

Attachment 3

List of Customer Deposits

Part B5

**Confidential Documents
to be submitted separately**

Attachment 4
Partnership Agreement
Part C: Question 7

**AGREEMENT OF LIMITED PARTNERSHIP
OF
TECON WATER COMPANY, L.P.**

This **AGREEMENT OF LIMITED PARTNERSHIP** of TECON WATER COMPANY, L.P., a Texas limited partnership, is made as of this the 10th day of December, 2001, between Texas Water Services Group, LLC, a Texas limited liability company (referred to hereinafter as "TWSG" or the "General Partner"), and Tecon Water Companies, Inc., a Texas corporation (referred to hereinafter as "Tecon" or the "Limited Partner").

WHEREAS, TWSG and Tecon desire to form a limited partnership for the purpose of engaging in the water and sewer utility business in the State of Texas and for such other lawful purposes as such parties may determine;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements herein contained, the parties hereto hereby agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. As used in this Agreement, the following terms have the respective meanings indicated, unless the context otherwise requires. Defined terms in this Agreement include both the singular and plural of such terms.

"Act" shall mean the Texas Revised Limited Partnership Act, as amended.

"Agreement" shall mean this Agreement of Limited Partnership as it may be amended or supplemented from time to time.

"Bankruptcy" shall mean, with respect to a Partner, the commencement of any bankruptcy or insolvency case or proceeding against such Partner which shall continue and remain unstayed and in effect for a period of sixty (60) consecutive days, or the filing by such Partner of a petition, answer or consent seeking relief under any applicable Federal or state bankruptcy, insolvency or similar law.

"Capital Account" shall mean, for each Partner, a separate account that is:

(a) increased by (i) the amount of such Partner's Capital Contribution and (ii) allocations of profit to such Partner; and

(b) decreased by (i) the amounts distributed to such Partner by the Partnership, and (ii) allocations of Loss to such Partner.

"Capital Contribution" shall mean, for any Partner, the sum of the net amount of cash and the fair market value of any other property contributed by such Partner to the capital of the Partnership.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Dissolution" of a Partner which is not a natural person shall mean that such Partner has terminated its existence (whether as a partnership, corporation or other legal entity) and dissolved; provided, however, that a change in the membership of a Partner that is a partnership shall not constitute a "Dissolution" of such Partner, so long as the business of the Partner is continued in partnership form, regardless of whether such Partner is deemed technically dissolved for partnership or tax law purposes.

"Event of Default" shall mean any failure by the General Partner to fulfill its obligations under this Agreement or any violation by the General Partner of the express terms of this Agreement, if such failure or violation is not curable or, if curable, is not cured within seven (7) days' written notice of default signed by Limited Partners then holding at least 40% interest in the Partnership.

"General Partner" shall mean TWSG and its successors and assigns.

"Limited Partner" shall mean Tecon and any other Person admitted to the Partnership as a Limited Partner.

"Partners" shall mean the General Partner and the Limited Partner and their successors.

"Partnership" shall mean Tecon Water Company, L.P., a Texas limited partnership.

"Partnership Interest" shall mean the partnership interest of the Partners in the Partnership.

"Percentage Interest" in respect to each of the Partners shall mean the following:

	<u>Percentage Interest</u>
General Partner	0.1%
Limited Partner	99.9%

"Person" shall mean any individual, corporation, association, partnership, joint venture, trust, estate or other entity or organization.

"Transfer" shall mean any sale, exchange, transfer, gift, encumbrance, assignment, pledge, mortgage, hypothecation or other disposition, whether voluntary or involuntary.

ARTICLE 2 ORGANIZATION

2.1 Formation of Limited Partnership. The Partners hereby associate themselves in the formation of the Partnership as a limited partnership pursuant to and in accordance with the provisions of the Act. Except as expressly provided herein to the contrary, the rights and

obligations of the Partners and the administration and termination of the Partnership shall be governed by the Act. The partnership interest of any Partner shall be personal property for all purposes.

2.2 Name. The name of the Partnership shall be, and the business name of the Partnership shall be conducted under, the name of "Tecon Water Company, L.P." or under such other name as the General Partner may from time to time determine. The General Partner shall provide the Limited Partners with written notice of any change in the Partnership's name within 30 days after such change.

2.3 Character of Business. The purpose of the Partnership shall be to engage in any lawful business activities in which limited partnerships formed in the State of Texas may participate. Without limiting the generality of the foregoing, it is the present intention of the Partners that the primary activities of the Partnership shall be the acquisition, ownership and operation of water and sewer utility systems and facilities and, in connection therewith, (i) owning, operating, dealing in and with, and selling all types of property, both real and personal, tangible and intangible; and (ii) doing all things necessary, advisable or expedient in connection with, or incidental to, the foregoing.

2.4 Principal Place of Business. The address of the Partnership's principal place of business at which records shall be kept shall be 6116 North Central Expressway, Suite 1300, Dallas, Texas 75206. The Partnership may from time to time have such other place or places of business within or without the State of Texas as may be determined by the General Partner.

2.5 Fiscal Year. The fiscal year of the Partnership shall end on the last day of each calendar year. The Partnership shall have the same fiscal year for income tax purposes and for accounting purposes.

2.6 Names and Addresses of Partners. The names and addresses of the Partners are as set forth on Exhibit "A" hereto.

2.7 Term. The Partnership will commence upon the filing of the Certificate of Limited Partnership in accordance with the Act, and shall continue in existence until December 31, 2050, or such later date to which the Partners shall extend the term of the Partnership, unless earlier terminated in accordance with any provision of this Agreement.

2.8 Registered Office. The registered office of the Partnership shall be located at 350 North St. Paul Street, Dallas, Texas 75201. The Registered Agent of the Partnership may from time to time change the registered office of the Partnership by complying with the applicable provisions of the Act.

2.9 Registered Agent. The Registered Agent of the Partnership shall be CT Corporation System at the registered office of the Partnership. Should the Registered Agent resign or become disqualified for service as Registered Agent, then the General Partner shall obtain and designate a new Registered Agent not less than thirty (30) days after such event. The General Partner shall notify the Limited Partners in writing not more than ten (10) days after the effective date of a change in Registered Agent. The General Partner may remove the Registered Agent at any time and appoint as successor Registered Agent any qualified Person designated by the General Partner.

ARTICLE 3
CAPITAL, DISTRIBUTIONS AND ALLOCATIONS

3.1 Contributions.

(a) Initial Capital Contribution. When required by the General Partner, the Partners will make the initial contributions to the Partnership. The agreed net fair market value of the initial contributions and the initial Capital Account balances of the Partners are reflected on Exhibit "A" hereto.

(b) Additional Contributions. No Partner shall be required to make additional capital contributions to the Partnership unless the General Partner requests such a capital contribution and Limited Partners holding a majority of the Percentage Interests approve such a contribution. Any such additional capital contributions shall be made by the Limited Partners in proportion to their respective Percentage Interests.

3.2 Distributions and Allocations. All distributions and allocations of items of profit and loss shall be in proportion to the Percentage Interests. Tax allocations shall be made in accordance with the Code and the regulations issued thereunder. Capital Accounts shall be maintained in accordance with Section 704(b) of the Code.

3.3 Interest. No interest shall be paid by the Partnership on contributions to the capital of the Partnership.

3.4 Withdrawal and Return of Capital. A Partner shall not be entitled to withdraw any part of its contribution or to receive any distribution from the Partnership, except as approved by the General Partner or as otherwise provided in this Agreement.

3.5 Loans from Partners. Loans by a Partner to the Partnership shall not be considered contributions to the capital of the Partnership.

ARTICLE 4
CONDUCT OF ACTIVITIES

4.1 Powers of General Partner.

(a) The General Partner shall conduct, direct and exercise full control over all activities of the Partnership. Except as otherwise expressly provided in this Agreement or as required under the Act, all management powers over the business and affairs of the Partnership shall be vested exclusively in the General Partner and no Limited Partner (except the General Partner in the event that it is also a Limited Partner) shall have any right to control or exercise management power over the business and affairs of the Partnership. Without limiting the generality of the foregoing, the General Partner shall have the power to manage, operate, sell, convey, assign, mortgage, pledge, hypothecate and otherwise dispose of any Partnership property and assets of any kind. The General Partner may delegate specific management powers to its officers, but no such delegation shall limit or release the General Partner from its responsibility and obligation to manage the Partnership.

(b) Prohibitions and Limitations.

- (i) The General Partner shall not do any act in contravention of this Agreement.
- (ii) The General Partner shall not do any act that would make it impossible to carry on the business of the Partnership.
- (iii) The General Partner shall not possess Partnership property or assign rights in Partnership property for other than Partnership purposes.
- (iv) The General Partner shall not admit a person as a General Partner or Limited Partner, except as expressly permitted in this Agreement.
- (v) No act or power of the General Partner authorized by this Agreement or otherwise authorized by law shall in any manner increase or extend the liability of any Limited Partner as described in this Agreement.

(c) Certificate of Limited Partnership. Promptly after the execution of this Agreement, the General Partner shall cause to be filed the Certificate of Limited Partnership as required by the Act and such other certificates or documents as may be required in Texas or any other state. The General Partner shall thereafter file any necessary amendments to the Certificate of Limited Partnership and shall do all things necessary to the maintenance of the Partnership as a Limited Partnership under the laws of Texas or any other state. The Certificate of Limited Partnership shall include such provisions of this Agreement and other items as are required by law or as are considered desirable by the General Partner. If the Certificate of Limited Partnership contains items not required by law, the General Partner shall be authorized to file an amended Certificate of Limited Partnership deleting such items.

(d) Tax Matters Partner. The General Partner is hereby designated the "tax matters partner" of the Partnership within the meaning of the Code. Except as specifically provided in the Code and the regulations issued thereunder, the General Partner in its sole discretion shall have exclusive authority to act for or on behalf of the Partnership with regard to tax matters, including, without limitation, the authority to make (or decline to make) any available tax elections. The tax returns of the Partnership shall be filed on such basis (cash, accrual or otherwise) as the General Partner determines to be necessary and in accordance with the requirements of the Code. The General Partner shall cause the Partnership's tax returns to be prepared and Schedule K-1 or any successor form to be prepared and delivered in a timely manner to the Limited Partners.

(e) Records. The General Partner shall cause the Partnership to maintain or cause to be maintained true and proper books, records, reports, and accounts in which shall be entered all transactions of the Partnership. Such books, records, reports and accounts shall be located at the principal place of business of the Partnership and shall be available to any Partner for inspection and copying during reasonable business hours.

(f) Interests in Other Entities. The General Partner shall be authorized to cause the Partnership to acquire an interest in one or more corporations and/or in one or more other entities as the General Partner determines necessary or appropriate to carry out the business of the Partnership.

4.2 Limitation of Liability; Powers of Limited Partners. No Limited Partner shall have any liability whatsoever for any debt, obligation or liability of the Partnership. The Limited Partners may, at the request of any Limited Partner, meet with the General Partner and may, at any such meeting, discuss with the General Partner the business of the Partnership. The General Partner will, however, retain exclusive authority and responsibility for the management and control of the business of the Partnership, and the Limited Partners shall not take part in the control of the partnership business or have any authority or power to act for or bind the Partnership.

4.3 Title to Partnership Assets. All assets of the Partnership shall be deemed to be owned by the Partnership, as an entity, and no Partner, individually or collectively, shall have any ownership interest in the assets of the Partnership or any portion thereof. The Partnership shall hold all material assets of the Partnership in its own name or in the name of one or more nominees (which may include the General Partner or its affiliates) for the Partnership.

4.4 No Compensation. Except as provided in Section 4.5, no Partner shall be compensated for its services provided as a Partner to the Partnership.

4.5 Reimbursement of Expenses. Notwithstanding Section 4.5, the General Partner and its affiliates shall be entitled to reimbursement, together with reasonable interest thereon, for all expenses that they reasonably incur for Partnership purposes, including but not limited to the costs of personnel, equipment, and materials used in Partnership operations and the portion of the administrative and overhead expenses (such as rent and office maintenance thereof, payroll and payroll taxes, franchise taxes, insurance, employee benefits, travel and entertainment and similar expenses) of the General Partner and its affiliates at their principal place of business that is properly allocable to the Partnership.

4.6 Consent in Lieu of Meeting. Any action which may be taken by the Partners at a meeting may be effected through the execution of written consents by the requisite percentage in interest of the Partners.

ARTICLE 5 TRANSFER OF INTERESTS

5.1 General. No Partner may Transfer its interest in the Partnership, in whole or in part, except in accordance with the terms and conditions set forth in this Agreement. Any Transfer or purported Transfer of an interest in the Partnership not made in accordance with this Agreement shall be null and void. Solely for purposes of this Section 5.1, an interest in the Partnership shall be deemed to include, without limitation, any Derivative Partnership Interest held, issued or created by a Partner, an assignee of a Partner or other Person. For purposes of this Section 5.1, "Derivative Partnership Interest" shall mean any actual, notional or constructive interest in, or right in respect of, the Partnership (other than a Partner's total interest in the capital, profits and management of the Partnership) that, under United States Department of the Treasury Regulation Section 1.7704-1(a)(2), is treated as an interest in the Partnership for

purposes of Section 7704 of the Code. Pursuant to the foregoing, "Derivative Partnership Interest" shall include, without limitation, any financial instrument that is treated as debt for Federal income tax purposes and (i) is convertible into or exchangeable for an interest in the capital or profits of the Partnership or (ii) provides for one or more payments of equivalent value.

5.2 Transfer of Interest of General Partner. The General Partner may not Transfer all or any portion of its Partnership Interest as the General Partner unless a majority in interest of the Limited Partners consent (i) to such Transfer, which consent may be given or withheld in the sole discretion of the Limited Partners, and (ii) to the admission of the transferee as a General Partner of the Partnership.

5.3 Transfer of Interest of Limited Partners. A Limited Partner may not Transfer all or any portion of its Partnership Interest without the prior written consent of the General Partner and all Limited Partners. In the case of any Transfer approved by the General Partner and all Limited Partners, the transferee or pledgee shall (i) agree to comply with and be bound by this Agreement and to execute any document that the General Partner may reasonably require to be executed in connection with the assignment to him, and (ii) appoint the General Partner his attorney-in-fact pursuant to the power of attorney set forth in Article 7.

5.4 Removal of General Partner. Upon the occurrence of an Event of Default, a majority in interest of the Limited Partners may require the removal of the General Partner, in accordance with the following provisions:

(a) A notice of removal signed by a majority in interest of the Limited Partners shall be delivered to the General Partner. Upon receipt of the notice, the General Partner shall offer to sell its Partnership Interest to the Limited Partners, each of whom then shall have seven (7) days in which to notify the General Partner whether he elects to purchase a pro rata portion of the General Partner's Partnership Interest.

(b) The General Partner shall sell its Partnership Interest (i) in equal undivided portions to those Limited Partners electing pursuant to paragraph (a) above to purchase same, or (ii) in the absence of any Limited Partners so electing, to a third party approved by a majority in interest of the Limited Partners; provided, however, if no such third party can be located and none of the Limited Partners elects to purchase the General Partner's Partnership Interest, the General Partner may not be removed and its Partnership Interest may not be sold pursuant to this paragraph. The sale described in this paragraph shall occur within sixty (60) days after the date the notice described in paragraph (a) above is delivered to the General Partner.

(c) Any sale of the General Partner's Partnership Interest pursuant to paragraph (b) above shall be made at the fair market value of such Partnership Interest. The fair market value shall be mutually agreed upon by the General Partner and the purchaser. If such an agreement cannot be reached, the fair market value of the Partnership Interest shall be determined by a reputable, independent appraiser experienced in such matters jointly selected by the General Partner and the purchaser. If the General Partner and the purchaser are unable to agree on such an appraiser, the General Partner shall select an appraiser, the purchaser shall select an appraiser and the two appraisers shall select a third appraiser, which third appraiser shall determine the value of the Partnership Interest. The Partnership shall pay the costs of all such appraisers.

ARTICLE 6
DISSOLUTION AND LIQUIDATION OF THE PARTNERSHIP

6.1 Dissolving Events. The Partnership shall be dissolved upon the occurrence of any of the following events:

- (a) expiration of the Partnership term;
- (b) issuance of an order by a court of competent jurisdiction requiring the Dissolution of the Partnership;
- (c) permanent cessation of the Partnership's business;
- (d) consent to dissolve the Partnership by all Partners;
- (e) the withdrawal, retirement, Bankruptcy, Dissolution, death or incapacity of the General Partner; or
- (f) any other event which results in Dissolution of the Partnership under the Act.

6.2 Winding Up of the Partnership.

- (a) Upon Dissolution of the Partnership, the General Partner shall promptly wind up the affairs of the Partnership.
- (b) Distributions to the Partners in liquidation may be made in cash or in kind, or partly in cash and partly in kind, as determined by the General Partner.
- (c) The profits and losses of the Partnership during the period of Dissolution and liquidation shall be allocated among the Partners in accordance with the provisions of Article 3.
- (d) The assets of the Partnership (including, without limitation, proceeds from the sale or other disposition of any assets during the period of Dissolution and liquidation) shall be applied as follows:
 - (i) first, to repay any indebtedness of the Partnership, whether to third parties or the Partners, in the order of priority required by law;
 - (ii) next, to any reserves which the General Partner reasonably deems necessary for contingent or unforeseen liabilities or obligations of the Partnership (which reserves when they become unnecessary shall be distributed in the remaining priorities set forth in this Section 6.2(d)); and
 - (iii) next, to the Partners in proportion to their respective positive Capital Account balances.

ARTICLE 7
POWER OF ATTORNEY

7.1 Grant of Power of Attorney. Each Limited Partner does irrevocably constitute and appoint the General Partner (and any successor General Partner) and the authorized officers and attorneys-in-fact of the General Partner (and any successor General Partner), voting together or individually, with full power of substitution as its true and lawful attorney-in-fact and agent, with full power and authority in his name, place and stead to:

(a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (i) the Certificate of Limited Partnership and all amendments thereto and other instruments that the General Partner deems necessary or appropriate to effect a change or modification of the Certificate of Limited Partnership, (ii) all certificates, conveyances, and other instruments that the General Partner deems necessary or appropriate to effect the acquisition, disposition, pledge, mortgage, hypothecation, encumbrance or exchange of any assets of the Partnership or the Dissolution and termination of the Partnership, (iii) all instruments and consents relating to the admission of additional Limited Partners or the General Partner, (iv) agreements with the Internal Revenue Service to keep open the statute of limitations with respect to any Partnership items under examination with the Internal Revenue Service, and (v) any other instrument that is now or may hereafter be required by law to be filed or recorded on behalf of the Partnership; and

(b) perform all acts and exercise all powers granted to the General Partner under this Agreement.

7.2 Nature of Power of Attorney. The power of attorney granted herein shall be deemed to be coupled with an interest, shall be irrevocable, and shall survive the death, incompetency or termination of existence of such Limited Partner and shall extend to such Limited Partner's heirs, successors and assigns. Each Limited Partner hereby agrees to be bound by any representations made by the General Partner, acting in good faith pursuant to such power of attorney, and each Limited Partner hereby waives any and all defenses that may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under such power of attorney. Any person dealing with the Partnership may conclusively presume and rely upon the fact that any such instruments executed by the attorney-in-fact and agent herein appointed is regular and binding without further inquiry.

7.3 Other Instruments. Each Limited Partner shall execute and deliver to the General Partner within five (5) days after receipt of the General Partner's request therefor such further designations, powers of attorney and other instruments as the General Partner deems necessary to effectuate this Agreement and the purposes of the Partnership.

ARTICLE 8
MISCELLANEOUS

8.1 Waiver of Partition. Each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Partnership's property.

8.2 Entire Agreement. This Agreement constitutes the entire agreement among the Partners with respect to the subject matter hereof and supersedes any prior agreement or understanding among them with respect to such subject matter.

8.3 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement or the application of such provision to other persons or circumstances shall not be affected thereby

8.4 Notices. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given (a) in the case of notices or communications required or permitted to be given to a Limited Partner, if personally delivered or if mailed by United States certified or registered mail, postage prepaid and addressed to the Limited Partner's address for notices as it appears on the records of the Partnership, and (b) in the case of notices or communications required or permitted to be given to the General Partner, if personally delivered or if mailed by United States certified or registered mail, return receipt requested, postage prepaid and addressed to the General Partner at its principal place of business. A Limited Partner may change its address for notices by giving notice in writing, stating the new address for notices, to the General Partner, and the General Partner may change its address for notices by giving notice in writing, stating the new address for notices, to the Limited Partners. Any notice or other communication shall be deemed to have been given as of the date on which it is deposited in the United States mail or transmitted, in each case in compliance with the terms of this section.

8.5 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS.

8.6 Successors and Assigns. Except as otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the Partners and their successors and assigns.

8.7 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute one and the same instrument.

8.8 Headings. The section headings in this Agreement are for convenience of a reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provision hereof

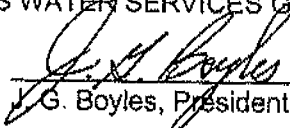
8.9 Amendment of Partnership Agreement. Except as otherwise provided herein, this Agreement may be amended only by a written agreement signed by all of the Partners.

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed as of the date first above written.

General Partner:

TEXAS WATER SERVICES GROUP, LLC

By:


J. G. Boyles, President

Limited Partner:

TECON WATER COMPANIES, INC.

By: 
John H. McClellan, Vice President

EXHIBIT "A"

<u>Partner and Address</u>	<u>Contribution</u>	<u>Net Capital Account Balance</u>
Texas Water Services Group, LLC 6116 North Central Expressway, Suite 1300 Dallas, Texas 75206	\$10 cash	\$10.00
Tecon Water Companies, Inc. 6116 North Central Expressway, Suite 1300 Dallas, Texas 75206	\$9,990 cash	\$9,990.00



Office of the Secretary of State

CERTIFICATE OF FILING
OF

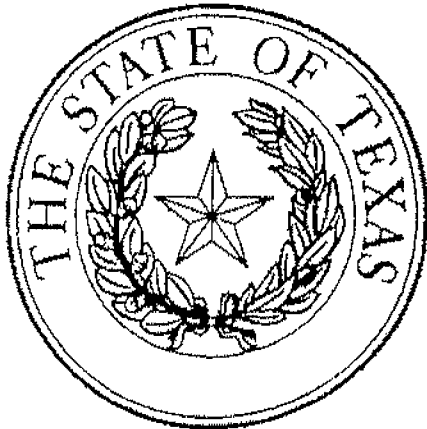
Monarch Utilities I L.P.
800034797

[formerly: Tecon Water Company, L.P.]

The undersigned, as Secretary of State of Texas, hereby certifies that an amendment to the certificate of limited partnership or the application for registration as a foreign limited partnership for the above named limited partnership has been received in this office and filed as provided by law on the date shown below.

Accordingly, the undersigned, as Secretary of State hereby issues this Certificate evidencing the filing in this office.

Dated: 07/30/2004
Effective: 07/30/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

JUL 30 2004

Corporations Section

**CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF LIMITED PARTNERSHIP
OF
TECON WATER COMPANY, L.P.**

Pursuant to the provisions of Section 2.02 of the Texas Revised Limited Partnership Act, the undersigned limited partnership desires to amend its certificate of limited partnership and for that purpose submits the following certificate of amendment.

1. The name of the limited partnership is **Tecon Water Company L.P.**
2. The certificate of limited partnership is amended as follows:
 - The name of Tecon Water Company L.P. be changed to **Monarch Utilities I L.P.**
 - The address of Monarch Utilities I LP be changed to **One Wilshire Building, 624 S. Grand Ave., Suite 2900, Los Angeles, California 90017.**
 - The officers of Monarch Utilities, I L.P. be changed to:

Michael O. Quinn	President
Peter J. Moerbeek	Treasurer
Richard J. Shields	Vice President and Secretary

Dated: July 27, 2004

TECON WATER COMPANY L.P.

By: Michael O. Quinn

Michael O. Quinn, President,
Texas Water Services Group, LLC,
Its General Partner

Attachment 5

Certificate of Account Status

Part C: Question 7



Franchise Tax Account Status

As of : 06/23/2021 15:31:00

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

MONARCH UTILITIES I L.P.

Texas Taxpayer Number 10303732514

Mailing Address 12535 REED RD C/O TAX DEPT (FSC) SUGAR LAND,
TX 77478-2837

Right to Transact Business in Texas ACTIVE

State of Formation TX

Effective SOS Registration Date 12/10/2001

Texas SOS File Number 0800034797

Registered Agent Name CORPORATION SERVICE COMPANY DBA CSC -
LAWYERS INCO

Registered Office Street Address 211 E. 7TH STREET SUITE 620 AUSTIN, TX 78701

Attachment 6
Financial Audit
Part C: Question 10

Attachment 7

Transferee Projected Financial Information

The Applicant/Transferee, Monarch, is an existing retail public utility (IOU), and the Commission is familiar with its financial, managerial, and technical information. Monarch does not propose new service connections outside of those that will be funded through the tap fee as provided for in the approved tariff. Furthermore, Monarch does not propose significant new investment in plant that would be dedicated to serve only the Transferor's customers. Therefore, projected financial information is not provided with this application.

Attachment 8

Transaction Details

Part D: Q 11

Part D: Q 14

**Confidential Documents
to be submitted separately**

Attachment 9

Disclosure of Affiliated Interests

Part C: Question 10

<u>AFFILIATE</u>	<u>STATE</u>
SouthWest Water Company	CA,OR,TX,AL,FL,SC
Alabama Utility Systems, Inc.	AL
Florida Utility Systems, Inc.	FL
Kiawah Island Utility, Inc.	SC
Metro Water Systems, Inc.	CA,TX
Midway Water Utilities, Inc.	TX
Monarch Utilities I L.P.	TX
Ni South Carolina Utilities, Inc.	SC
Northwest Utility Systems, Inc.	OR
Oregon Water Utilities Cline Butte, Inc.	OR
Oregon Water Utilities Mountain Lakes, Inc.	OR
Oregon Water Utilities, Inc.	OR
Palmetto Utilities, Inc.	SC
Palmetto Wastewater Reclamation, Inc.	SC
Shelby Ridge Utility Systems LLC	AL
South Carolina Utility Systems, Inc.	SC
South Carolina Water Utilities, Inc.	SC
Southeast Utility Systems, Inc.	AL
Suburban Water Systems	CA
SWWC Utilities, Inc.	TX,AL

Attachment 10

Capital Improvement Plan

Part C: Question 10

**Confidential Documents
to be submitted separately**

Attachment 11

List of Assets to be Transferred

Part D: Question 11.B

**Application of Monarch Utilities I L.P.
to Acquire Karen Reeves dba R & N Enterprises**

ASSETS TO BE ACQUIRED

<u>System</u>	<u>Description</u>
Both	2" main lines
Pleasant Ridge	Storage tank
Pleasant Ridge	2 connected pressure tanks
Pleasant Ridge	7.5 HP 230V 3 phase pressure pump
Pleasant Ridge	7.5 HP 230V 3 phase pressure pump
Pleasant Ridge	1040' well
Pleasant Ridge	Incomplete well
Pleasant Ridge	CP33 chemilizer chorinator
Timber Creek	Storage tank
Timber Creek	Pressure tank
Timber Creek	Pressure pump
Timber Creek	Pressure pump
Timber Creek	CP33 chemilizer chlorinator
Timber Creek	1040' well
Timber Creek	Pressure pump

Attachment 12

Enforcement Action Status

Part E: Question 18, Part D Question 12

CURRENT COMPLIANCE STATUS

AS OF JUNE 2021

MONARCH UTILITIES I L.P.

System	Docket No.	Water/Wastewater	Violation	Date AO Signed by TCEQ	Original TCEQ Compliance Date	Extension Request Compliance Date	SWWC Compliance Achieved	Notice of Compliance Rec'd by SWWC	Comments
Governors Point	2020-1182-PWS-E	Water	Plan Review & Pressure Tank Capacity	Awaiting TCEQ Signature	TBD	NA	8/28/2020		Original Pressure tank returned to service Aug 2020
Cherokee Shores	2021-0040-MWD-E	Wastewater	Effluent Violations	Awaiting TCEQ Signature	TBD	NA	WWTP in compliance		Plant has been in compliance since Aug 2020
Windermere	2019-1625-MWD-E	Wastewater	Effluent Violations / Fish Kill	Awaiting TCEQ Signature	TBD	NA	WWTP in compliance		Plant has been in compliance since Dec 2019
Indian Hills Harbor	2019-0429-PWS-E	Water	Plan Review & Booster Pump Capacity	Awaiting TCEQ Signature	TBD	NA	5/4/2021		Replacement PT approved by TCEQ. PT placed online and TCEQ notified.

		Compliance deadline extension to be requested
		Compliance achieved prior to compliance date
		Working toward compliance

Attachment 13

TCEQ Compliance Correspondence

Part F: Question 22



0000-0000-0039-9272

Document Control Sheet

Sheet Title:	PWS YD
Box ID:	11727
Control Sheet ID:	0000-0000-0039-9272
Record Series Name:	WS / Public Water Supply
Record Series:	PWS
Primary ID:	0490041
Secondary ID:	
Doc Type:	Compliance
Security:	Public
Date:	11/14/2019 12:00AM
Title:	Investigation
Tertiary ID	

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 14, 2019

CERTIFIED MAIL # 9171 9690 0935 0234 7054 33

Ms. Karen Reeves
Pleasant Ridge Addition
PO Box 514
Gordonville, Texas 76245-0514

**Re: Failure to Submit Compliance Documentation for:
Pleasant Ridge Addition, 1103 County Road 131, Gainesville, Cooke County, Texas
RN 101175552, PWS ID No. 0490041, Investigation No. 1581969**

Dear Ms. Reeves:

By letter dated August 12, 2019, the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office requested that you submit information to us by September 11, 2019, verifying that the outstanding alleged violations referenced in the letter have been corrected. The alleged violations were noted during the investigation of the above-referenced facility conducted on May 22, 2019. Enclosed for your information is a copy of the letter. As of this date, we have not received from you a written description of corrective action taken and the required compliance documentation for this alleged violation. Please submit this information to us by no later than **December 12, 2019**.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and looks forward to receiving your response. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements.

If you or members of your staff have any questions, please feel free to contact Mr. Gregory Nagel in the D/FW Regional Office at (817) 588-5871.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Candler".

Brent Candler
Manager, Water Section
D/FW Regional Office

RECEIVED

NOV 19 2019

TCEQ
CENTRAL FILE ROOM

BC/gpn

Enclosure: Copy of August 12, 2019, Notice of Violation Letter



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 12, 2019

E CERTIFIED MAIL # 9171 9690 0935 0225 2466 79

Ms. Karen Reeves
Pleasant Ridge Addition
PO Box 514
Gordonville, Texas 76245-0514

Re: Notice of Violation for Public Water Supply Comprehensive Investigation at:
Pleasant Ridge Addition, 1103 County Road 131, Gainesville, Cooke County, Texas
RN 101175552, PWS ID No. 0490041, Investigation No. 1581969

COPY

Dear Ms. Reeves:

On May 22, 2019, Mr. Gregory Nagel of the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **September 11, 2019**, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations. Several additional issues were also noted during the investigation that are not a violation but do require special attention.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the D/FW Regional Office at (817) 588-5800 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the D/FW Regional Office within 10 days from the date of this letter. At that time, Mr. Brent Candler, Water Section Manager, will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

TCEQ Region 4-Dallas/Fort Worth • 2309 Gravel Dr. • Fort Worth, Texas 76118-6951 • 817-588-5800 • Fax 817-588-5700

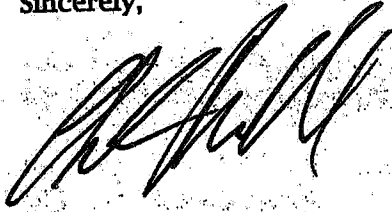
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Ms. Karen Reeves
Page 2
August 12, 2019

If you or members of your staff have any questions, please feel free to contact Mr. Gregory Nagel in the D/FW Regional Office at 817-588-5871.

Sincerely,



Charles Marshall
Team Leader, Public Water Supply Program
D/FW Regional Office

CM/gpn

Enclosure: Summary of Investigation Findings



PLEASANT RIDGE ADDITION

Investigation #
1581969
Investigation Date: 06/22/2019

, COOKE COUNTY,

Additional ID(s): 0490041

Track No: 721847 Compliance Due Date: 12/10/2019
30 TAC Chapter 290.46(j)

Alleged Violation:

Investigation: 1581969

Comment Date: 08/02/2019

Failure to conduct customer service inspections.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system was not conducting customer service inspections (CSI) prior to providing continuous water service to new construction. Specifically, it was noted that a new residence has been built at 262 CR 193 since the previous CCI and the water system did not conduct a CSI prior to providing service.

30 TAC 290.46(j) states a customer service inspection shall be completed prior to providing continuous water service to new construction, on any existing service when the water purveyor has reason to believe that cross-connections or other potential contamination hazards exist, or after any material improvement, correction, or addition to the private water distribution facilities.

Recommended Corrective Action: Complete customer service inspection certificates prior to providing continuous water service to new construction, on any existing service when the water system has reason to believe that cross-connections or other potential contamination hazards exist, or after any material improvement, correction, or addition to private water distribution facilities. Submit a copy of the CSI for the residence located at 262 CR 193 to the DFW Regional Office to document that the alleged violation has been corrected.

Track No: 721848 Compliance Due Date: 09/11/2019
30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1581969

Comment Date: 08/02/2019

Failure to maintain the water system grounds and facilities.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the intruder-resistant fence around the water plant had vegetation growing on the fencing and the hole through which the electrical conduit runs down to the well pump at the wellhead was not sealed and posed a contamination risk.

30 TAC 290.46(m) states that the maintenance and housekeeping practices used by a public water system shall ensure the good working condition and general appearance of the system's facilities and equipment. The grounds and facilities shall be maintained in a manner so as to minimize the possibility of the harboring of rodents, insects and other disease causing vectors, and in such a way as to prevent other conditions that might cause the contamination of the water.

Recommended Corrective Action: Remove the vegetation from the intruder-resistant fence around the water treatment plant and seal the hole in the wellhead. Submit pictures of the vegetation removed from the intruder-resistant fence and sealed hole around the well head to

Summary of Investigation Findings

Page 1 of 4

the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 721850 Compliance Due Date: 09/11/2019

30 TAC Chapter 290.45(b)(1)(C)(III)

Alleged Violation:

Investigation: 1581969

Comment Date: 08/02/2019

Failure to provide two or more service pumps.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system does not provide two or more service pumps. Specifically, it was noted that only one of the two service pumps observed in the pump room were plumbed for active service. The active service pump provided a capacity of 150 gallons per minute (gpm) and the water system is required to provide 138 gpm; therefore, the water system is not deficient for the service pump capacity.

30 TAC 290.45(b)(1)(C)(iii) states for 50 to 250 connections, the system must meet the following requirements: two or more pumps having a total capacity of 2.0 gpm per connection at each pump station or pressure plane.

Recommended Corrective Action: Install the second service pump at the water plant. Submit pictures of the installed service pump to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 721851 Compliance Due Date: 10/11/2019

30 TAC Chapter 290.46(n)(2)

Alleged Violation:

Investigation: 1581969

Comment Date: 08/02/2019

Failure maintain an accurate and up-to-date map of the distribution system.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system did not maintain an accurate and up-to-date map of the distribution system. Specifically, the distribution map did not include all of the connections on the water system.

30 TAC 290.46(n)(2) states an accurate and up-to-date map of the distribution system shall be available so that valves and mains can be easily located during emergencies.

Recommended Corrective Action: Update the map of the distribution system to include all connections on the water system. Submit a copy of the update distribution system map to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 722101 Compliance Due Date: 09/11/2019

30 TAC Chapter 290.46(f)(2)

30 TAC Chapter 290.46(f)(3)(B)(iv)

Alleged Violation:

Investigation: 1581969

Comment Date: 08/05/2019

Failure to provide a record of the calibration results for laboratory equipment.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system did not provide a record of the calibration results for lab equipment. Specifically, the water system did not provide a record of the manual disinfectant residual analyzer verification as requested in the Records Request provided to the water system on June 10, 2019.

30 TAC 290.46(f)(2) states the public water system's operating records must be accessible for review during inspections and be available to the executive director upon request.

30 TAC 290.48(f)(3)(B)(iv) states the following records must be retained for at least three years: the calibration records for laboratory equipment, flow meters, rate-of-flow controllers, on-line turbidimeters, and on-line disinfectant residual analyzers.

Recommended Corrective Action: Maintain a record of a record of the manual disinfectant residual analyzer verification. Submit a record of the manual disinfectant residual analyzer verification to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

ADDITIONAL FINDINGS

Description
Item #5

Additional Comments

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to calibrate the system well meter in the past three years. Specifically, the water system has not calibrated the system well meter since its installation in 2011.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

Item #6

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to maintain well completion data for well #1. Specifically, the water system did not maintain the well completion data did not contain the well setting data, geological log, sealing information, disinfection information, microbiological sample results, and a chemical analysis report of a representative sample of water from the well.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

Item #7

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to maintain the ground storage tank in a watertight condition. Specifically, the ground storage tank was leaking water from the base of the tank.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

Item #8

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to provide a storage tank capacity of 200 gallons per connection. Specifically, the ground storage tank capacity was noted to be 12,680 gallons. Based on the 69 connections on the water system, the water system is required to provide a storage capacity of 13,800 gallons.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to provide a production capacity of 0.6 gallons per minute (gpm) per connection. Specifically, the system well was noted to produce 20 gpm. Based on the 69 connections on the water system, the water system is required to provide 41.4 gpm.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

Item #10

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to verify the manual disinfectant residual analyzer. Specifically, the operator stated that they were verifying the analyzer and were maintaining a record of the verification; however, they did not provide a record of the verification for the manual disinfectant residual analyzer. Therefore, it can be assumed that the water system was not conducting the verification.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

Item #12

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system did not have a written Sample Siting Plan.

30 TAC 290.109(d)(6) states that all public water systems shall develop and complete a written Sample Siting Plan as described in this paragraph that identifies routine and repeat microbiological sampling sites and a sample collection schedule as required by this subsection that are representative of water throughout the distribution system. The Sample Siting Plan shall include all groundwater sources and any associate sampling points necessary to meet the requirements of this subsection. The Sample Siting Plan shall be included as a part of the public water system's monitoring plan as described in 30 TAC 290.121. Sample Siting Plans shall be completed in a format specified by the executive director and are subject to review and revision by the executive director.

It is recommended that the water system develop a written Sample Siting Plan and submit to the address provided to the address provided on the TCEQ Sample Siting Plan form.



0000-0000-0039-9270

Document Control Sheet

Sheet Title:	PWS YD
Box ID:	11727
Control Sheet ID:	0000-0000-0039-9270
Record Series Name:	WS / Public Water Supply
Record Series:	PWS
Primary ID:	0490030
Secondary ID:	
Doc Type:	Compliance
Security:	Public
Date:	11/14/2019 12:00AM
Title:	Investigation
Tertiary ID	

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



PWS 0490030 CR 20191114-1nv

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 14, 2019

CERTIFIED MAIL # 9171 9690 0935 0234 7054 95

Ms. Karen Reeves
Timber Creek Addition
PO Box 514
Gordonville, Texas 76245-0514

Re: Failure to Submit Compliance Documentation for:
Timber Creek Addition, County Road 142, Whitesboro, Cooke County, Texas
RN 101272433, PWS ID No. 0490030, Investigation No. 1582186

Dear Ms. Reeves:

By letter dated August 15, 2019, the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office requested that you submit information to us by September 14, 2019, verifying that the outstanding alleged violations referenced in the letter have been corrected. The alleged violations were noted during the investigation of the above-referenced facility conducted on May 22, 2019. Enclosed for your information is a copy of the letter. As of this date, we have not received from you a written description of corrective action taken and the required compliance documentation for this alleged violation. Please submit this information to us by no later than December 12, 2019.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and looks forward to receiving your response. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements.

If you or members of your staff have any questions, please feel free to contact Mr. Gregory Nagel in the D/FW Regional Office at (817) 588-5871.

Sincerely,

A handwritten signature in black ink that reads "Brent Candler".

Brent Candler
Manager, Water Section
D/FW Regional Office

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TCEQ
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BC/gpn

Enclosure: Copy of August 15, 2019, Notice of Violation Letter

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 15, 2019

E CERTIFIED MAIL # 9171 9690 0935 0225 2467 30

Ms. Karen Reeves, Owner
Timber Creek Addition
PO Box 514
Gordonville, Texas 76245-0514

COPY

Re: Notice of Violation for Public Water Supply Comprehensive Investigation at:
Timber Creek Addition, County Road 142, Whitesboro, Cooke County, Texas
RN 101272433, PWS ID No. 0490030, Investigation No. 1582186

Dear Ms. Reeves:

On May 22, 2019, Mr. Gregory Nagel of the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by September 14, 2019, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations. Several additional issues were also noted during the investigation that are not a violation but do require special attention.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the D/FW Regional Office at (817) 588-5800 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the D/FW Regional Office within 10 days from the date of this letter. At that time, Mr. Brent Candler, Water Section Manager, will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

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Ms. Karen Reeves, Owner
Page 2
August 15, 2019

If you or members of your staff have any questions, please feel free to contact Mr. Gregory Nagel in the D/FW Regional Office at 817-588-5871.

Sincerely,



Charles Marshall
Team Leader, Public Water Supply Program
D/FW Regional Office

CM/gpn

Enclosure: Summary of Investigation Findings

TIMBER CREEK ADDITION

Investigation #

1582186
Investigation Date: 05/22/2019

COOKE COUNTY,

Additional ID(s): 0490030

**OUTSTANDING ALLEGED VIOLATION(S)
AND PENDING NOTICE OF VIOLATION**

Track No: 722235

Compliance Due Date: 10/14/2019

30 TAC Chapter 290.46(j)

Alleged Violation:

Investigation: 1582186

Comment Date: 08/06/2019

Failure to conduct customer service inspections.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system was not conducting customer service inspections (CSI) prior to providing continuous water service to new construction. Specifically, it was noted that a new residence has been built at 832 CR 142 in 2015 and the water system did not conduct a CSI prior to providing service.

30 TAC 290.46(j) states a customer service inspection shall be completed prior to providing continuous water service to new construction, on any existing service when the water purveyor has reason to believe that cross-connections or other potential contamination hazards exist, or after any material improvement, correction, or addition to the private water distribution facilities.

Recommended Corrective Action: Complete customer service inspection certificates prior to providing continuous water service to new construction, on any existing service when the water system has reason to believe that cross-connections or other potential contamination hazards exist, or after any material improvement, correction, or addition to private water distribution facilities. Complete a CSI for the residence located at 832 CR 142 and submit a copy of the CSI to the DFW Regional Office to document that the alleged violation has been corrected.

Track No: 722236

Compliance Due Date: 10/14/2019

30 TAC Chapter 290.46(n)(2)

Alleged Violation:

Investigation: 1582186

Comment Date: 08/06/2019

Failure maintain an accurate and up-to-date map of the distribution system.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system did not maintain an accurate and up-to-date map of the distribution system. Specifically, the distribution map did not include all of the connections on the water system.

30 TAC 290.46(n)(2) states an accurate and up-to-date map of the distribution system shall be available so that valves and mains can be easily located during emergencies.

Recommended Corrective Action: Update the map of the distribution system to include all connections on the water system. Submit a copy of the update distribution system map to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 722238

Compliance Due Date: 09/14/2019

30 TAC Chapter 290.46(f)(2)

30 TAC Chapter 290.46(f)(3)(B)(iv)

Summary of Investigation Findings

Page 1 of 4

Alleged Violation:

Investigation: 1582186

Comment Date: 08/06/2019

Failure to provide a record of the calibration results for laboratory equipment.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system did not provide a record of the calibration results for lab equipment. Specifically, the water system did not provide a record of the manual disinfectant residual analyzer verification as requested in the Records Request provided to the water system on June 10, 2019.

30 TAC 290.46(f)(2) states the public water system's operating records must be accessible for review during inspections and be available to the executive director upon request.

30 TAC 290.46(f)(3)(B)(iv) states the following records must be retained for at least three years: the calibration records for laboratory equipment, flow meters, rate-of-flow controllers, on-line turbidimeters, and on-line disinfectant residual analyzers.

Recommended Corrective Action: Maintain a record of a record of the manual disinfectant residual analyzer verification. Submit a record of the manual disinfectant residual analyzer verification to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 722239**Compliance Due Date: 09/14/2019****30 TAC Chapter 290.46(m)****Alleged Violation:**

Investigation: 1582186

Comment Date: 08/12/2019

Failure to maintain the water system grounds and facilities.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system was not maintaining the grounds and facilities. Specifically, the vent screen for the well casing vent was ripped and the hole through which the electrical lines run down to the well pump at the wellhead was not sealed.

30 TAC 290.46(m) states that the maintenance and housekeeping practices used by a public water system shall ensure the good working condition and general appearance of the system's facilities and equipment. The grounds and facilities shall be maintained in a manner so as to minimize the possibility of the harboring of rodents, insects and other disease causing vectors, and in such a way as to prevent other conditions that might cause the contamination of the water.

Recommended Corrective Action: Replace the ripped vent screen with a new vent screen and seal the hole through which the electrical lines run down to the well pump. Submit pictures of the replaced vent and sealed hole to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 722241**Compliance Due Date: 10/14/2019****30 TAC Chapter 290.46(v)****Alleged Violation:**

Investigation: 1582186

Comment Date: 08/06/2019

Failure to securely install the electrical wiring for the system well in compliance with a local or national electrical code.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the electrical wiring for the system well was not securely installed in compliance with a local or national electrical code. Specifically, the electrical wiring for the system well was loose and not secured in conduit.

30 TAC 290.46(v) states all water system electrical wiring must be securely installed in compliance with a local or national electrical code.

Recommended Corrective Action: Ensure all wiring at the system well is installed in compliance with a local or national electrical code. Submit pictures of the wiring installed in compliance with a local or national electrical code to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

Track No: 722242

Compliance Due Date: 10/14/2019

30 TAC Chapter 290.45(b)(1)(B)(I)

Alleged Violation:

Investigation: 1582186

Comment Date: 08/12/2019

Failure to provide a well production capacity of 0.6 gallons per minute per connection.

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system serves 41 connections with one well which produces 15 gpm. Based on the 41 connections on the water system, the water system is required to provide 0.6 gpm per connection for a total of 24.6 gpm. Therefore, the water system is 39% deficient for the well production capacity.

30 TAC 290.45(b)(1)(B)(I) states if fewer than 50 connections with ground storage, the system must meet the following requirement: a well capacity of 0.6 gpm per connection.

Recommended Corrective Action: Provide a minimum production capacity of 0.6 gpm per connection from the system wells. Submit documentation indicating that the system is able to provide a minimum production capacity of 0.6 gpm per connection to the TCEQ DFW Regional Office to document that the alleged violation has been corrected.

**Description
Item #7**

Additional Comments

During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system failed to calibrate the system well meter in the past three years. Specifically, the water system has not calibrated the system well meter since its installation in 2011.

This alleged violation was previously noted and is included in an ongoing enforcement case, enforcement case number 47146.

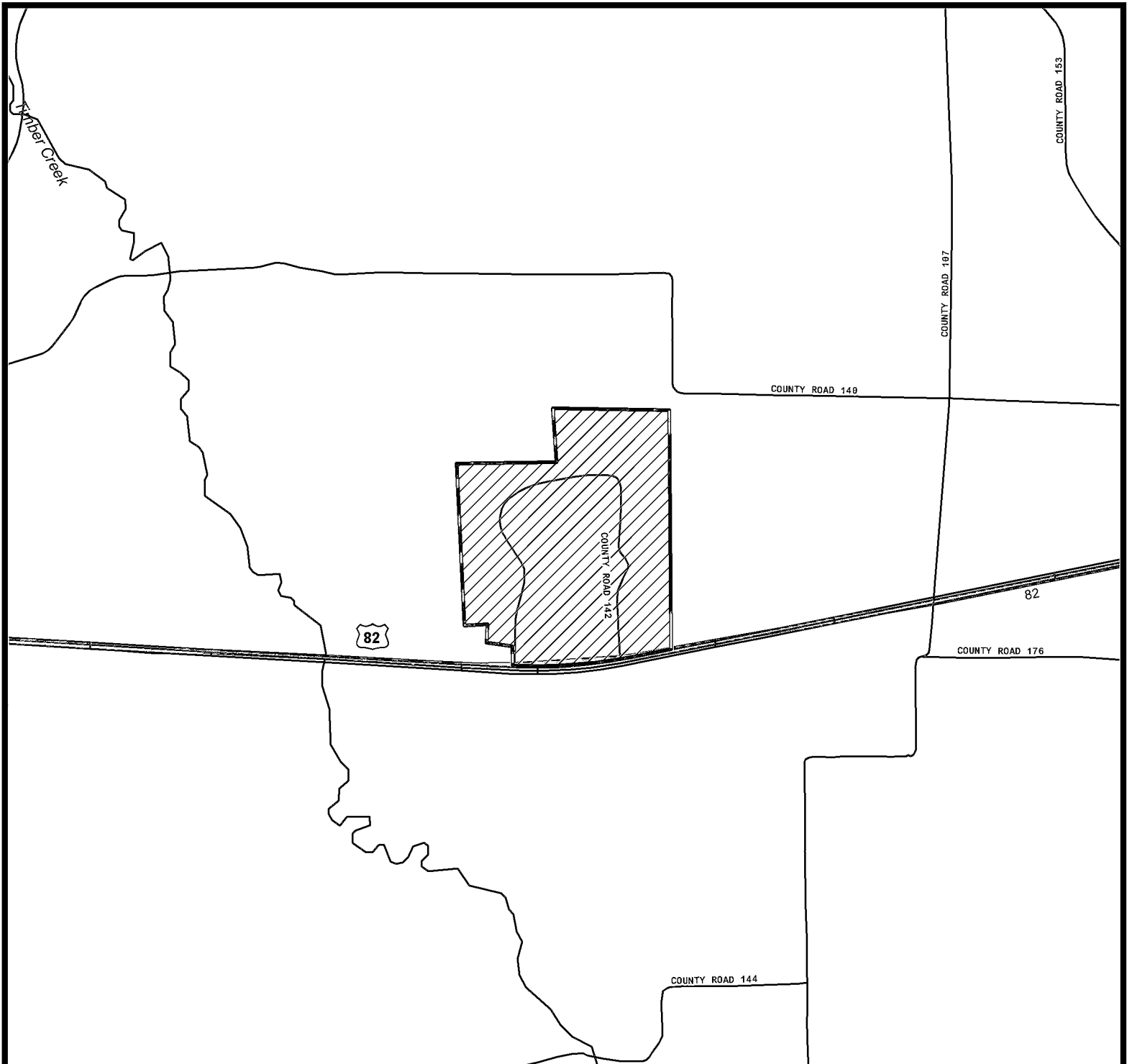
During the comprehensive compliance investigation conducted on May 22, 2019, it was noted that the water system did not have a written Sample Siting Plan.

30 TAC 290.109(d)(6) states that all public water systems shall develop and complete a written Sample Siting Plan as described in this paragraph that identifies routine and repeat microbiological sampling sites and a sample collection schedule as required by this subsection that are representative of water throughout the distribution system. The Sample Siting Plan shall include all groundwater sources and any associate sampling points necessary to meet the requirements of this subsection. The Sample Siting Plan shall be included as a part of the public water system's monitoring plan as described in 30 TAC 290.121. Sample Siting Plans shall be completed in a format specified by the executive director and are subject to review and revision by the executive director.

It is recommended that the water system develop a written Sample Siting Plan and submit to the address provided to the address provided on the TCEQ Sample Siting Plan form.


Attachment 14 Detailed
(large scale) Map Part G:
Question 29

Transfer to Monarch Utilities I LP CCN No. 12983
Timber Creek Addition
Cooke County



Requested Area from Karen Reeves dba R & N Enterprises

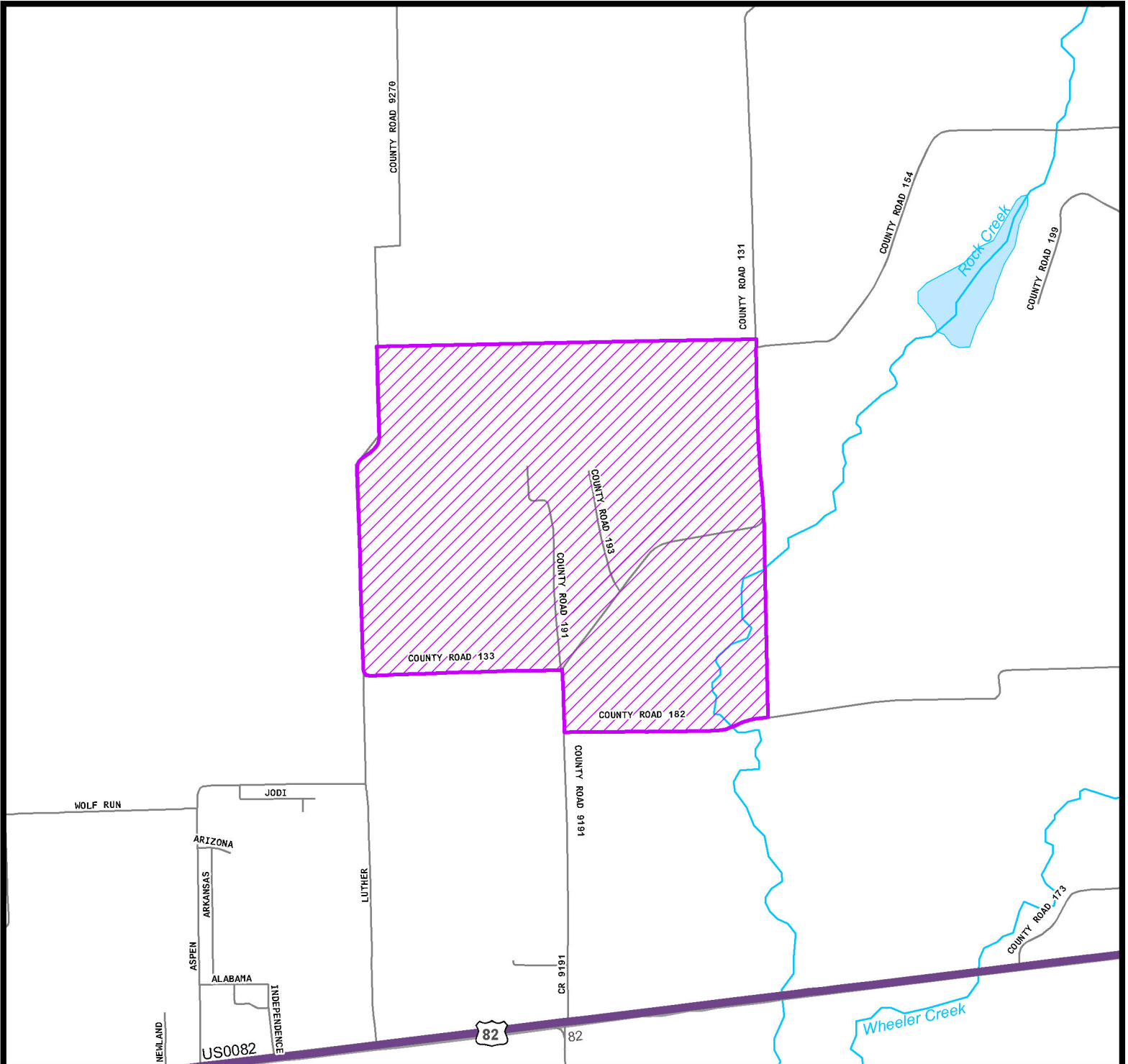
Timber Creek Addition

 Transfer R & N Enterprises (11644) to Monarch (12983)



0 1,450 2,900 Feet

Transfer to Monarch Utilities I LP CCN No. 12983
Pleasant Ridge Addition
Cooke County



Requested Area from Karen Reeves dba R & N Enterprises

Pleasant Ridge Addition

 Transfer R & N Enterprises (11644) to Monarch (12983)

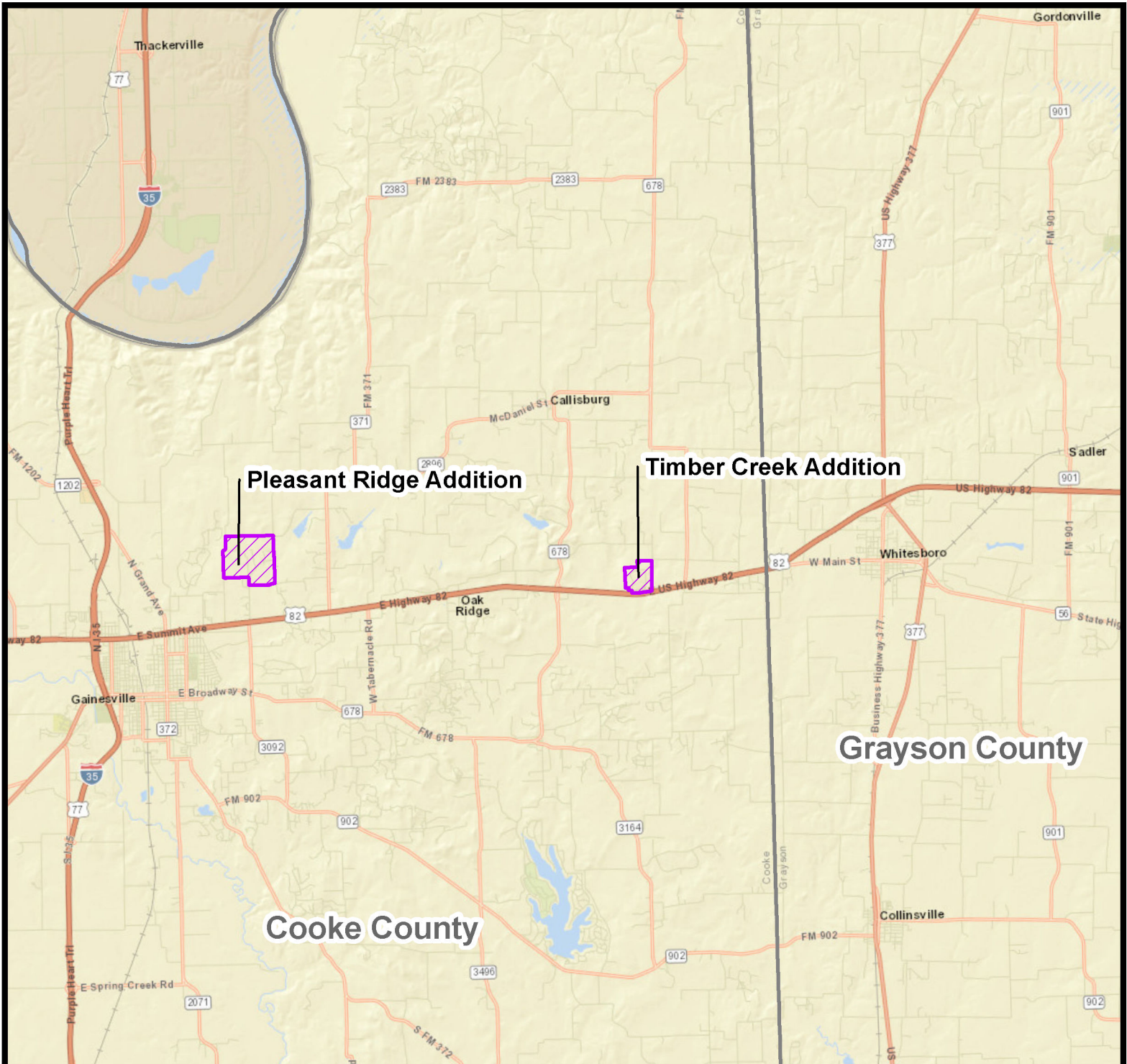


Attachment 15

General Location (small scale) Map

Part G: Question 29

**Transfer to Monarch Utilities | LP CCN No. 12983
Timber Creek Addition & Pleasant Ridge Addition
Cooke County**



Requested Area from Karen Reeves dba R & N Enterprises

Timber Creek Addition & Pleasant Ridge Addition

 Transfer R & N Enterprises (11644) to Monarch (12983)



Digital Mapping Data

Part G: Question 29

No changes to existing Service

Areas are requested