Solids	1,000
Fluoride	2.0
Lead	N/A
Sulfate	300
Chloride	300
pH	> 7.0

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

Table 3: Water Quality 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.

Table 4: Radionuclides with Maximum Contaminant Level (MCL)

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

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.

Table 5: List of Counties where Radionuclide Testing is required

COUNTY				
Atascosa	Bandera	Bexar	Bosque	Brazoria
Brewster	Burnet	Concho	Culberson	Dallam
Dawson	Erath	Fort Bend	Frio	Garza
Gillespie	Gray	Grayson	Harris	Hudspeth
Irion	Jeff Davis	Jim Wells	Kendall	Kent
Kerr	Kleberg	Liberty	Llano	Lubbock
McCulloch	Mason	Matagorda	Medina	Midland
Montgomery	Moore	Parker	Pecos	Polk
Presidio	Refugio	San Jacinto	San Saba	Tarrant
Travis	Tyler	Upton	Val Verde	Victoria
Walker	Washington	Wichita	Williamson	Zavala

Jon Neermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janocka, *Commissioner*
Toby Baker, *Executive Director*

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 21, 2020

Mr. Randall Eardley, P.E.
Wier & Associates, Inc.
2201 East Lamar Boulevard, Suite 200E
Arlington, TX 76006

RECEIVED

JAN 27 2020

WIER & ASSOC. - ARL

Re: North Custer Road Plant - Public Water System ID No. 0430077
Proposed Distribution System - North Custer Road Plant
Engineer Contact Telephone: (817) 467-7700
Plan Review Log No. P-11222019-164
Collin County, Texas

CN: 605607753; RN: 110835733

Dear Mr. Eardley:

On November 22, 2019, the Texas Commission on Environmental Quality (TCEQ) received planning material with your letter dated November 21, 2019 for the proposed distribution system - North Custer Road Plant. 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 is **approved for construction**.

Please note, as of this date, well completion has not been approved.

The submittal consisted of 13 sheets of engineering drawings and technical specifications. The approved project consists of:

- Approximately 851 linear feet (lf) of 6-inch, American Water Works Association (AWWA) Standard C900, dimension ratio (DR) 14, polyvinyl chloride (PVC) pipe;
- Approximately 17,407 lf of 8-inch, AWWA Standard C900, DR 18, PVC pipe;
- Approximately 1,984 lf of 12-inch, AWWA Standard C900, DR 18, PVC pipe; and,
- Various valves, fittings, 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 North Custer Road Plant public water supply system provides water treatment.

The project is located southwest from the intersection of Bloomdale Road and County Road 124 in Collin County, Texas.

Mr. Randall Eardley, P.E.
Page 2
January 21, 2020

An appointed engineer must notify the TCEQ's Region 4 Office in Dallas/Fort Worth at (817) 588-5800 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-11222019-164** in all correspondence for this project.

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>

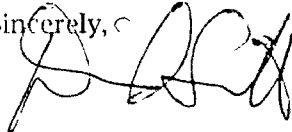
You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

Mr. Randall Eardley, P.E.
Page 3
January 21, 2020

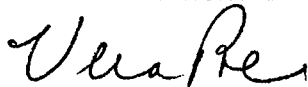
If you have any questions concerning this letter or need further assistance, please contact Ms. Fatima Selami at (512) 239-5259 or by email at Fatima.Selami@tceq.texas.gov. If you are unable to contact Ms. Selami, please contact another member of the Plan Review Team at (512) 239-4691 or by correspondence at the following:

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

Sincerely,



David T. Smith, 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/DTS/fs/SS

cc: North Custer Road Plant, Attn: Mr. Marcus Hiles, Director, 2505 North State Highway
360, Suite 800, Grand Prairie, TX 75050-7803

Attachment 6
Statement for Question 12

The City of McKinney and the City of Prosper both have CCN boundaries located within ½ mile of the outer boundary of the proposed CCN. North Custer Road Plant (TCEQ PWS# 0430077; Water System on the property) had conversations with the City of McKinney but the City of McKinney has no facilities or lines providing water service near the proposed CCN. Sewer service will be provided to the area by the City of McKinney. AIRW 2017-7, LP (owner of the property) had decertified this property from the City of McKinney's CCN under PUC Control Number 48770. In that filing it was shown that the City of McKinney has not provided water service to that property nor has facilities near the property.

The City of Prosper is also located within ½ mile of the outer boundary of the proposed CCN; The City also does not have facilities nearby making water service to the CCN not feasible.

Attachment 7

Experience and Qualifications (Questions 15, 16 & 20)



TCEQ Compliance History Search

Your search returned 1 records. The Customer's overall compliance history is displayed below.

1-1 of 1 Records

CN ▲	Customer Name	Rating	Classification	Date Rated
CN604062463	AQUA TEXAS INC	5.86	SATISFACTORY	09/01/2019

1-1 of 1 Records

[Search Again](#)

Search Criteria

CN: CN604062463

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Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order issued to
Wastewater								
TX0011332-001	B&W Gathering	Resolved	Agree Order (9/19/2018)	None	None	N/A	The facility had returned to compliance prior to the order becoming effective. The facility is in a combined order with three other facilities	Aqua Utilities
TX0014061-001	Bnarcreek	Resolved	Agreed Order (5/24/2016) - Unauthorized Discharges on the plant site (Notice of Compliance 6/14/2016)	None	None	N/A		Aqua Development
TX0014910-001	Chisholm Springs	Resolved	Agreed Order (10/9/2014) - Effluent Permit Violations (Notice of Compliance 4/4/2018)	None	None	N/A		Aqua Texas
TX0011249-001	Country Slide Estates	Open	Draft Agreed Order (5/1/2020) - Overflows due to inflow of rain water and plant condition (Rust)	Recoat or treat plant to prevent corrosion and prevent unauthorized discharges of untreated effluent	Rehabilitate the WWTP and collection system	\$ 1,200,000	End of 2020	Aqua Texas
TX00146-001	Eagle Creek Water	Open	Notice of Enforcement (4/9/2020) - Failure to properly collect composite samples	None	None	\$ -		Aqua Utilities
TX0011255-001	Greenwood Village	Resolved	Agreed order (3/9/2015) - Overflows and DMR violations	Repair Traveling Bridge and Return to compliance with permit	Aqua Texas concluded that repairs to the old plant were not going to be a reliable long term solution and is currently under construction building an entirely new plant. In addition Aqua has concluded to control flows to the WWTP it is necessary to conduct rehabilitation of the collections system	\$ 4,870,000	Temporary treatment was installed while the plant is replaced the system has generally returned to compliance. Certification of compliance with the enforcement order will not occur until the new plant is completed and in operation with three consecutive months of compliance with all permit limitations (End of 2020)	Aqua Utilities
TX0013293-001	Goforth	Open	Agreed Order (9/10/2015) - Effluent Permit Violations	Return to compliance with effluent limits	Influent ammonia levels are very high and the source could not be determined after a system wide evaluation. Aqua Texas has opted to install additional treatment at the WWTP to address the issues	\$ 150,000	Fourth Quarter of 2020	Aqua Utilities
TX0013433-001	Heron Lakes	Resolved	Agreed Order (11/19/2014) - Effluent Permit Violations Resolved (Notice of Compliance 4/30/2015)	None	None	N/A		Aqua Texas
TX0013209-001	Lake Livingston Village	Open	Agreed Order (8/8/2018) - Unauthorized Discharges	Repair collection system I&I	Repair collection system to reduce I&I - Completed investigation and currently engineer is designing solution	\$ 100,000	Nov 2020	Aqua Texas
TX0014181-001	Mahaffy Rd (Estates Willow Creek)	Resolved	Agreed Order (2/17/2016) - Effluent Permit Violations (Notice of Compliance 4/4/2018)	None	None	N/A		Aqua Texas

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX0012303-001	Oakwood Village	Resolved	Agreed Order (8/8/2018) - Effluent Permit Violations	None	None	N/A	Certification of Compliance was sent in November of 2018 awaiting TCEQ Notice of Compliance Combined order with Lake Livingston Village	Aqua Texas
TX0014141-001	Old Egypt	Resolved	Agreed Order (1/20/2016) - Effluent Permit Violations mostly from 2014 Resolved 1/10/2017	None	None	N/A		Aqua Texas
TX0011701-001	Pine Trails	Resolved	Agreed Order (8/24/2016) - Effluent permit Violations (Notice of Compliance 1/12/2018)	None	None	N/A		Aqua Texas
			USEPA Agreed Order (6/28/2016) - Effluent permit Violations (Order Closure letter dated 11/10/2018) Order was duplicative to TCEQ	None	None	N/A		
TX0014186-001	Shale Creek	Resolved	Agreed Order (9/20/2017) - Unauthorized Discharges (Notice of Compliance 8/23/2018)	None	None	N/A		Aqua Texas
		Open	Draft Agreed Order (11/26/2019) - One unauthorized discharge due to equipment failure	None	None	N/A	Repairs were made immediately and additional monitoring equipment installed	
TX0014032-001	Stable Gate	Open	Agreed Order (2/20/2020) - Effluent permit Violations	Resolve effluent violations	Aqua Texas had determined a plant rehabilitation and Improvement capital project is required	\$ 700,000	End of 2020	Aqua Texas
TX0012519-001	Timberwild	Open	Agreed order (6/20/2017) - Effluent permit Violations	Resolve effluent violations	Due to high influent CBOD it has become necessary to replace and expand the plant.	\$ 1,200,000	Mid 2020	Aqua Texas
TX0012822-001	Village Trace	Open	Agreed Order (9/19/2018) - Effluent Permit Violations caused by I&I	Resolve effluent violations	Completed investigation and currently engineer is designing solution.	\$ 225,000	End of 2020	Aqua Utilities
TX0013989-001	Woodcreek	Resolved	Agreed Order (9/19/2018)	None	None	N/A	Work is complete pending certification of compliance	Aqua Utilities
TX0014013-001	Greenfield Forest	Open	Draft Agreed Order (10/21/2019) - Effluent Permit Violations	None	None - violations due to influent from commercial properties	N/A	In compliance	Aqua Texas
TX0012222-001	Brittmoore WxNW	Open	Draft Agreed Order (1/30/2020) - Effluent Permit Violations	None	None	N/A	In compliance	Aqua Texas
Water								
TX1330126	Arrowhead Lakes & Frontier Lake	Open	Notice of Enforcement (4/2/2020) - Capacity violations	Increase well and storage capacity	Upgrade storage and well capacity	\$ 500,000	June 30, 2021	Aqua Utilities
TX1330126	Bear Paw	Pending Closure	Agreed Order (3/12/2019) - Source Capacity	Provide well capacity of at least 0.6 gpm/ connection	Drill another well - Completed	\$ 250,000	June 30, 2020	Aqua Utilities
TX1011084	Boudreaux Gardens	Resolved	Agreed Order (9/16/2014) - Arsenic MCL (Notice of Compliance 2/8/2018)	None	None	N/A		Aqua Utilities
TX2350005	Brentwood Manor	Open	Notice of Enforcement (4/22/2020)	Lower water main under stream, test backflow device	Lower main across stream	Unk	End of 2020	Aqua Texas
TX1011014	Brittmoore Utility Company	Resolved	Agreed Order (10/2/2019) - Failure to Maintain 35 psi Low pressure occurred while on an emergency interconnection with the City of Houston during well repairs	Certify compliance once order if final	None		Currently in Compliance	Aqua Utilities
TX1010532	Candlelight Hills Subdivision	Resolved	Agreed Order (5/7/2019) - Tank Inspections and monitoring for free ammonia and monochloramines weekly	Certify compliance once order if final	None		Preparing certification of compliance	Aqua Utilities
	Canyon Lake Mobile Home Estates	Open	Draft Agreed Order (4/30/2020) - Failure to receive plan approval before plant upgrades were completed	Submit as built plans for approval	Submit as built plans for approval	\$ 5,000	9/30/2020	
TX0360093	Carriage Trails	Resolved	Agreed Order (1/31/2017) - Paperwork violations (Notice of Compliance 1/31/2017)	None	None	N/A		Aqua Utilities

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX0200190	Centennial Place	Resolved	Agreed Order (8/24/2016) - Pressure tank capacity violation and paperwork issues	None	None	N/A		Aqua Utilities
TX1700555	Cimarron Country	Resolved	Agreed Order (2/27/2018) - Water quality monitoring and corrosion control (Notice of Compliance 3/16/2018)	None	None	N/A		Aqua Texas
TX2200045	Cottonwood Hill Est	Resolved	Agreed Order (9/25/2018) - Failure to maintain adequate chlorine residual (Certification of Compliance 10/15/2018)	None	None	N/A		Aqua Utilities
		Resolved	Agreed Order (12/4/2018) - Exceedances of the radionuclide MCL due to natural radium	Reduce Radium levels below the MCL	construct improvements to system source water blending	\$ 75,000	8/31/2020	Aqua Utilities
TX1010947	Cricket Hill Estates	Open	Agreed Order (9/24/2019) Maintenance of as-built drawings that were never provided at acquisition (Notice of Compliance 10/11/2019)					Aqua Utilities
TX1010254	Cypress Place	Open	Draft Agreed Order (4/22/2020) - Records Retention	TCEQ wants well completion data for very old wells drilled before Aqua TX owned the system	TBD	Unk	unk	Aqua Utilities
TX0860098	Deerwood Subdivision	Resolved	Agreed Order (10/30/2019) Failure to have as built plans. Record drawings completed March 2019 (Notice of Compliance 11/1/2019)	None	None	N/A	Currently in Compliance	Aqua Utilities
TX1260092	Garden Acres	Resolved	Agreed Order (11/4/2019) - Failure to have a contract with supplier of water (who is prohibited in providing same)	None	None	N/A		Aqua Utilities
		Open	Agreed Oder (1/14/2020) - Failure to have sufficient well capacity. Drilled the well to resolve contract issue but below TCEQ required volume	Increase source capacity	Aqua is trying to secure land to drill another well	Unk	End of 2020	Aqua Utilities
TX0360100	Hackberry Creek	Resolved	Agreed Order (7/7/2017) - Arsenic MCL (Notice of compliance 1/12/2018)	None	None	N/A		Aqua Utilities
TX0860005	Harper Road Estates	Open	Agreed Order (10/16/2018) - Well Capacity, GST leak, Fence issues& Booster Capacity	Increase well capacity	Land purchased awaiting permit from GWCD to drill well	\$ 275,000	End of 2020	Aqua Utilities
TX0200349	Heights Country Subd	Resolved	Agreed Order (6/7/2016) - Pressure tank inspection (Notice of Compliance 3/3/2017)	None	None	N/A		Aqua Utilities
TX2200090	Heritage Oaks	Open	Draft Agreed Order (4/3/2020) - Insufficient Well Capacity Violation	Increase well capacity	Drill well or find alternate source	Unk	End of 2021	Aqua Utilities
TX2270173	Hill Country NW Cherry Hollow	Resolved	Agreed Order (11/2/2016) - Exceedance of radiological MCLs due to naturally occurring radium. (Return to Compliance 1/13/2017)	None	None	N/A		Aqua Utilities
		Open	Agreed Order (9/19/2017) - Insufficient elevated storage	Increase effective elevated storage	Engineering ongoing to add a third pressure plane through the use of a new booster station thereby increasing the effective elevated storage	\$ 250,000	End of 2020	Aqua Utilities
TX1160028	Holiday Estates	Resolved	Agreed Order (10/4/2017) - Violation of HAA5 MCL due to supplier of water providing non-compliant water. This is a purchased water system with no facilities (Returned to Compliance with 2/28/2017 sample.) Yes, AO was 8 months after returning to compliance	None	None	N/A		Aqua Development

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX1330011	Ingram	Resolved	Agreed Order (2/14/2017) - Insufficient well capacity and leaks in storage tanks. Well Capacity has been resolved and 2 of 3 tanks have been replaced	Maintain all tanks in water tight condition	Complete construction on last tank replacement	\$225,000 (2019) \$275,000 (2018) \$575,000 (2017)	End of 2019	Aqua Utilities
TX1840016	La Junta	Open	Draft Agreed Order (1/31/2020) - Insufficient Well Capacity Violation	Increase well capacity	Drill well or find alternate source	Unk	End of 2021	Aqua Utilities
TX1700543	Lake Conroe Village	Open	Draft Agreed Order (8/16/2019) - water plant capacity violations	provide additional well, storage and booster pump capacity	Aqua has decided to replace and/or upgrade the entire water production facility due to limits in size and condition	\$250,000 (2019) \$650,000 (2020)	End of 2020	Aqua Utilities
TX0360081	Leaning Oaks	Resolved	Agreed Order (2/14/2017) - Various paperwork violations, paint condition on pressure tanks and insufficient well capacity (Certification of Compliance 12/12/2017) System had interconnection and was merged into another Aqua system	None	None	N/A		Aqua Utilities
TX1340019	London	Resolved	Draft Agreed Order (2/7/2019) - Exceedances of radionuclide MCL, naturally occurring gross Alpha Aqua has already drilled a new well to use for blending with existing source	Return to compliance with MCL	None	\$ 150,000	End of 2019	Aqua Utilities
TX2200208	Lunar Lane	Resolved	Agreed Order (12/6/2016) - Failure to have fence around well that was on a residential lot surrounded by a stone wall (Certification of Compliance - 1/5/2017)	None	None	N/A		Aqua Utilities
TX0200347	Meadowland Subdivision	Resolved	Agreed Order (8/4/2015) - Well Capacity violations	None - received both an alternative capacity requirement and drilled another well	None		Work is complete pending certification of compliance	Aqua Utilities
TX0200227	Mooreland Subdivision Blks 1 - 4	Resolved	Agreed Order (7/12/2016) - Missing Tank inspections, Map and manuals (Notice of Compliance received 7/25/2017)	None	None	N/A		Aqua Utilities
TX0860086	Northwest Hills	Open	Agreed Order (4/10/2018) - As built plans, source capacity, sanitary control easements Built a new water plant in 2018	Obtain sanitary control setback or gain an exception	Will file for an exception	\$393,259 (2018)		Aqua Utilities
TX0200146	Oak Bend Estates	Resolved	Agreed Order (5/24/2016) failure to have a plant operations manual (Notice of Compliance 2/8/2017)	None	None	N/A		Aqua Utilities
TX1460100	Oak Meadows Subdivision II & III	Resolved	Agreed Order 2/2/2016 - Capacity violations (Notice of Compliance 1/16/2018)	None	None	N/A		Aqua Utilities
TX1110084	Ridge Utilities	Open	Agreed Order (10/30/2019) - Source capacity violations	Increase well capacity	Interconnect with Kenwood (An Aqua System)	\$ 60,000	6/30/2020	Aqua Texas
TX0270141	Rio Ancho	Open	Draft Agreed Order (2/21/2020) - Failure to maintain adequate system pressure	Enforce watering schedules on customers using excessive water for irrigation	None		8/1/2020	Aqua Utilities
TX0790396	Rose Meadows III	Resolved	Agreed Order (4/10/2018) - Leaking tank and paperwork (Certification of Compliance 4/19/2018)	None	None	N/A		Aqua Utilities

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order issued to
TX1840130	Saddle Club	Resolved	Agreed Order (3/15/2015) - Violation so of the Radium & Gross Alpha MCL (Certification of Compliance 2/19/2019) (returned to compliance with MCL Sept 2018)	None	None	N/A		Aqua Utilities
TX2460046	San Gabriel River Ranch	Resolved	Agreed Order (8/2/2016) - Well capacity violations (Certification of Compliance - 11/6/2017)	None	None	N/A		Aqua Utilities
TX2270054	Sandy Creek Ranches	Open	Agreed Order (12/4/2015) - Well Capacity violations Since the order became effective two new wells have been drilled Growth has required additional well capacity	Secure additional source capacity	Aqua has secured additional property to drill two new wells	\$ 900,000	End of 2021	Aqua Utilities
TX0610218	Spring Hill	Resolved	Agreed Order (9/19/2018) - Alleged discharge of wastewater Water from the well blow off went to the ditch and contained sand in it	None	None	N/A	This is a combined order with three other facilities and all must returned to compliance before order can be closed	Aqua Utilities
		Open	Agreed Order (11/27/2018) - Well Capacity Violations	Increase well capacity	Property purchase is being finalized Well design and construction to follow	\$ 600,000	End of 2020	Aqua Utilities
TX1230083	Sunchase Subdivision	Resolved	Agreed Order (7/16/2019) - Chlorine residual maintenance due to chemical feed pump failure (Notice of Compliance 7/24/2019)	None	None	N/A		Aqua Texas
TX1700641	Timberloch Estates	Resolved	Agreed Order (6/21/2016) - Well capacity Violations (Notice of Compliance 4/25/2017)	None	None	N/A		Aqua Texas
TX0610203	Trail Creek	Resolved	Agreed Order (8/1/2017) - Violations of minimum pressure Excessive irrigation resulted in low pressure incidents Transmission main up sized to accommodate (Notice of Compliance - 7/20/2018)	None	None	N/A		Aqua Utilities
TX0360084	Trinity Cove	Resolved	Agreed Order 2/22/2016 - Well capacity violations (Notice of Compliance 1/12/2018)	None	None	N/A		Aqua Utilities
TX1300034	Walnut Hills	Resolved	Draft Agreed Order (1/22/2019) Failure to have as built plans Record drawings completed November 2018 Notice of Compliance received 10/8/2019	None	None	N/A	Currently in Compliance	Aqua Utilities
TX1260101	Walden Estates	Open	Draft Agreed Order (2/10/2020) - Well Capacity Violations	Increase well capacity	Drill or upgrade well	Unk	End of 2021	Aqua Utilities
TX1700128	Walnut Springs	Open	Notice of Enforcement - (5/21/2020) Small leak on pressure tank valve	Fix leak	Aqua Texas intended to replace the pressure tank and saw no reason to repair a minor leak and cause the system to be depressurized when the valve would be replaced with the new tank	\$ 120,000	9/1/2020	Aqua Texas
TX1013195	Walraven Subdivision	Resolved	Agreed Order (4/6/2015) - Gross Alpha MCL violations	None	None	N/A		Aqua Development
		Open	Proposed Agreed Order (1/6/2020) - Gross Alpha MCL violations	None	None	na	Well repaired in 2019	Aqua Texas
TX0930042	West Magnolia Forest	Resolved	Agreed Order (7/1/2014) - Well Capacity Violations (Notice of Compliance 9/9/2015)	None	None	N/A		Aqua Utilities
TX0200254	Westwood Subd	Open	Proposed Agreed Order (4/25/2019) - well and pressure tank capacity violations	Increase well capacity and Pressure tank capacity	Upgrade pressure tank and rehabilitate well	\$ 75,000	End of 2019	Aqua Utilities
TX0200019	Weybridge Subd	Resolved	Agreed Order (3/21/2017)- Inspection violations for records maintenance and sanitary control easement exception (Notice of Compliance 1/12/2018)	None	None	N/A		Aqua Utilities

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX0200229	Windsong	Open	Draft Agreed Order (8/7/2019) - Source water capacity and as built plans	Provide 1.5 gpm/connection well capacity	Rehabilitate two wells and install new pressure tank	\$ 50,000	Complete	Aqua Utilities
TX1840138	Woodlands of Parker Co & Old B	Resolved	Agreed Order (3/20/2018) - Late submission of corrosion control and source water recommendations (Returned to Compliance before order was effective)	None	None	N/A		Aqua Development

1050027 BR
Chavez

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

November 19, 2014

RECEIVED
NOV 21 2014

BY:

Mr. Scot Foltz, Regulatory and Compliance Manager
Aqua Utilities, Inc.
1109 Clayton Lane
Austin, Texas 78723

Re: Notice of Compliance with Agreed Order
Aqua Utilites, Inc.; RN102682341
Docket No. 2014-0511-PWS-E; Enforcement Case No. 48526

Dear Mr. Foltz:

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 Utulites, Inc. has fulfilled the requirements of the Agreed Order effective on September 22, 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 terminate on September 22, 2019, provided Aqua Utilities, Inc. maintains compliance with all terms and conditions of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Mr. Michael Tucker at (512) 239-6924.

Sincerely,

Carmen Pedraza, Work Leader
Enforcement Division

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

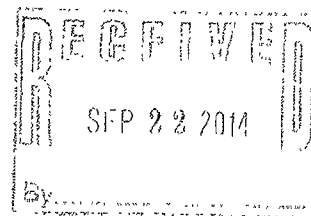


Chapman, -1850029
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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 19, 2014



CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Scot Foltz, Regulatory and Compliance Manager
Aqua Utilities Inc.
1109 Clayton Lane
Austin, Texas 78723

Re: TCEQ Enforcement Action
Aqua Utilities Inc.
Docket No. 2014-0511-PWS-E

Dear Mr. Foltz:

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 of this Agreed Order is three days after the date printed at the top of this letter.

Should you have any questions, please contact Raymond Mejia, the Enforcement Coordinator assigned to this matter, at (512) 239-5460.

Sincerely,

A handwritten signature in cursive script that reads "Candice Garrett".

Candice Garrett
Enforcement Division

Enclosure

cc: Raymond Mejia, 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.
RN102682341

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

AGREED ORDER
DOCKET NO. 2014-0511-PWS-E

I. JURISDICTION AND STIPULATIONS

On SEP 17 2014, 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 off Bliss Spillar Road, southwest of Manchaca, Hays County, Texas (the "Facility") that has approximately 146 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 or about March 26, 2014.
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 One Thousand Five Hundred Twenty-Three Dollars (\$1,523) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid One Thousand Two Hundred Nineteen Dollars (\$1,219) of the administrative penalty and Three Hundred Four Dollars (\$304) 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:

1. Failed to provide the results of the triennial synthetic organic chemical contaminants (methods 504, 515.4, and 531.1) sampling to the Executive Director and failed to provide public notification regarding the failure to provide triennial synthetic organic chemical monitoring results for the January 1, 2010 to December 31, 2012 monitoring period, in violation of 30 TEX. ADMIN. CODE §§ 290.107(e) and 290.122(c)(2)(A), as documented during a record review conducted on March 10, 2014.
2. Failed to collect the triennial metal and mineral samples and provide the results to the Executive Director and failed to provide public notification regarding the failure to collect triennial metal and mineral samples for the January 1, 2010 to December 31, 2012 monitoring period, in violation of 30 TEX. ADMIN. CODE §§ 290.106(c)(4) and (e) and 290.122(c)(2)(A), as documented during a record review conducted on March 10, 2014.
3. Failed to provide the results of the annual nitrate sampling to the Executive Director and failed to provide public notification regarding the failure to provide annual nitrate results for the 2012 monitoring period, in violation of 30 TEX. ADMIN. CODE §§ 290.106(e) and 290.122(c)(2)(A), as documented during a record review conducted on March 10, 2014.

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. 2014-0511-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 30 days after the effective date of this Agreed Order:
 - i. Ensure that all delinquent drinking water chemical analysis results are reported to the Executive Director or demonstrate that a compliance schedule has been established, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants) and 290.107 (Organic Contaminants);
 - ii. Implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that future drinking water chemical sample results are collected, analyzed by the Facility's laboratories, and reported to the Executive Director within ten days of Executive Director request or of their receipt by the Facility, whichever is later, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants) and 290.107 (Organic Contaminants); and
 - iii. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to persons served by the Facility, including but not limited to providing public notification regarding the failure to provide triennial synthetic organic chemical monitoring results, collect triennial metal and mineral samples, and provide annual nitrate results, in accordance with 30 TEX. ADMIN. CODE § 290.122.
 - b. Within 45 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 Provisions Nos. 2.a.i through 2.a.iii. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

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

Bryan Sinclair
For the Executive Director

9/17/2014
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

6/26/2014
Date

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

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.

Jay

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



PWS/1330036 /CO

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 9, 2013

Mr. Larry E. Mitchell
Aqua Texas, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

Re: Erlund Subdivision - Public Water System ID No. 1330036
85% Planning Report
Engineer Contact Telephone: (512) 990-4400
Plan Review Log No. P-02192013-081
Kerr County, Texas

CN602787509; RN102677820

RECEIVED
APR 13 2013

BY:

Dear Mr. Mitchell:

On February 19, 2013, the Texas Commission on Environmental Quality (TCEQ) received your letter dated February 15, 2013 submitting a 85% planning report for the above referenced public water system. Based on the information submitted, the water system has generally complied with 30 Texas Administrative Code (TAC) Chapter 291.93(3), Subchapter F.

The water system currently has 246 active connections and, according to your letter, all required capacities, except well capacity are below 85% of its existing capacity. Currently, the well capacity is 160 gallon per minute (gpm) and the required capacity for this system is 147 gpm, which is at 92% of its current existing capacity. Your letter indicated the water system is built out and is not planning to make any improvements in the water system.

Please refer to the TCEQ Utilities Technical Review Team's Log Number P-02192013-081 in all correspondence for this project.

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals. 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.

<http://www.tceq.texas.gov/utilities/planrev.html>

Mr. Larry E. Mitchell
Page 2
April 9, 2013

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 on the Internet at the following address:

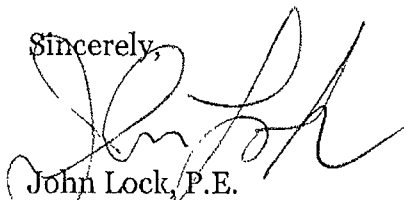
<http://www.tceq.texas.gov/utilities/planrev.html#status>

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

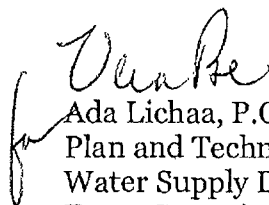
If you have any questions concerning this letter or need further assistance, please contact Pritesh Tripathi at (512)239-3794 or by email at "priteshtripathi@tceq.texas.gov" or by correspondence at the following address:

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

Sincerely,



John Lock, P.E.
Utilities Technical Review Team, MC-159
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality



Ada Lichaa, P.G., Manager
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

PT/JL/AL/av

cc: TCEQ Central Records PWS File 1330036
TCEQ Region No.13 Office - San Antonio

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



Julie W...
Jan 26

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

June 26, 2014

CERTIFIED MAIL

RECEIVED
JUN 27 2014
BY:

R. L. Laughman, President
Larry Mitchell, Compliance Manager
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723-2476

RE: Aqua Utilities, Inc.
TCEQ Docket No. 2013-2043-PWS-E; Registration No. 1330154
Agreed Order Assessing Administrative Penalties and Requiring Certain Action

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

Questions regarding the order should be directed to the Enforcement Coordinator or the Staff Attorney. If there are questions pertaining to the mailing of the order, then please contact Leslie Gann of the Texas Commission on Environmental Quality's Office of the Chief Clerk (MC 105) at (512) 239-3319.

Sincerely,

Bridget C. Bohac

Bridget C. Bohac
Chief Clerk

BCB/lg

Enclosure

cc: Lisa Westbrook, Staff Attorney, TCEQ Litigation Division

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN102678950

§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2013-2043-PWS-E

At its JUN 18 2014 agenda, 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 agreement to the Commission.

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

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

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

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply located five miles west of Comfort on United States Highway 87 in Kerr County, Texas (the "Facility") that has approximately 101 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted on September 30, 2013, TCEQ staff documented that the running annual average concentration for combined radium-226 and radium-228 was 6 picoCuries per liter ("pCi/L") for the first quarter 2012 and 6 pCi/L for the first quarter of 2013 at entry point No. 1, and the running annual average concentration for the combined radium-226 and radium-228 was 6 pCi/L for the fourth quarter of 2012 and 6 pCi/L for the first quarter of 2013 at entry point No. 2.
3. The Respondent received notice of the violations on October 21, 2013.
4. The Executive Director recognizes that on September 5, 2012, the Respondent gained conditional approval from the TCEQ for a pilot study to remove the combined radium-226 and radium-228 from the entry point No. 1 and entry point No. 2.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to comply with the maximum contaminant level ("MCL") of 5 pCi/L for combined radium-226 and radium-228, 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, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of Nine Hundred Ninety Dollars (\$990) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). Nine Hundred Ninety Dollars (\$990) of the administrative penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order and shall be waived only upon full compliance with all the the terms and conditions contained in this Agreed Order. If the Respondent fails to timely and satisfactorily comply with any requirement contained in this Agreed Order, the deferred amount of the administrative penalty shall become immediately due and payable without demand or notice, and the Executive Director may request the Respondent to pay all or part of the deferred administrative penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Nine Hundred Ninety Dollars (\$990) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2013-2043-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 Agreed 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.e.;
 - b. Within 180 days after the effective date of this Agreed Order, and on a semi-annual basis thereafter, submit progress reports to the addresses listed in Ordering Provision No. 2.e. below. These reports shall include information regarding actions taken to provide water which meets the MCL for combined radium-226 and radium-228;
 - c. Within 195 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.e. below to demonstrate compliance with Ordering Provision No. 2.a.;
 - d. Within 1,095 days after the effective date of this Agreed Order, return to compliance with the MCL for combined radium-226 and radium-228, in accordance with 30 TEX. ADMIN. CODE § 290.108; and
 - e. Within 1,110 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.d. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

and to:

Technical Review and Oversight Team
Water Supply Division, MC 159
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. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

6. 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.
7. 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.
8. 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.
9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Bryan W. Shaw
For the Commission

Pamela Martin
For the Executive Director

5/2/14
Date

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

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

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

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

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

LM R.L. Laughman
Signature

February 6, 2014
Date

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

President
Title

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

Fallen of water - JH

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

August 20, 2014

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

Re: Notice of Compliance with Agreed Order
Aqua Utilities, Inc.; RN102678950
Docket No. 2013-2043-PWS-E; Enforcement Case No. 47915

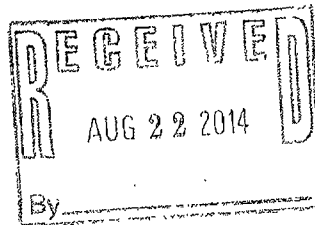
Dear Mr. Laughman:

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 June 29, 2014. Specifically, Aqua Utilities, Inc. has fulfilled the technical requirements of 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 terminate on June 29, 2019, provided Aqua Utilities, Inc. maintains compliance with all terms and conditions of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Mr. Ryan Byer at (512) 239-2571.

Sincerely,

Carmen Pedraza, Work Leader
Enforcement Division



cc: Manager, Water Section, San Antonio Regional Office, TCEQ
Mr. Larry Mitchell, Compliance Manager, Aqua Utilities, Inc., 1106 Clayton Lane,
Suite 400W, Austin, Texas 78723-2476

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

PWS_0100047_CO_20160624_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 24, 2016

Mr. Scot W. Foltz
Aqua Utilities, Inc.
1106 Clayton Ln., Ste. 400W
Austin, TX 78723

RECEIVED

6/27/16

Re: Lakewood Water - Public Water System ID No. 0100047
85% Rule Planning Report
Engineer Contact Telephone: (512) 990-4400
Plan Review Log No. P-04252016-134
Bandera County, Texas

TX ADMIN-AUSTIN

CN602787509; RN102674728

Dear Mr. Foltz:

On April 25, 2016, the Texas Commission on Environmental Quality (TCEQ) received your 85% planning report. Your report indicates that, based on 224 connections, the provided existing pressure tank capacity (91%) has exceeded the 85% Rule. **Your action plan consists of the following:**

- Add additional pressure tank capacity prior to reaching 250 connections (100%), which is anticipated to be five years out.

Please submit plans and specifications prior to construction.

The Lakewood Water public water supply system provides treatment.

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 §290.39(h)(3).

Please refer to the Plan Review Team's Log No. **P-04252016-134** 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:

Mr Scott W. Foltz
Page 2
June 24, 2016

<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:

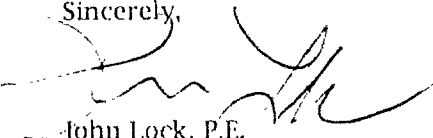
<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>

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


If you have any questions, please contact John Lock at (512)239-4710 or by email at john.lock@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/av

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



PWS 2270043
Blair Camp PR
M. J.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

RECEIVED
FEB 10 2013
AQUA TEXAS

February 6, 2013

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

Re: Aqua Utilities, Inc. dba AquaTexas, Inc.; RN101721702
Docket No. 2012-1296-PWS-E; Case No. 44405

Dear Mr. Laughman:

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 February 13, 2013. 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: Anne Ruthstrom, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Please reference Docket No. 2012-1296-PWS-E in your correspondence. If you have any questions, please contact me by phone at (512) 239-0855 or by fax at (512) 239-0134.

Sincerely,

A handwritten signature in black ink, appearing to read "Anne Ruthstrom".

Anne Ruthstrom, Enforcement Coordinator
Enforcement Division

cc: Manager, Water Section, Austin Regional Office, TCEQ
Mr. Larry Mitchell, Environmental Coordinator, Aqua Texas, Inc., 1106 Clayton Lane, Suite 400 W, Austin, Texas 78723-2476

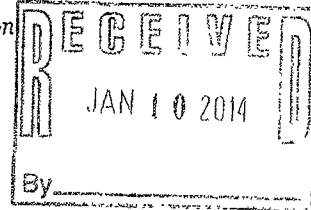
Bryan W. Shaw, Ph.D., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



Bear Creek - 7270043
Pro. s. i.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution



January 8, 2013

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

Re: Notice of Compliance with Agreed Order
Aqua Utilities, Inc. dba Aqua Texas, Inc.; RN101721702
Docket No. 2012-1296-PWS-E; Enforcement Case No. 44405

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. dba Aqua Texas, Inc. has fulfilled the requirements of the Agreed Order effective on February 3, 2013. Specifically, Aqua Utilities, Inc. dba 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 terminate on February 3, 2018, provided Aqua Utilities, Inc. dba Aqua Texas, Inc. maintains compliance with all terms and conditions of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Ms. Anne Ruthstrom at (512) 239-0855.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carmen Pedraza".

Carmen Pedraza, Work Leader
Enforcement Division

cc: Manager, Water Section, Austin Regional Office, TCEQ
Mr. Larry E. Mitchell, Environmental Compliance Coordinator, Aqua Texas, Inc.,
1106 Clayton Lane, Suite 400 West, Austin, Texas 78723-2476
Mr. Steve Blackhurst, P.E., Regulatory and Compliance Manager, Aqua Utilities,
Inc., 1106 Clayton Lane, Suite 400 West, Austin, Texas 78723-2476



J

December 8, 2014

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

Re: Aqua Texas, Inc. TCEQ Docket No. 2013-2123-PWS-E; Registration No. 1780019; Agreed order Assessing Administrative Penalties and Requiring Certain Actions

Dear Sir or Madam:

As required in the referenced Agreed Order, Aqua Texas has begun the process of negotiating a water purchase contract to help ensure the facility can maintain compliance with the TTHM MCL.

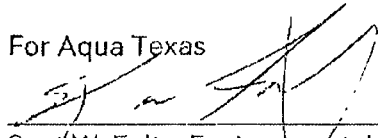
The following documents to meet ordering provisions 2.a.:

- Email from Mr. Brent Reeh, Area Operations Manager – Aqua Texas, to Nueces WSC requesting a contract.
- Nueces WSC Board Agenda where the request was discussed and approved for further negotiation.

Provision 2.b. states within 105 days after the effective date of this Agreed Order, submit written certification with the above order.

"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."

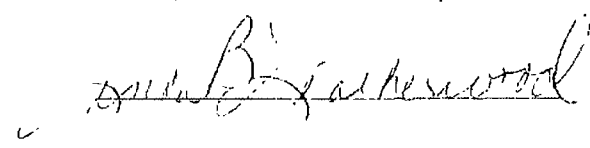
For Aqua Texas

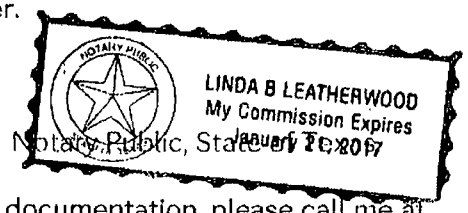


Scot W. Foltz, Environmental Compliance Manager

State of Texas
County of Travis

This instrument was acknowledge before me this 8th day of December 2014 by
Scot W. Foltz, Environmental Compliance Manager.





Should you have any questions or need additional documentation, please call me at
512-990-4400, extension 56101, or contact me by e-mail at
swfoltz@AquaAmerica.com.

Sincerely,

Scot W. Foltz,
Environmental Compliance Manager

SWF
Attachments

- cc: Public Drinking Water Section Manager, TCEQ
- Technical Review and Oversight Team, TCEQ
- Brian Robinson, Field Supervisor, Central Texas Region
- Brent Reeh, Area Manager, Central Texas Region
- Mike Pickel, Senior Engineer and Environmental Compliance, Aqua America, Inc

Foltz, Scot W.

From: Reeh, Brent C.
Sent: Monday, December 08, 2014 8:23 AM
To: Foltz, Scot W.
Subject: FW: Golden Acres - Wholesale Water Contract - Renewal

From: Carola Serrato [<mailto:cserrato@stwa.org>]
Sent: Monday, November 03, 2014 4:12 PM
To: Reeh, Brent C.
Subject: RE: Golden Acres - Wholesale Water Contract - Renewal

Brent,

Unfortunately, we are finalizing an agenda for this Friday as I write this response. But, we will be meeting again before the end of the year to adopt a FY 15 budget and amend the current FY 14 budget.

It appears that there are three (3) items that would need to be placed on the agenda.

The Board will likely be willing to renew the current contract for the next 10 years after reviewing the current rates.

With regards to the last item pertaining to purchasing the system, I don't believe that their opinion will have changed from the previous one that they have expressed, which is that they are not interested in purchasing the system unless Aqua Utilities makes the necessary upgrades.

I am not certain about your comment on the disinfection byproducts. The last quarter's TTHM results exceeded the 80 ppb but not enough to exceed the running quarterly average. We have taken samples since and the levels are below the 80 ppb. Precisely what do you mean by "how would you like Aqua to have these items addressed"? Do you not have your own results that are being collected and do those coincide exactly with the same dates as NWSC? You can view NWSC's results on the TCEQ website to see that the Corporation had not experienced problems in quite some time.

Carola G. Serrato
NWSC General Manager

From: Reeh, Brent C. [<mailto:BCReeh@aquaaamerica.com>]
Sent: Monday, November 03, 2014 3:44 PM
To: Carola G. Serrato
Subject: Golden Acres - Wholesale Water Contract - Renewal

Carola,

I was going through all my contracts for wholesale water and saw that our contract with Nueces Water Supply Corp expired, February 20, 2014. Aqua would like to extend the contract for an additional 10 years. Attached is the expired water contract for your review.

FYI –

We have noticed there have been several months of lab results for TTHM and chloramines that have not been to TCEQ regulations. In the future how would you like Aqua to have these items addressed?

Also, Aqua is once again wanting to see if there is any interest in NWSC purchasing the Golden Acres water system. What does Aqua need to do to have this placed on the next Board agenda? And when is the next NWSC Board meeting, time and date?

Thanks,
Brent

AQUA.

Brent C. Reeh
CTX Area Manager
3209 Hillbilly Lane
Austin, Texas 78746
512.330.9904 - Office
512.330.9784 - FAX

NUECES WATER SUPPLY CORPORATION

MEMORANDUM

TO: Nueces Water Supply Corporation Board of Directors
FROM: William Staff, President
DATE: November 17, 2014
SUBJECT: Nueces Water Supply Corporation Meeting Notice and Agenda

A Regular Meeting of the Nueces Water Supply Corporation Board of Directors is scheduled for:

Friday, November 21, 2014
10:00 a.m.
South Texas Water Authority Boardroom
111 Sage Road
Kingsville, Texas

to consider and act upon any lawful subject which may come before it, including among others, the following:

Agenda

1. Call to order.
2. Citizen comments.
3. Approval of Minutes. (Attachment 1)
4. Treasurer's Report/Payment of Bills. (Attachment 2)
5. Fiscal Year 2014 Budget Amendments. (Attachment 3)
6. Proposed Fiscal Year 2015 Budget and retail water rates. (Attachment 4)
7. **Resolution 14-04.** Resolution adopting the recommended Fiscal Year 2015 Budget. (Attachment 5)
8. Management Contract with South Texas Water Authority.
9. TCEQ Enforcement Action and Wholesale Water Supply Contract with South Texas Water Authority. (Attachment 6)
10. All matters pertaining to TxDOT Upgrades to Hwy 77 to I-69 standard from Driscoll to Kingsville and from Robstown to Driscoll. (Attachment 7)
11. NWSC Election Procedures for Members' Meetings. (Attachment 8)

P.O. BOX 415
KINGSVILLE, TEXAS 78364-0415

NWSC Agenda 11/21/2014
Page 1 of 2

(361)592-1720
TOLL FREE # 1-866-543-5333
FAX (361)692-0338 or (361)592-5965

12. TCEQ Notice of Lead and Copper Rule Monitoring Violation. (Attachment 9)

13. Extension of contract with Aqua Utilities for service to Golden Acres and purchase of Golden Acres Water System. (Attachment 10)

14. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

WS/CGS/fvr
Attachment

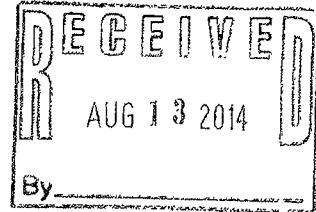
Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



*Yella Acres
Bren*

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

August 12, 2014



CERTIFIED MAIL

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

RE: Aqua Utilities, Inc.
TCEQ Docket No. 2013-2123-PWS-E; Registration No. 1780019
Agreed Order Assessing Administrative Penalties and Requiring Certain Action

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

Questions regarding the order should be directed to the Enforcement Coordinator or the Staff Attorney. If there are questions pertaining to the mailing of the order, then please contact Leslie Gann of the Texas Commission on Environmental Quality's Office of the Chief Clerk (MC 105) at (512) 239-3319.

Sincerely,

Bridget C. Bohac

Bridget C. Bohac
Chief Clerk

BCB/lg

Enclosure

cc: Jim Fisher, Enforcement Coordinator, TCEQ Enforcement Division

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



AUG 12 2014

**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN102671880**

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

**AGREED ORDER
DOCKET NO. 2013-2123-PWS-E**

At its AUG 06 2014 agenda, 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 agreement to the Commission.

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

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

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

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply at 779 County Road 77 in Nueces County, Texas (the "Facility") that has approximately 60 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted on October 28, 2013, TCEQ staff documented that the locational running annual average concentrations of total trihalomethanes ("TTHM") for Stage 2 Disinfectant Byproducts at Site 1 were 0.107 milligrams per liter ("mg/L") for the fourth quarter of 2012, 0.148 mg/L for the first quarter of 2013, 0.135 mg/L for the second quarter of 2013, and 0.117 mg/L for the third quarter of 2013.
3. The Respondent received notice of the violations on or about November 19, 2013.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to comply with the maximum contaminant level ("MCL") of 0.080 mg/L for TTHM, based on the locational running annual average, in violation of 30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of Three Hundred Sixty-Six Dollars (\$366) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). Three Hundred Sixty-Six Dollars (\$366) of the administrative penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order and shall be waived only upon full compliance with all the terms and conditions contained in this Agreed Order. If the Respondent fails to timely and satisfactorily comply with any requirement contained in this Agreed Order, the deferred amount of the administrative penalty shall become immediately due and payable without demand or notice, and the Executive Director may require the Respondent to pay all or part of the deferred administrative penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Three Hundred Sixty-Six Dollars (\$366) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order