

Investigation: 1094829

Comment Date: 07/09/2013

Failure to make available sanitary control easements for the wells at the time of inspection, or executive director approval for a substitute authorized in §290.41(c)(1)(F)(iv).

During a file record review a compliance plan submitted by the system was reviewed, which was found to be acceptable.

Investigation: 1323280

Comment Date: 04/04/2016

See previous comments.

Resolution: During the investigation, the investigator reviewed a signed and notarized sanitary control easement for the water system well. This alleged violation will be resolved.

ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 494799

Compliance Due Date: 10/11/2016

30 TAC Chapter 290.43(c)(8)

Alleged Violation:

Investigation: 1075223

Comment Date: 04/01/2013

Failure to cover and design, fabricate, erect, test and disinfect in strict accordance with current American Water Works Association (AWWA) standards, all facilities for potable water storage.

During the investigation on 02/05/2013, the investigator observed that the system failed to maintain the storage tanks as follows: 1) on the ground storage tank, the interior sidewalls, roof hatch lip, and hatch were corroded; and 2) on the pressure tank, there were spots of corrosion on the exterior roof and sidewalls.

Investigation: 1094829

Comment Date: 07/09/2013

Failure to cover and design, fabricate, erect, test and disinfect in strict accordance with current American Water Works Association (AWWA) standards, all facilities for potable water storage.

During a file record review a compliance plan submitted by the system was reviewed, which was found to be acceptable.

Investigation: 1323280

Comment Date: 04/04/2016

See previous comments.

During the investigation, the investigator observed the interior of the 0.0075 MG ground storage tank was heavily corroded and in need of refurbishment.

Recommended Corrective Action: Please submit compliance documentation by 10/11/2016. The documentation should demonstrate what actions have been taken and may include photographs, purchase orders, results of analyses, etc.

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

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			113	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

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:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer 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:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

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

No Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, 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 following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, 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.



TEXAS WATER SYSTEMS Inc

An Investor Owned Utility

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

AUG.15, 2018

Mr. Michael Tucker
TCEQ Enforcement Divison

Re: Friendship Water System PWS #2300020
Docket No. 2016-0827-PWS-E

Dear Mr. Tucker:

We submit this compliance plan for the Friendship system on the allegations 1-6 on reference Docket

1. This has an outstanding Well Permit-- According to owner this will be exercised within 18 months
2. We have purchased a 10,000 gal GST to be placed in service.--Bill of Sale enclosed-- Will be in place by Jan. 31, 2018.
3. We will install higher gpm booster pumps with insulation of ground storage tank by Jan. 31, 2019
4. We also purchased a 1000 gal pressure tank (with 10,000 gst) to place in service -- Will be in place by Jan. 31, 2018
5. The storage tank was repaired with purchase order and receipts attached
6. The plant structure was repaired and added to--pictures and etc. enclosed

We had an employee turn over in past and a difficult time replacing same with knowledgeable help .

cc:Tyler regional office

Sincerely,

David L. Odle
Operations Manager

COPY

Dave Odle

From: Michael Tucker [Michael.Tucker@tceq.texas.gov]
Sent: Thursday, August 2, 2018 2:22 PM
To: dave@txwatersystems.com
Subject: RE: Agreed Order Docket No. 2016-0827-PWS-E
Attachments: ext req.pdf

Mr. Odle,

As we discussed please see the attached guidance document for requesting an extension. Please let me know if you have any question, I am happy to help.

Regards,

Michael Tucker

TCEQ Enforcement Division
(512) 239-6924

From: Michael Tucker
Sent: Tuesday, July 24, 2018 1:54 PM
To: dave@txwatersystems.com
Subject: Agreed Order Docket No. 2016-0827-PWS-E

Mr. Odle,

Per our discussion please see the attached copy of Agreed Order Docket No. 2016-0827-PWS-E.

Please respond with documents demonstrating compliance with each of the allegations and I will move forward with closing the enforcement case. If you are not in compliance with any of the allegation I will be happy to discuss the extension process with you.

Please let me know if you have any questions.

Thank you,

Michael Tucker

TCEQ Enforcement Division
(512) 239-6924

A request to amend a compliance schedule must include the following:

1. You must explain the delay in achieving compliance.
2. You must request a specific amount of time for each ordering provision.
3. You must specifically mention each ordering provision.
4. You must include a detailed plan to return to compliance for each provision that justifies the amount of time requested.

If you are unsure of what is required for an ordering provision please consult your order, under the ordering provisions section. Any request that does not include all of this information will not be considered. The request may be emailed to me at _____, be sure to include any supporting documentation with the request.

Dave Odle

From: Michael Tucker [Michael.Tucker@tceq.texas.gov]
Sent: Tuesday, July 24, 2018 1:54 PM
To: dave@txwatersystems.com
Subject: Agreed Order Docket No. 2016-0827-PWS-E
Attachments: Order-1.pdf

Mr. Odle,

Per our discussion please see the attached copy of Agreed Order Docket No. 2016-0827-PWS-E.

Please respond with documents demonstrating compliance with each of the allegations and I will move forward with closing the enforcement case. If you are not in compliance with any of the allegation I will be happy to discuss the extension process with you.

Please let me know if you have any questions.

Thank you,

Michael Tucker
TCEQ Enforcement Division
(512) 239-6924

→ spoke with Bryan 8-2-18 2:15 PM.
He will E-mails instructions on issues
that has been meet & paper work for
possible Extension (D)

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TEXAS WATER SYSTEMS, INC.
RN101210292

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2016-0827-PWS-E

I. JURISDICTION AND STIPULATIONS

On NOV 08 2016, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Texas Water Systems, 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 system located off Farm-to-Market Road 852 northwest of State Highway 154 in Upshur County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 96 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(69).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE § 7.002 and TEX. HEALTH & SAFETY CODE § 341.049, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$300 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$240 of the penalty and \$60 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

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

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

1. Failed to provide a minimum well system capacity of 0.6 gallons per minute ("gpm") per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, at the time of the investigation, the Facility had ~~96 connections~~ which require a minimum water system capacity of 57.6 gpm. However, the Facility was providing only 34 gpm, which is a 41 percent (%) deficiency.
2. Failed to provide a total storage capacity of 200 gallons per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Facility has 96 connections which require 0.0192 million gallons ("MG"). However, the Facility was providing 0.0126 MG, which is a 34% deficiency.
3. Failed to provide two or more service pumps having a total capacity of at least 2.0 gpm per connection at each pump station or pressure plane, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Facility had 96 connections which require 192 gpm capacity. However, the Facility provided 180 gpm, which is a 6% deficiency.
4. Failed to provide a pressure tank capacity of at least 20 gallons per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iv) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Facility has 96 connections and must provide a pressure tank capacity of 1,920 gallons. The Facility was providing a pressure tank capacity of 1,400 gallons, which is a 27 % deficiency.

this was completed

5. Failed to maintain the Facility's storage tanks in strict accordance with current American Water Works Association ("AWWA") standards, in violation of 30 TEX. ADMIN. CODE § 290.43(c)(8). Specifically, the interior and exterior of the ground storage tank was corroded and needed recoating.
6. Failed to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the Facility and its equipment, in violation of 30 TEX. ADMIN. CODE § 290.46(m). Specifically, the housing structure at the water system plant had been shifted off the foundation and there was a large hole in the structure's roof.

this was completed

III. DENIALS

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

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Texas Water Systems, Inc., Docket No. 2016-0827-PWS-E" to:

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

2. The Respondent shall undertake the following technical requirements:
 - a. Within 180 days after the effective date of this Order:
 - i. Provide a minimum well capacity of 0.6 gpm, in accordance with 30 TEX. ADMIN. CODE § 290.45;
 - ii. Provide a total storage capacity of 200 gallons per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45;
 - iii. Provide the minimum service pump capacity of at least 2.0 gpm per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45;
 - iv. Provide a pressure tank capacity of at least 20 gallons per connection, in accordance with 30 TEX. ADMIN. CODE § 290.45;

- v. Refurbish or replace the ground storage tank so that the interior and exterior meet AWWA standards, in accordance with 30 TEX. ADMIN. CODE § 290.43; and
 - vi. Initiate good housekeeping practices, in accordance with 30 TEX. ADMIN. CODE § 290.46, including but not limited to, repairing the roof and foundation of the housing structure at the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.46.
- b. Within 195 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i. through 2.a.vi. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

Water Section Manager
Tyler Regional Office
Texas Commission on Environmental Quality
2916 Teague Drive
Tyler, Texas 75701-3734

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

Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

Bryan Sinclair
For the Executive Director

11/8/2016
Date

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

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

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

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

[Signature] 10/16/16
Signature signed for James K. Brown Date

Jane M. Brown signed for James K. Brown President
Name (Printed or typed) Title
Authorized Representative of
Texas Water Systems, Inc.

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

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

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

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			113	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

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:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer 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:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

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

No Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application. Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, 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 following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, 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.

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

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("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), as documented during a record review conducted from January 19, 2016 through February 5, 2016. Specifically, the locational running annual average concentrations for TTHM at Stage 2 Disinfection Byproducts Site 1 were 0.087 mg/L for the second quarter of 2015, 0.086 mg/L for the third quarter of 2015, and 0.094 mg/L for the fourth quarter of 2015.

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: TEXAS WATER SYSTEMS, INC., Docket No. 2016-0208-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 365 days after the effective date of this Agreed Order, return to compliance with the MCL for TTHM, based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115; and
 - b. Within 380 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date


For the Executive Director

Date

6/7/2016

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

Date



3-17-2016

Name (Printed or typed)
Authorized Representative of
TEXAS WATER SYSTEMS, INC.

Title

Manager

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

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 10, 2016

Mr. James K. Brown
President
TEXAS WATER SYSTEMS, INC.
7891 Highway 271
Tyler, Texas 75708-4002

Re: TCEQ Enforcement Action
TEXAS WATER SYSTEMS, INC.
Docket No. 2016-0208-PWS-E

Dear Mr. Brown:

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

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

Should you have any questions, please contact Carol McGrath, the Enforcement Coordinator assigned to this matter, at (210) 403-4063.

Sincerely,

Melissa Cordell

Melissa Cordell
Assistant Division Director
Enforcement Division

Enclosure

cc: Carol McGrath, Enforcement Division
Water Section Manager, Region 5

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 25, 2017

CERTIFIED MAIL 9171 9690 0935 0083 4069 63
RETURN RECEIPT REQUESTED

Mr. James K. Brown, President
Garden Acres Subdivision
7891 US Highway 271
Tyler, Texas 75708-4002

Re: Partial Compliance Letter for:
Garden Acres Subdivision, located 2 Mi. W of Loop 281 on FM 2206 on Poppy Lane,
Longview (Gregg County), Texas
RN101376705, TCEQ Additional ID No.: 0920031, Investigation No.: 1436966

Dear Mr. Brown:

The Texas Commission on Environmental Quality (TCEQ) Tyler Region Office has received compliance documentation that you submitted on August 30, 2017, for the alleged violation, track no. 647528, noted during the investigation of the above-referenced facility conducted on June 28, 2017. The compliance documentation was sufficient to resolve this alleged violation. Please see the enclosed Summary of Investigation Findings.

Please submit compliance documentation by the following dates and track numbers for the outstanding alleged violations: **647523, 647525, 647527** by **January 3, 2018**; and **645724** by **November 4, 2017**. The documentation should demonstrate what actions have been taken to correct the violations and may include photographs, purchase orders, results of analyses, etc.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to protect the State's environment. We look forward to receiving your response for the remaining alleged violations. 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 Ms. Jennifer Smith in the Region 5-Tyler Office at (903) 535-5104.

Sincerely,

A handwritten signature in black ink, appearing to read "Cara C. Fisher".

Ms. Cara C. Fisher, Water Work Leader
Tyler Region Office

CCF/jrs

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

GARDEN ACRES SUBDIVISION

Investigation #

1436966

Investigation Date: 09/04/2017

, GREGG COUNTY,

Additional ID(s): 0920031

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 647528

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/19/2017

Failure to have well meters calibrated at least once every three years.

During the investigation, the investigator documented that the well meters for wells 1, and 2 had not been calibrated within the last three years. According to 30 TAC 290.46(s)(1) Flow-measuring devices and rate-of-flow controllers shall be calibrated at least once every 12 months, and well meters shall be calibrated at least once every three years.

Investigation: 1435935

Comment Date: 08/24/2017

Failure to have well meters calibrated at least once every three years.

A file record review was conducted on August 24, 2017, to evaluate the status of this outstanding alleged violation. The regulated entity submitted documentation on August 21, 2017, requesting a compliance due date of October 5, 2017, in order to come into compliance. This violation will be put under a compliance schedule until the due date.

Investigation: 1436966

Comment Date: 09/04/2017

A file record review was conducted by the TCEQ Tyler Region 5 on September 4, 2017, to determine the status of this outstanding alleged violation.

The TCEQ Tyler Region 5 office received documentation from the regulated entity on August 30, 2017, to address this violation.

Resolution: The documentation submitted is an invoice of the purchase of two meters for wells 1 and 2. The documentation submitted has been reviewed by TCEQ Tyler Region 5 and is adequate to resolve this outstanding violation. The violation is resolved.



TEXAS WATER SYSTEMS Inc

An Investor Owned Utility

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region 5 Office
2916 Teaque Drive
Tyler, Texas 75701

Nov. 2, 2017

Re: Garden Acres Subdivision PWS ID No. O920031, Investigation No. 1424189 (Letter of July 21 & Sept. 5, 2017)

Dear Ms. Fisher:

We submit this up dated compliance plan for the Garden Acres system on the tracks at issue:

1. Track # 647523: We will take vessel down for repairs next 120 days -- work in process
2. Track #647524: We will have the necessary updates added to manual in 60 days-- work in process
3. Track # 647525: We will make arrangements with adjacent property owner to move fence to appropriate distance within 120 days--working with land owner
5. Track # 647527: We actually have 2 units and addressing the issue of more with the options of transit or fixed-enclosed a photo copy of unit to address issue
6. Track # 647528: 2ea 1.5 flanged meters were ordered and installed as indicated on work order (copy enclosed)

COPY

David L. Odle
TWS Management
Operating Company

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

July 21, 2017

CERTIFIED MAIL 9171 9690 0935 0083 4066 59
RETURN RECEIPT REQUESTED

Mr. James K. Brown, President
Garden Acres Subdivision
7891 US Highway 271
Tyler, Texas 75708-4002

Re: Notice of Violation for the Comprehensive Compliance Investigation at:
Garden Acres Subdivision, located South of FM 2206 on Poppy Lane, Longview
(Gregg County), Texas
RN101376705, TCEQ Additional ID: 0920031, Investigation No. 1424189

Dear Mr. Brown:

On June 28, 2017, Ms. Jennifer Smith of the Texas Commission on Environmental Quality (TCEQ) Tyler Region Office conducted an investigation of the above-referenced system to evaluate compliance with applicable requirements for public water systems. 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 a compliance plan by **August 21, 2017**, for the following outstanding alleged violations by track numbers: **647523, 647524, 647525, 647526, 647527, and 647528**. The plan should include the proposed actions to be taken to correct the alleged violations and a schedule for the completion of the corrections. If the violations have already been corrected, please submit compliance documentation, such as a photograph, purchase order, etc., demonstrating what actions were taken.

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.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Tyler Region Office at (903) 535-5100 or the Central Office Publications Ordering Team at 512-239-0028.

Mr. James K. Brown
July 21, 2017
Page 2

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 violation(s) documented in this notice. Should you choose to do so, you must notify the Tyler Region Office within 10 days from the date of this letter. At that time, Mr. Ross B. Morgan, 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.

If you or members of your staff have any questions, please feel free to contact Ms. Jennifer Smith in the Region 5-Tyler Office at (903) 535-5104.

Sincerely,



Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region Office

CCF/jrs

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

GARDEN ACRES SUBDIVISION

Investigation #

, GREGG COUNTY,

1424189
Investigation Date: 06/28/2017

Additional ID(s): 0920031

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 647523 Compliance Due Date: To Be Determined
30 TAC Chapter 290.46(m)(1)(B)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to have the interior surface of the pressure tank inspected every five years.

During the investigation, the investigator documented that the interior of the pressure tank had not been inspected every five years. According to 30 TAC 290.46(m)(1)(B) Pressure tank inspections must determine that the pressure release device and pressure gauge are working properly, the air-water ratio is being maintained at the proper level, the exterior coating systems are continuing to provide adequate protection to all metal surfaces, and the tank remains in watertight condition. Pressure tanks provided with an inspection port must have the interior surface inspected every five years.

Recommended Corrective Action: Please submit a compliance plan by August 21, 2017. The plan should include the proposed actions to be taken to correct the alleged violation and a schedule for the completion of the corrections. If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating what actions were taken.

Track No: 647524 Compliance Due Date: To Be Determined
30 TAC Chapter 290.42(l)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to update the Plant Operations Manual with emergency contacts.

During the investigation, the investigator documented that the regulated entity did not have an emergency contact list within the Plant Operations Manual. According to 30 TAC 290.42(l) A thorough Plant Operations Manual must be compiled and kept up-to-date for operator review and reference. This manual should be of sufficient detail to provide the operator with routine maintenance and repair procedures, with protocols to be utilized in the event of a natural or man-made catastrophe, as well as provide telephone numbers of water system personnel, system officials, and local/state/federal agencies to be contacted in the event of an emergency.

Recommended Corrective Action: Please submit a compliance plan by August 21, 2017. The plan should include the proposed actions to be taken to correct the alleged violation and a schedule for the completion of the corrections. If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating what actions were taken.

Track No: 647525 Compliance Due Date: To Be Determined
30 TAC Chapter 290.41(c)(1)(D)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to prevent livestock within 50 feet of water supply well #1 and #2.

During the investigation, the investigator observed that both water wells #1 and #2 were within 15 feet of the adjoining property line which has goats on the property. According to 30 TAC 290.41(c)(1)(D) Livestock in pastures shall not be allowed within 50 feet of water supply wells.

Recommended Corrective Action: Please submit a compliance plan by August 21, 2017. The plan should include the proposed actions to be taken to correct the alleged violation and a schedule for the completion of the corrections. If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating what actions were taken.

Track No: 647526 **Compliance Due Date:** To Be Determined

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to verify the manual disinfectant residual analyzer once every 90 days using chlorine solutions of known concentration.

During the investigation, the investigator documented that the regulated entity did not have the correct calibration standards for the analyzer that the operator was using and therefore could not properly calibrate the meter. According to 30 TAC 290.46(s)(2)(C)(i) The accuracy of the manual disinfectant residual analyzers shall be verified at least once every 90 days using chlorine solutions of known concentrations.

Recommended Corrective Action: Please submit a compliance plan by August 21, 2017. The plan should include the proposed actions to be taken to correct the alleged violation and a schedule for the completion of the corrections. If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating what actions were taken.

Track No: 647527 **Compliance Due Date:** To Be Determined

30 TAC Chapter 290.42(e)(4)(A)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to have a SCBA readily accessible outside the chlorinator room and immediately available to the operator in the event of an emergency.

During the investigation, the investigator observed that the regulated entity did not keep a SCBA either in the vehicle, at the office, or on-site at the plant. The operator stated that they are contracted with 13 facilities and only have one SCBA to which only one operator is actually performed a fit test on the SCBA. According to 30 TAC 290.42(e)(4)(A) When chlorine gas is used, a full-face self-contained breathing apparatus or supplied air respirator that meets Occupational Safety and Health Administration (OSHA) standards for construction and operation, and a small bottle of fresh ammonia solution (or approved equal) for testing for chlorine leakage shall be readily accessible outside the chlorinator room and immediately available to the operator in the event of an emergency.

Recommended Corrective Action: Please submit a compliance plan by August 21, 2017. The plan should include the proposed actions to be taken to correct the alleged violation and a schedule for the completion of the corrections. If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating what actions were taken.

Track No: 647528 **Compliance Due Date:** To Be Determined

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/19/2017

Failure to have well meters calibrated at least once every three years.

During the investigation, the investigator documented that the well meters for wells 1, and 2 had not been calibrated within the last three years. According to 30 TAC 290.46(s)(1) Flow-measuring devices and rate-of-flow controllers shall be calibrated at least once every 12 months, and well meters shall be calibrated at least once every three years.

Recommended Corrective Action: Please submit a compliance plan by August 21, 2017. The plan should include the proposed actions to be taken to correct the alleged violation and a schedule for the completion of the corrections. If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating what actions were taken.

COPY



TEXAS WATER SYSTEMS Inc

An Investor Owned Utility

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region 5 Office
2916 Teaque Drive
Tyler, Texas 75701

Aug. 17, 2017

Re: Garden Acres Subdivision PWS ID No. O920031, Investigation No. 1424189 (Letter of July 21, 2017)

Dear Ms. Fisher:

We submit this up dated compliance plan for the Garden Acres system on the tracks at issue:

1. Track # 647523: We will take vessel down for repairs next 120 days
2. Track #647524: We will have the necessary updates added to manual in 60 days
3. Track # 647525: We will make arrangements with adjacent property owner to move fence to appropriate distance within 120 days
4. Track # 647526: New and current standards were ordered and placed into use (copy of PO enclosed)
5. Track # 647527: We actually have 2 units and addressing the issue of more with the options of transit or fixed--because of cost need 120 days to resolve matter
6. Track # 647528: 2ea 1.5 flanged meters have been ordered and will be installed next 30 days- PO enclosed

David L. Odle
TWS Management
Operating Company

TWS Management, Inc.

7891 US Highway 271
Tyler, TX 75708

COPY

Purchase Order

Date	P.O. No.
8/17/2017	M31139

Vendor
UNDERGROUND UTILITY SUPPLY 3815 N.N.E. LOOP 323 TYLER, TX 75708

Ship To
TWS Management, Inc. 7891 US Highway 271 Tyler, TX 75708

--

Item	Description	Qty	Rate	Customer	Amount
Parts	1.5" FLANGED METER (REPALE METERS AT GARDEN ACRES)	2	352.06	*TWSI - UTILI..	704.12
Total					\$704.12

--



COPY

INVOICE NUMBER 10566562

DATE: 07/31/2017

Page: 1

DETACH TOP PORTION AND RETURN WITH PAYMENT TO:

TOTAL: \$392.67

Hach Company
2207 Collection Center Drive
Chicago, IL 60693
Phone: (800) 227-4224

Have you ordered online?
Order at WWW.HACH.COM

10566564 002066439 00000039267 073117

Sort Seg: 486

Tray: 2

DETACH HERE

Original

SOLD TO



TEXAS WATER SYSTEM INC
7891 US HIGHWAY 271
TYLER, TX 75708-4002
United States

SHIP TO

TEXAS WATER SYSTEM INC
7891 US HWY 271
TYLER, TX 75713
United States

Table with invoice details: INVOICE NO, PURCHASE ORDER NUMBER, TERMS, FREIGHT, CARRIER, ACCOUNT, REF. NO.

Remit to:
Hach Company
2207 Collections Center Dr
Chicago, IL 60693
Phone: (800)-227-4224

These commodities are sold, packaged, marked, and labeled for destinations in the United States. Exportation of these commodities may require special licensing, packaging, marking or labeling.

Table with columns: LN#, PRODUCT DESCRIPTION, ITEM NO., QUANTITY, UNIT PRICE, EXT. PRICE. Includes tracking numbers for items 1 and 3.

ORDER CONTACT:

DAVID ODLE
9032160750

Notes:

Summary table: SUBTOTAL, FREIGHT CHARGES, TAX, INVOICE TOTAL



PURCHASE AND ACCEPTANCE OF PRODUCT(S) SUBJECT TO HACH COMPANY'S TERMS AND CONDITIONS OF SALE, PUBLISHED ON HACH COMPANY'S WEBSITE AT WWW.HACH.COM/TERMS

For order discrepancies or product exchanges please call 800-227-4224 or 970-669-3050 to obtain Return Authorization.

FEDERAL TAX ID # 42-0704420



OTHER BRANDS FROM HACH 169

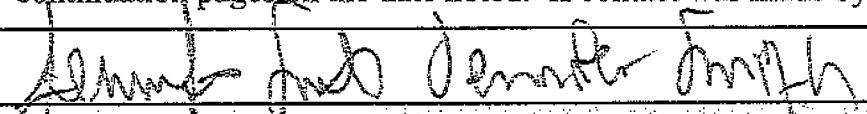
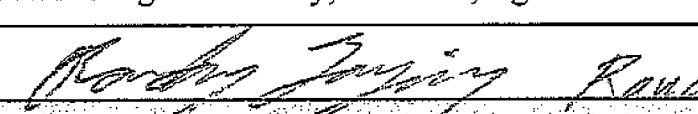
NOTICE: The information provided in this form is intended to provide clarity to issues that have arisen during the investigation process between the TCEQ and the regulated entity named above. Findings related to violations. Any potential or alleged violations discovered after the date on this form will be communicated by telephone to the regulated entity representative prior to enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented on this form.

Issue		For Records Request: identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues: include the rule in question with the clearly described potential problem. C	
No.	Type ¹	Rule Citation (if known)	Description of Issue
1	AV	2910.416(m)	failure to have pressure tank inspection every
2	AV	2910.42(L)	failure to update Plant Operations Manual w/ em
3	AV	2910.41(c)(1)(D)	failure to prevent livestock w/in 50 feet of both v
4	AV		failure to calibrate colorimeter w/ correct standar
5	AV	2910.42(e)(4)(A)	SCBA not readily accessible outside CI room an
6	AV		available.
6	AV		failure to have well meters calibrated every 3 yea

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

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

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

	6/28/17	
Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)

If you have questions about any information on this form, please contact your local TCEQ Regional Office. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact the TCEQ Regional Office.

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 5, 2017

CERTIFIED MAIL 9171 9690 0935 0083 4068 26
RETURN RECEIPT REQUESTED

Mr. James K. Brown, President
Garden Acres Subdivision
7891 US Highway 271
Tyler, Texas 75708-4002

Re: Partial Compliance Letter for:
Garden Acres Subdivision, located South of FM 2206 on Poppy Lane, Longview
(Gregg County), Texas
RN101376705; TCEQ Additional ID No.: 0920031, Investigation No.: 1435935

Dear Mr. Brown:

The Texas Commission on Environmental Quality (TCEQ) Tyler Region Office has received compliance documentation that you submitted August 21, 2017, for the alleged violations noted during the investigation of the above-referenced facility conducted on June 28, 2017. The compliance documentation was sufficient to resolve one of the alleged violations. Please see the enclosed Summary of Investigation Findings.

Please submit compliance documentation by the following dates and track numbers for the outstanding alleged violations: **647523, 647525, 647527 by January 3, 2018; 645724 by November 4, 2017, and 647528 by October 5, 2017.** The documentation should demonstrate what actions have been taken to correct the violations and may include photographs, purchase orders, results of analyses, etc.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to protect the State's environment. We look forward to receiving your response for the remaining alleged violations. 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 Ms. Jennifer Smith in the Region 5-Tyler Office at (903) 535-5104.

Sincerely,


Ms. Cara C. Fisher, Water Work Leader
Tyler Region Office

CCF/jrs

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

GARDEN ACRES SUBDIVISION

Investigation #

1435935
Investigation Date: 08/24/2017

, GREGG COUNTY,

Additional ID(s): 0920031

ALLEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 647526

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to verify the manual disinfectant residual analyzer once every 90 days using chlorine solutions of known concentration.

During the investigation, the investigator documented that the regulated entity did not have the correct calibration standards for the analyzer that the operator was using and therefore could not properly calibrate the meter. According to 30 TAC 290.46(s)(2)(C)(i) The accuracy of the manual disinfectant residual analyzers shall be verified at least once every 90 days using chlorine solutions of known concentrations.

Investigation: 1435935

Comment Date: 08/24/2017

A file record review was conducted by the TCEQ Tyler Region 5 office on August 24, 2017, to determine that status of this outstanding alleged violation.

Resolution: The regulated entity submitted an invoice showing that the regulated entity purchased the recommended standards for the current chlorine residual analyzer that the operator uses on a daily basis. The documentation submitted has been reviewed by TCEQ Tyler Region 5 and is adequate to resolve this outstanding violation. The violation is resolved.

ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 647523

Compliance Due Date: 01/03/2018

30 TAC Chapter 290.46(m)(1)(B)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to have the interior surface of the pressure tank inspected every five years.

During the investigation, the investigator documented that the interior of the pressure tank had not been inspected every five years. According to 30 TAC 290.46(m)(1)(B) Pressure tank inspections must determine that the pressure release device and pressure gauge are working properly, the air-water ratio is being maintained at the proper level, the exterior coating systems are continuing to provide adequate protection to all metal surfaces, and the tank remains in watertight condition. Pressure tanks provided with an inspection port must have the interior surface inspected every five years.

Investigation: 1435935

Comment Date: 08/24/2017

Failure to have the interior surface of the pressure tank inspected every five years.

A file record review was conducted on August 24, 2017, to evaluate the status of this outstanding alleged violation. The regulated entity submitted documentation on August 21, 2017, requesting a compliance due date of January 3, 2018, in order to come into compliance. This violation will be put under a compliance schedule until the due date.

Recommended Corrective Action: Please submit compliance documentation by January 3, 2018. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 647524 **Compliance Due Date:** 11/04/2017
30 TAC Chapter 290.42(I)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to update the Plant Operations Manual with emergency contacts.

During the investigation, the investigator documented that the regulated entity did not have an emergency contact list within the Plant Operations Manual. According to 30 TAC 290.42(I) A thorough Plant Operations Manual must be compiled and kept up-to-date for operator review and reference. This manual should be of sufficient detail to provide the operator with routine maintenance and repair procedures, with protocols to be utilized in the event of a natural or man-made catastrophe, as well as provide telephone numbers of water system personnel, system officials, and local/state/federal agencies to be contacted in the event of an emergency.

Investigation: 1435935

Comment Date: 08/24/2017

Failure to update the Plant Operations Manual with emergency contacts.

A file record review was conducted on August 24, 2017, to evaluate the status of this outstanding alleged violation. The regulated entity submitted documentation on August 21, 2017, requesting a compliance due date of November 4, 2017, in order to come into compliance. This violation will be put under a compliance schedule until the due date.

Recommended Corrective Action: Please submit compliance documentation by November 4, 2017. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 647525 **Compliance Due Date:** 01/03/2018
30 TAC Chapter 290.41(c)(1)(D)

Alleged Violation:

Investigation: 1424189

Comment Date: 07/10/2017

Failure to prevent livestock within 50 feet of water supply well #1 and #2.

During the investigation, the investigator observed that both water wells #1 and #2 were within 15 feet of the adjoining property line which has goats on the property. According to 30 TAC 290.41(c)(1)(D) Livestock in pastures shall not be allowed within 50 feet of water supply wells.

Investigation: 1435935

Comment Date: 08/24/2017

Failure to prevent livestock within 50 feet of water supply Well #1 and Well #2.

A file record review was conducted on August 24, 2017, to evaluate the status of this outstanding alleged violation. The regulated entity submitted documentation on August 21, 2017, requesting a compliance due date of January 3, 2018, in order to come into compliance. This violation will be put under a compliance schedule until the due date.

Recommended Corrective Action: Please submit compliance documentation by January 3, 2018. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 647527 **Compliance Due Date:** 01/03/2018
30 TAC Chapter 290.42(e)(4)(A)

Alleged Violation:

173

Failure to have a SCBA readily accessible outside the chlorinator room and immediately available to the operator in the event of an emergency.

During the investigation, the investigator observed that the regulated entity did not keep a SCBA either in the vehicle, at the office, or on-site at the plant. The operator stated that they are contracted with 13 facilities and only have one SCBA to which only one operator is actually performed a fit test on the SCBA. According to 30 TAC 290.42(e)(4)(A) When chlorine gas is used, a full-face self-contained breathing apparatus or supplied air respirator that meets Occupational Safety and Health Administration (OSHA) standards for construction and operation, and a small bottle of fresh ammonia solution (or approved equal) for testing for chlorine leakage shall be readily accessible outside the chlorinator room and immediately available to the operator in the event of an emergency.

Investigation: 1435935

Comment Date: 08/24/2017

Failure to have a SCBA readily accessible outside the chlorinator room and immediately available to the operator in the event of an emergency.

A file record review was conducted on August 24, 2017, to evaluate the status of this outstanding alleged violation. The regulated entity submitted documentation on August 21, 2017, requesting a compliance due date of January 3, 2018, in order to come into compliance. This violation will be put under a compliance schedule until the due date.

Recommended Corrective Action: Please submit compliance documentation by January 3, 2018. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 647528 Compliance Due Date: 10/05/2017

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1424189

MAILED 11/2/17

Comment Date: 07/19/2017

Failure to have well meters calibrated at least once every three years.

During the investigation, the investigator documented that the well meters for wells 1, and 2 had not been calibrated within the last three years. According to 30 TAC 290.46(s)(1) Flow-measuring devices and rate-of-flow controllers shall be calibrated at least once every 12 months, and well meters shall be calibrated at least once every three years.

Investigation: 1435935

Comment Date: 08/24/2017

Failure to have well meters calibrated at least once every three years.

A file record review was conducted on August 24, 2017, to evaluate the status of this outstanding alleged violation. The regulated entity submitted documentation on August 21, 2017, requesting a compliance due date of October 5, 2017, in order to come into compliance. This violation will be put under a compliance schedule until the due date.

Recommended Corrective Action: Please submit compliance documentation by October 5, 2017. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

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

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			113	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

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:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer 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:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

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

No Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, 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 following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, 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.



TEXAS WATER SYSTEMS Inc

An Investor Owned Utility

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

MS Cara C. Fisher
Water Work Leader
Tyler Region 5 Office
2916 Teaque Drive
Tyler, Texas 75701

January 3, 2017

Re: Notice of Violation at Garden Valley Resort, FM1995 system ID 2120081, Investigation # 1370893

Dear Ms Fisher:

We submit the following compliance plan for the Garden Valley system on the tracks at issue:

1. Track # 625534: Test was preformed 10/20/2016 and a copy of results were faxed (also mailed) to Samantha Smith 12/5/2016
2. Track # 625538: All of the backflow tests were current and in a different file and copies of same were faxed as well as mailed to Samantha Smith 12/5/2016
3. Other points of interest were also addressed in correspondence

Thank you for your consideration of this plan and we will anticipate your response if further information is required .

Sincerely,

David L. Odle
Operation Manager

cc RB

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 28, 2018

Mr. Red Brown, Owner
Texas Water Systems Inc
7891 US 271
Tyler, Texas 75708-4002

Re: Notice of Compliance with Notice of Violation letter (NOV) for:
Garden Valley Resort, located on FM 1995, W of SH 110, S of IH 20, Lindale
(Smith County), Texas
RN102665965 TCEQ Additional ID No.: 2120081, Investigation No.: 1472090

Dear Mr. Brown:

This letter is to inform you that the Texas Commission on Environmental Quality (TCEQ) Tyler Region Office received adequate compliance documentation on December 5, 2016 and January 6, 2017, to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on October 13, 2016. Based on the information submitted, no further action is required concerning this investigation. Please see the enclosed Summary of Investigation Findings.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Samantha Smith at the Tyler Region Office at (903) 535-5159.

Sincerely,

A handwritten signature in black ink, appearing to read "Cara C. Fisher".

Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region Office

CCF/SSS

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

GARDEN VALLEY RESORT

Investigation # 1472090

, SMITH COUNTY,

Investigation Date: 02/20/2018

Additional ID(s): 2120081

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 625534

30 TAC Chapter 290.46(f)(2)

Alleged Violation:

Investigation: 1370893

Comment Date: 12/05/2016

Failure to provide records for the calibration of the well meter within the past 3 years. The public water system's operating records must be accessible for review during inspections and be available to the executive director upon request.

During the investigation on October 13, 2016, the investigator documented that Garden Valley Resort failed to provide her with a record for the calibration of their well meter within the past 3 years.

Investigation: 1472090

Comment Date: 02/21/2018

This alleged violation is being resolved, as noted in the "resolution" section below, in response to the record review conducted on 02/20/2018.

Resolution: On 12/05/2016, the TCEQ Tyler Region Office received compliance documentation from Garden Valley Resort containing their invoice and the test results for the calibration of their well meter.

Track No: 625538

30 TAC Chapter 290.46(f)(2)

Alleged Violation:

Investigation: 1370893

Comment Date: 12/05/2016

Failure to provide backflow assembly test reports for Bass Lake RV Park and Garden Valley RV Park. The public water system's operating records must be accessible for review during inspections and be available to the executive director upon request.

During the investigation on October 13, 2016, the investigator documented that Garden Valley Resort failed to provide her with backflow assembly test reports for Bass Lake RV Park and Garden Valley RV Park.

Investigation: 1472090

Comment Date: 02/21/2018

This alleged violation is being resolved, as noted in the "resolution" section below, in response to the record review conducted on 02/20/2018.

Resolution: On 12/05/2016, the TCEQ Tyler Region Office received compliance documentation from Garden Valley Resort containing copies of their backflow assembly test reports for Bass Lake RV Park and Garden Valley RV Park over the course of 3 years.

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

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			113	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

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:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer 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:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

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

No Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, 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 following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, 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.



TEXAS WATER SYSTEMS Inc

An Investor Owned Utility

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

MS Cara C. Fisher
Water Work Leader
Tyler Region 5 Office
2916 Teaque Drive
Tyler, Texas 75701

February 21, 2018

Re: Notice of Violation at Mount Sylvan Water System, ID 2120034, Investigation # 1455611

Dear Ms Fisher:

We submit the following compliance plan for the Mt. Sylvan system for consideration on the tracks at issue:

1. Track # 663208: Because of age of well # 1 sealing block we will pour a new cap on this to resolve the problem on a more permanent basis within 90 days of this response
2. Track # 663225: What I would like for you to consider for a temporary solution; that is in fact we established a 1.5 " water connection with Crystal Water a couple a years ago with a regulated meter set rated at 50 gpm with a RPZ in place, this I feel brings us in compliance on several issues-- at least until we get plant # 3 on line (the operator failed to disclose this on the visit)

Thank you for your consideration of this plan and we will anticipate your response if further information or clarification is required .

Sincerely,

David L. Odle
Operation Manager

cc RB



TEXAS WATER SYSTEMS Inc

An Investor Owned Utility

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

TCEQ
Technical Review & Oversight, MC 155
P.O. Box 13087
Austin Tx. 78711-3087

Re: Notice of Violation at Mount Sylvan Water System, ID 2120034, Investigation # 1455611

Dear Team:

We submit the following compliance plan for the Mt. Sylvan system for consideration on the tracks at issue:

1. Track 445270, investigation # 937901, 1455611, 1216321: I would like for you to consider for an sanitary control exception: Ever since investigation of 8/26/2011 we have tried numerous times to obtain easement, but have never had a positive response if any response at all. We have sent various letters by certified mail and they all came back as well as numerous calls to dead end numbers as like the one I obtained from country tax office this week. We also know that no one has resided there during this time frame. I have also enclosed a picture of the property in question with relationship to our wells at plant # 1 Mount Sylvan. We have reached out in neighborhood trying to obtain information to purchase same with no success. We are attempting to connect with someone by means of social media also. If someone does come forward we will try to obtain easement or purchase property and eliminate all structures. This exception request is for this single property because all other sanitary easements are in place.

Thank you for your consideration of this plan and we will anticipate your response if further information or clarification is required.

Sincerely,

David L. Odle
Operation Manager

cc RB

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 5, 2018

CERTIFIED MAIL 9171 9690 0935 0136 8023 15
RETURN RECEIPT REQUESTED

Mr. Red Brown, Owner
Mount Sylvan Water System
7891 US 271
Tyler, Texas 75708

Re: Notice of Violation for the Comprehensive Compliance Investigation at:
Mount Sylvan Water System, located at FM 724 & SH 110 N, northwest of Tyler
(Smith County), Texas
RN101195238, TCEQ Additional ID No.: 2120034, Investigation No.: 1455611

Dear Mr. Brown:

On December 13, 2017, Miss Samantha Smith of the Texas Commission on Environmental Quality (TCEQ) Tyler Regional Office conducted an investigation of the above-referenced system to evaluate compliance with applicable requirements for public water supply systems. 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 a compliance plan by February 5, 2018, for the following outstanding alleged violations by track nos.: 663208, and 663225. The plan should include the proposed actions to be taken to correct the alleged violations and a schedule for the completion of the corrections. If the violations have already been corrected, please submit compliance documentation, such as a photograph, purchase order, etc., demonstrating what actions were taken.

In addition, please submit compliance documentation, such as a photograph, purchase order, etc., demonstrating what actions were taken to reach full compliance by July 5, 2018, for the following outstanding alleged violations, by track nos.: 445270, 557494, 663220, 663222, and 663226.

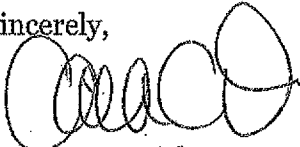
In the listing of the alleged violation(s), we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Tyler Region Office at (903) 535-5100 or the Central Office Publications Ordering Team at (512) 239-0028.

Mr. Red Brown, Owner
January 5, 2018
Page 2

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 violation(s) documented in this notice. Should you choose to do so, you must notify the Tyler Region Office within 10 days from the date of this letter. At that time, Mr. Ross B. Morgan, 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.

If you or members of your staff have any questions, please feel free to contact Miss Smith in the Tyler Region Office at (903) 535-5159.

Sincerely,



Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region Office

CCF/SSS

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

MOUNT SYLVAN WATER SYSTEM

Investigation # 1455611

, SMITH COUNTY,

Investigation Date: 12/13/2017

Additional ID(s): 2120034

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 445270

Compliance Due Date: 07/05/2018

30 TAC Chapter 290.41(c)(1)(F)

Alleged Violation:

Investigation: 937901

Comment Date: 08/26/2011

Failure to obtain, for each well, either sanitary control easements or an exception from the executive director. A sanitary easement covering all property within 150 feet of each well location must be secured from adjacent landowners and recorded at the county courthouse to ensure that hazards will not develop in each well area. Residential type wells within the easement must be constructed to public water well standards. A copy of the recorded document must be submitted for our records.

The water system may request an exception to this requirement by contacting the Water Supply Division, Public Drinking Water Section, Surveillance and Technical Assistance, at 512 239 4453 or -4487.

Please be reminded that all requests for exceptions must be in writing and supported with adequate documentation.

With the approval of the executive director, political subdivisions which have adopted and enforce equivalent ordinances or land use restrictions may substitute these documents for sanitary control easements.

During the investigation on July 28, 2011, the investigator documented in a conversation with Mr. Trimble that one of the sanitary control easements for Wells 1 and 2 had not been obtained.

Investigation: 1216321

Comment Date: 12/31/2014

Failure to obtain either sanitary control easements or an exception from the executive director, for each well.

During the investigation on December 4, 2014, the investigator documented in a review of records and in speaking with Operator David Odle that one of the sanitary control easements for Wells 1 and 2 had not been obtained. Operator Odle reported that the adjacent landowner will not grant them the easement needed. As a result, the water system is being advised one final time that it must obtain an exception from Austin. Otherwise, if compliance is not achieved within the 180-day compliance deadline below, enforcement action may be initiated.

The water system may request its sanitary control exception by contacting:
TCEQ;
Technical Review & Oversight, MC 155,
P.O. Box 13087,
Austin, TX 78711-3087;
phone: (512) 239-4691.
<http://www.tceq.texas.gov/drinkingwater/trot/exception>

Please be reminded that all requests for exceptions must be in writing and supported with adequate documentation.

Investigation: 1345129

Comment Date: 08/24/2016

Failure to obtain either sanitary control easements or an exception from the executive director, for each well.

A file record review was conducted on July 20, 2016 to review compliance documentation submitted by the water system on January 30, 2015. The documentation was insufficient to resolve the violation.

Investigation: 1455611

Comment Date: 12/20/2017

Failure to obtain either sanitary control easements or an exception from the executive director, for Wells 1 and 2.

During the investigation on 12/13/2017, the investigator documented that Mount Sylvan failed to obtain the lacking sanitary control easement for Wells 1 and 2. The water system must obtain an exception from Austin for sanitary control for those wells.

The water system may request its sanitary control exception by contacting TROT (Technical Review & Oversight Team) at (512) 239-4691, or by website link: <http://www.tceq.texas.gov/drinkingwater/trot/exception>. or by mailing address: TCEQ / Technical Review & Oversight, MC 155 / P.O. Box 13087, Austin, TX 78711-3087.

Since this violation is being brought forward a third time within the past 5 years, it is being given a 180-day compliance deadline. Otherwise, enforcement action may be initiated. The water system is encouraged to let the Region Office know as soon as it hears back from Austin Headquarters regarding its exception request.

Recommended Corrective Action: Please submit compliance documentation by **07/05/2018**. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 557494 Compliance Due Date: 07/05/2018

30 TAC Chapter 290.41(c)(3)(P)

Alleged Violation:

Investigation: 1216321

Comment Date: 01/02/2015

Failure to provide an all weather access road to each well site.

This matter was initially cited as an Additional Issue during the previous investigation. No noticeable improvements have been made.

During the investigation on December 4, 2014, the investigator observed that the water system failed to provide an all-weather road to Well 3. The road must be able to hold up in the most severe weather conditions, to provide access to the well during an emergency repair and/or maintenance situation.

Investigation: 1345129

Comment Date: 08/24/2016

A file record review was conducted on July 20, 2016 to review compliance documentation submitted by the water system on January 30, 2015. The documentation was insufficient to resolve the violation.

Investigation: 1455611

Comment Date: 12/20/2017

Failure to provide an all weather access road to each well site.

During the investigation on 12/13/2017, the investigator observed that Mount Sylvan failed to provide an all-weather road to Well 3. The road must be able to hold up in the most severe weather conditions, to provide access to the well during an emergency repair and/or maintenance situation.

Since this violation is being brought forward a third time within the past 5 years, it is being given a 180-day compliance deadline.

Recommended Corrective Action: Please submit compliance documentation by **07/05/2018**. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 663208 **Compliance Due Date:** To Be Determined
30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1455611

Comment Date: 12/20/2017

Failure to maintain the concrete sealing block surrounding Well 1.

During the investigation on 12/13/2017, the investigator observed that the concrete sealing block had cracked in half, potentially exposing the aquifer to direct contamination. At a minimum, Mount Sylvan WS should use a flexible, nontoxic, waterproof compound to seal the crack if possible. A new slab or additional concrete may be required, but the water system must exercise extreme caution during any repair not to introduce contamination into the area immediately surrounding the casing.

Recommended Corrective Action: Please submit a compliance plan by **02/05/2018**. The plan should include:

- (1) the proposed actions to be taken to correct the alleged violations, and
- (2) a schedule for the completion of those corrections.

If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating the actions that were taken.

Track No: 663220 **Compliance Due Date:** 07/05/2018
30 TAC Chapter 290.45(b)(1)(D)(i)

Alleged Violation:

Investigation: 1455611

Comment Date: 12/20/2017

Failure to meet a well capacity of 0.6 gpm per connection.

Well capacity required: 0.6 gpm / conn X 311 conn = 187 gpm.

Well capacity provided: 25 + 23 + 84 + 21.5 = 153.5 gpm.

153.5 gpm provided are 82% of 187 gpm required, resulting in a deficiency of 18%.

Plans for a fifth well were approved in May 2012, but as of the investigation on 12/13/2017, Well 5 had not been drilled.

Due to the severity of the violation (greater than 10% deficient), this violation must be resolved within a 180-day timeframe. Therefore, on or before July 5, 2018, sufficient well capacity must be provided in order to avoid Enforcement Action. Be sure to communicate with the Regional Office once Well 5 is put into service.

Recommended Corrective Action: Please submit compliance documentation by **07/05/2018**. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

Track No: 663222 **Compliance Due Date:** 07/05/2018
30 TAC Chapter 290.45(b)(1)(D)(ii)

Alleged Violation:

Investigation: 1455611

Comment Date: 12/20/2017

Failure to meet a total storage capacity of 200 gallons per connection.

Total storage capacity required: $200 \text{ gal / conn} \times 311 \text{ conn} = 62,200 \text{ gallons}$.
 Total storage capacity provided: $20,000 + 23,300 = 43,300 \text{ gallons}$.
 43,300 gallons provided are 70% of 62,200 gallons required, resulting in a deficiency of 30%.

Plans for Plant 3 were approved in December 2013, but as of the investigation on 12/13/2017, the plant was not constructed.

Due to the severity of the violation (greater than 10% deficient), this violation must be resolved within a 180-day timeframe. Therefore, on or before July 5, 2018, sufficient storage capacity must be provided in order to avoid Enforcement Action. Be sure to communicate with the Regional Office once Plant 3 is put into service.

Recommended Corrective Action: Please submit compliance documentation by **07/05/2018**. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc

Track No: ~~663225~~ Compliance Due Date: To Be Determined

30 TAC Chapter 290.45(b)(1)(D)(iii)

Alleged Violation:

Investigation: 1455611

Comment Date: 12/20/2017

Failure to meet a service pump capacity of 2.0 gpm per connection.

Service pump capacity required: $2.0 \text{ gpm / conn} \times 311 \text{ conn} = 622 \text{ gpm}$.
 Service pump capacity provided: $95 + 95 + 135 + 158 + 88 = 571 \text{ gpm}$.
 571 gpm provided are 92% of 622 gpm required, resulting in a deficiency of 8%.

Plans for Plant 3 were approved in December 2013, but as of the investigation on 12/13/2017, the plant was not constructed. Be sure to communicate with the Regional Office once Plant 3 is put into service.

Recommended Corrective Action: Please submit a compliance plan by **02/05/2018**. The plan should include:

- (1) the proposed actions to be taken to correct the alleged violations, and
- (2) a schedule for the completion of those corrections.

If this violation has already been corrected, please submit compliance documentation, such as photographs, purchase orders, results of analyses, etc., demonstrating the actions that were taken.

Track No: 663226 Compliance Due Date: 07/05/2018

30 TAC Chapter 290.45(b)(1)(D)(iv)

Alleged Violation:

Investigation: 1455611

Comment Date: 12/20/2017

Failure to meet a pressure capacity of 20 gallons per connection.

Pressure storage capacity required: $20 \text{ gal / conn} \times 311 \text{ conn} = 6,220 \text{ gallons}$.
 Pressure storage capacity provided: $900 + 1,500 + 2,500 = 4,900 \text{ gallons}$.
 4,900 gallons provided are 79% of 6,220 gallons required, resulting in a deficiency of 21%.

Plans for Plant 3 were approved in December 2013, but as of the investigation on 12/13/2017, the plant was not constructed.

Due to the severity of the violation (greater than 10% deficient), this violation must be resolved within a 180-day timeframe. Therefore, on or before July 5, 2018, sufficient pressure tank capacity must be provided in order to avoid Enforcement Action. Be sure to communicate with the Regional Office once the plant is put into service.

Recommended Corrective Action: Please submit compliance documentation by **07/05/2018**. The documentation should demonstrate what actions have been taken to correct the violation and may include photographs, purchase orders, results of analyses, etc.

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

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			113	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

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:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer 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:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

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

No Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, 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 following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, 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.

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 14, 2016

CERTIFIED MAIL 9171 9690 0935 0083 5306 06
RETURN RECEIPT REQUESTED

Mr. James K. Brown, President
Texas Water Systems, Inc.
7891 Highway 271
Tyler, Texas 75708-4002

Re: Notice of Violation for the Comprehensive Compliance Investigation at:
Rosewood WS, Located on Mimosa Rd S off SH 154 in Rosewood, (Upshur County), Texas
RN101182475, TCEQ Additional ID: 2300026, Investigation No. 1364500

Dear Mr. Brown:

On September 27, 2016, Ms. Jennifer Brewton of the Texas Commission on Environmental Quality (TCEQ) Tyler Regional Office conducted an investigation of the above-referenced system to evaluate compliance with applicable requirements for public water supply systems. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required, as well as an additional issue which requires your attention.

Please submit compliance documentation, such as a photograph, purchase order, etc., demonstrating what actions were taken by **January 12, 2017**, for the following outstanding alleged violations: **544845** and **619740**.

Additionally, please submit compliance documentation, such as a photograph, purchase order, etc., demonstrating what actions were taken by **April 14, 2017**, for the following outstanding alleged violations: **544843** and **619741**.

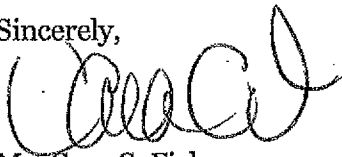
In the listing of the alleged violation(s), we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Tyler Region Office at 903-535-5100 or the Central Office Publications Ordering Team at 512-239-0028.

Mr. James K. Brown, President
October 14, 2016
Page 2

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 violation(s) documented in this notice. Should you choose to do so, you must notify the Tyler Region Office within 10 days from the date of this letter. At that time, Mr. Ross Morgan, 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.

If you or members of your staff have any questions, please feel free to contact Ms. Jennifer Brewton in the Region 5-Tyler Office at (903) 535-5150.

Sincerely,



Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region Office

CCF/JCB

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

ROSEWOOD WATER SYSTEM

Investigation #

1364500
Investigation Date: 09/27/2016

, UPSHUR COUNTY,

Additional ID(s): 2300026

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 544843 Compliance Due Date: 04/14/2017

30 TAC Chapter 290.43(c)

Alleged Violation:

Investigation: 1187152

Comment Date: 08/22/2014

Failure to maintain ground storage tank in strict accordance with AWWA standards.

During the investigation, the investigator observed through tank inspection forms and visual inspection that the fiberglass 0.0088 MG ground storage tank at the Harmony Plant was in poor condition. Specifically, the hatch was rusted and flaking around the edges, there was a noticeable depression on the roof which would be prone to ponding, and there was significant evidence of patchwork to several areas. Also noted was the hatch on the 0.02016 MG ground storage tank at the Rosewood Plant was in need of repair.

Investigation: 1364500

Comment Date: 09/30/2016

See previous comments.

Recommended Corrective Action: Please submit compliance documentation by April 14, 2017. The documentation should demonstrate what actions have been taken and may include photographs, purchase orders, results of analyses, etc.

Track No: 544845 ✓ Compliance Due Date: 01/12/2017

30 TAC Chapter 290.41(c)(3)(O)

Alleged Violation:

Investigation: 1187152

Comment Date: 08/12/2014

Failure to have well enclosed in an intruder resistant fence.

During the investigation, the investigator observed the well at the Harmony Plant was not enclosed in a fence.

Investigation: 1364500

Comment Date: 09/30/2016

See previous comments.

During the investigation, the investigator documented that the well at the Harmony Plant had been enclosed in a chain link fence, however there was no gate to access the well head.

Recommended Corrective Action: Please submit compliance documentation by 01/12/2017. The documentation should demonstrate what actions have been taken and may include photographs, purchase orders, results of analyses, etc.

Track No: 619740 ✓ Compliance Due Date: 01/12/2017

30 TAC Chapter 290.46(m)(1)

Alleged Violation:

Investigation: 1364500

Comment Date: 09/30/2016

Failure to conduct annual tank inspections.

During the investigation, the investigator documented the most recent tank inspection results provided for the water system were from 2013.

Recommended Corrective Action: Please submit compliance documentation by 01/12/2017. The documentation should demonstrate what actions have been taken and may include photographs, purchase orders, results of analyses, etc.

Track No: 619741 Compliance Due Date: 04/14/2017

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

Alleged Violation:

Investigation: 1364500

Comment Date: 09/30/2016

Failure to provide a minimum total storage capacity of 200 gallons per connection.

During the investigation, the investigator documented the capacity for total storage was at 113%. The current calculations are as follows:

Required: 200 (gallons per connection) x 163 (current connections) = 0.033 MG
Provided: 0.02896 MG

Recommended Corrective Action: Please submit compliance documentation by April 14, 2017. The documentation should demonstrate what actions have been taken and may include photographs, purchase orders, results of analyses, etc.

Your water system must be modified to meet this requirement to assure adequate pressure is maintained. These modifications can include interconnecting with another system with a contractual agreement that they will provide adequate pressure for all or part of your system.

Please be advised that public water systems shall notify the executive director prior to making any significant change or addition to the system's production, treatment, storage, or distribution facilities. Public water systems shall submit plans and specifications for the proposed changes upon request. In addition, the system can obtain a contractual agreement with another system to provide the required deficit in the amount of pressure maintenance facilities.

The water system may request an exception to these requirements by writing to TCEQ, Water Supply Division, Public Drinking Water Section, Technical Review & Oversight, MC 155, P.O. Box 13087, Austin, TX 78711-3087; phone: (512) 239-4691.

**ALLEGED VIOLATION(S) NOTED AND RESOLVED
ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 544844

30 TAC Chapter 290.43(d)(3)

Alleged Violation:

Investigation: 1187152

Comment Date: 08/12/2014

Failure to provide an in-line filter on air injection lines.

During the investigation, the investigator documented the air injection line at the Harmony Plant was missing an in-line filter.

Investigation: 1364500

Comment Date: 09/30/2016

See previous comments.

Resolution: During the investigation, the investigator observed an in-line air filter had been installed on the air injection line. This alleged violation will be resolved.

Track No: 544846

30 TAC Chapter 290.43(c)(1)

Alleged Violation:

Investigation: 1187152

Comment Date: 08/12/2014

Failure to have mesh screen on air vent for ground storage tank.

During the investigation, the investigator observed the 0.02016 MG ground storage tank at the Rosewood Plant did not have a screen on the air vent.

Investigation: 1364500

Comment Date: 09/30/2016

See previous comments.

Resolution: During the investigation, the investigator observed the air vents on the ground storage tanks were provided with the appropriate mesh screening. This alleged violation will be resolved.

X

Track No: 544847

30 TAC Chapter 290.42(e)(5)

Alleged Violation:

Investigation: 1187152

Comment Date: 08/12/2014

Failure to have the hypochlorination container sealed.

During the investigation, the investigator observed the container used for hypochlorination had grocery bags inserted into the mouth and was not air tight.

Investigation: 1364500

Comment Date: 09/30/2016

See previous comments.

Resolution: During the investigation, the investigator observed a new hypochlorination container had been installed that was properly sealed. This alleged violation will be resolved.

Y

ADDITIONAL ISSUES

Description

Additional Comments

Item 8

During the investigation, the investigator documented that the water system is operating at 89% of pressure storage capacity and 85% service pump capacity. It should also be noted the water system's current well production capacity is at 84%. These are based on the following calculations:

Well: Required-0.6 gpm x 163 con. = 98 gpm;
Provided-117 gpm

Pressure Storage: Required-20 gal. x 163 con.
=0.00326 MG; Provided-0.00365 MG

Service Pump: Required-2.0 gpm x 163 con. =
326 gpm; Provided-384 gpm

A retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in Chapter 290 of this title shall submit to the executive director a planning report that clearly explains how the retail public utility will provide the expected service demands to the remaining areas within the boundaries of its certified area. The water system is required to submit a planning report indicating what measures would be taken to increase capacity should the connections increase. The planning report should be submitted within 90 days.

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

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			113	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

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:

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer 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:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

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

No Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, 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 following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, 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.

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 9, 2017

Mr. Red Brown, Owner
Texas Water Systems Inc.
7891 US 271
Tyler, Texas 75708-4002

Re: Comprehensive Compliance Investigation at:
Stallion Lake Ranch, N frontage of US 20, W of CR 424, Lindale (Smith Co.), Texas
RN102321544, TCEQ Additional ID 2120104, Investigation No. 1395920

Dear Mr. Brown:

On February 22, 2017, Samantha Smith of the Texas Commission on Environmental Quality (TCEQ) Tyler Region Office conducted an investigation of the above-referenced system to evaluate compliance with applicable requirements for public water systems. No violations are being alleged as a result of this investigation; however, please see the enclosed Summary of Investigation Findings that has Additional Issues which need your attention.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Miss Smith in the Tyler Region Office at (903) 535-5159.

Sincerely,

A handwritten signature in black ink, appearing to read "Cara C. Fisher".

Ms. Cara C. Fisher
Work Leader, Water Program
Tyler Region Office

CCF/SSS

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

STALLION LAKE RANCH

Investigation # 1395920

, SMITH COUNTY,

Investigation Date: 02/22/2017

Additional ID(s): 2120104

No Violations Associated to this Investigation

ADDITIONAL ISSUES

Description

Item 1

Additional Comments

During the investigation on 02/22/2017, the investigator documented that the system's customer service agreement and Customer Service Inspection form prohibited pipes and pipe fittings that contain more than 8.0 % lead. They must be revised to 0.25 % lead, to reflect the current version of Rule 290.46(i).

Item 2

During the investigation on 02/22/2017, the investigator observed a greater-than-1/16 inch gap at the cover of the overflow pipe on the ground storage tank (GST). The operator removed a thick layer of rust, which reduced the gap to within an approximate 1/16 inch gap. This issue should be monitored to assure that there continues not to be a gap of more than 1/16 inch.

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Jon Niermann, *Commissioner*
Emily Lindley, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 23, 2018

Mr. James K. Brown, President
TEXAS WATER SYSTEMS, INC.
7891 United States Highway 271
Tyler, Texas 75708-4002

*Station
Case*

Re: Proposed Agreed Order
TEXAS WATER SYSTEMS, INC.; RN102321544; Public Water Supply ID No. 2120104
Docket No. 2018-1042-PWS-E; Enforcement Case No. 56460
FOR SETTLEMENT PURPOSES ONLY

Dear Mr. Brown:

The Executive Director of the Texas Commission on Environmental Quality ("Commission" or "TCEQ") is pursuing an enforcement action against TEXAS WATER SYSTEMS, INC. for violations of the Texas Health & Safety Code and Commission Rules. These violations were discovered during a record review conducted on May 14, 2018 through May 25, 2018, and documented in a letter dated May 25, 2018, from the TCEQ Drinking Water Special Functions Section.

Please find enclosed a proposed agreed order which we have prepared in an attempt to expedite this enforcement action. The order assesses an administrative penalty of \$476. We are proposing a one-time offer to defer \$95 of the administrative penalty if you satisfactorily comply with all the ordering provisions within the time frames listed. Therefore, the administrative penalty to be paid is \$381. The order also identifies the violations that we are addressing and identifies specific technical requirements necessary to resolve them.

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

Enclosed for your convenience is a return envelope. If you agree with the order as proposed, please sign and return the original order **and** the penalty payment (check payable to "TCEQ" and referencing TEXAS WATER SYSTEMS, INC., Docket No. 2018-1042-PWS-E) to:

Mr. James K. Brown
Page 2
August 23, 2018

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

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

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

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

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

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

Mr. James K. Brown
Page 3
August 23, 2018

For any questions or comments about this matter or to arrange a meeting, please contact Mr. Austin Henck of my staff at (512) 239-6155.

Sincerely,

Melissa Cordell
for
Megan Hamilton, Manager
Enforcement Division
Texas Commission on Environmental Quality

MH/ah

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

cc: Mr. Randy Lovejoy, 7891 United States Highway 271, Tyler, Texas 75708-4002

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TEXAS WATER SYSTEMS, INC.
RN102321544

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2018-1042-PWS-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding TEXAS WATER SYSTEMS, 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 north of Interstate Highway 20, two miles west of State Highway 110 in Smith County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 109 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(71).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE § 7.002 and TEX. HEALTH & SAFETY CODE § 341.049, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$476 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$381 of the penalty and \$95 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

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

II. ALLEGATIONS

During a record review conducted on May 14, 2018 through May 25, 2018, an investigator documented that the Respondent:

1. Failed to conduct water quality parameter sampling at the Facility's one entry point and the required distribution sample site, have the samples analyzed, and report the results to the Executive Director for the June 1, 2017 through November 30, 2017 monitoring period, in violation of 30 TEX. ADMIN. CODE § 290.117(e)(2), (h), and (i)(3).
2. Failed to collect one lead and copper sample from the Facility's one entry point no later than 180 days after the end of the January 1, 2015 through December 31, 2017 monitoring period during which the lead and copper action levels were exceeded, have the samples analyzed, and report the results to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.117(d)(2)(A), (h), and (i)(2).
3. Failed to submit a recommendation to the Executive Director for source water treatment within 180 days after the end of the January 1, 2015 through December 31, 2017 monitoring period during which the lead and copper action levels were exceeded, in violation of 30 TEX. ADMIN. CODE § 290.117(g)(2)(A).
4. Failed to submit a recommendation to the Executive Director for optimal corrosion control treatment within six months after the end of the January 1, 2015 through December 31, 2017 monitoring period during which the lead and copper action levels were exceeded, in violation of 30 TEX. ADMIN. CODE § 290.117(f)(3)(A).

III. DENIALS

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

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: TEXAS WATER SYSTEMS, INC., Docket No. 2018-1042-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. Collect one water quality parameter sample at the entry point and one water quality parameter sample at the Facility's required distribution sample site on a quarterly basis through the first six-month monitoring period¹ and ensure that the samples are analyzed and the results reported to the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.117.
 - b. Within 30 days after the effective date of this Order, collect one lead and copper sample from the Facility's entry point, have the samples analyzed, and report the results to the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.117.
 - c. Within 45 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.e below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.b.
 - d. Within 180 days after the effective date of this Order:
 - i. Submit to the Executive Director an optimal corrosion control treatment recommendation, in accordance with 30 TEX. ADMIN. CODE § 290.117; and

¹ "First six-month monitoring period" refers to the January 1st through June 30th or July 1st through December 31st monitoring period that begins immediately after the effective date of this Order.

- ii. Submit to the Executive Director a source water lead and copper treatment recommendation, in accordance with 30 TEX. ADMIN. CODE § 290.117.
- e. Within 195 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions Nos. 2.a, 2.d.i, and 2.d.ii. The certification shall be signed by the Respondent and shall include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.

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

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

For the Executive Director

Date

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

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

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

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

Signature

Date

Name (Printed or typed)
Authorized Representative of
TEXAS WATER SYSTEMS, INC.

Title

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



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	29-May-2018	Screening	8-Jun-2018	EPA Due	30-Jun-2018
	PCW	2-Aug-2018				

RESPONDENT/FACILITY INFORMATION	
Respondent	TEXAS WATER SYSTEMS, INC.
Reg. Ent. Ref. No.	RN102321544
Facility/Site Region	5-Tyler
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	56460	No. of Violations	4
Docket No.	2018-1042-PWS-E	Order Type	1660
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Austin Henck
		EC's Team	Enforcement Team 8
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **Adjustment** **Subtotals 2, 3, & 7**

Notes

Culpability **Enhancement** **Subtotal 4**

Notes

Good Faith Effort to Comply Total Adjustments **Subtotal 5**

Economic Benefit **Enhancement*** **Subtotal 6**

Total EB Amounts	\$144
Estimated Cost of Compliance	\$2,110

**Capped at the Total EB \$ Amount*

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL **Reduction** **Adjustment**

Reduces the Final Assessed Penalty by the indicated percentage.

Notes

PAYABLE PENALTY

Screening Date 8-Jun-2018
Respondent TEXAS WATER SYSTEMS, INC.
Case ID No. 56460
Reg. Ent. Reference No. RN102321544
Media [Statute] Public Water Supply
Enf. Coordinator Austin Henck

Docket No. 2018-1042-PWS-E

PCW
 Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Violation Number
Rule Cite(s)
Violation Description

Base Penalty

>> **Environmental, Property and Human Health Matrix**

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				<input type="text" value="15.0%"/>
Potential	<input checked="" type="checkbox"/>			

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				<input type="text" value="0.0%"/>

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	<input checked="" type="checkbox"/>

Violation Base Penalty

Good Faith Efforts to Comply

Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	<input checked="" type="checkbox"/>	

Notes

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Screening Date 8-Jun-2018
Respondent TEXAS WATER SYSTEMS, INC.
Case ID No. 56460
Reg. Ent. Reference No. RN102321544
Media [Statute] Public Water Supply
Enf. Coordinator Austin Henck

Docket No. 2018-1042-PWS-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.117(d)(2)(A), (h), and (l)(2)

Violation Description

Failed to collect one lead and copper sample from the Facility's one entry point no later than 180 days after the end of the January 1, 2015 through December 31, 2017 monitoring period during which the lead and copper action levels were exceeded, have the samples analyzed, and report the results to the Executive Director.

Base Penalty \$1,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				15.0%
Potential	x			

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Failure to collect lead and copper samples from the entry point could result in persons served by the Facility being exposed to undetected contaminants which would exceed levels protective of human health.

Adjustment \$850

\$150

Violation Events

Number of Violation Events: 1 Number of violation days: 71

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$150

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction: \$0

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

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

Violation Subtotal \$150

Economic Benefit (EB) for this violation

Estimated EB Amount \$1

Statutory Limit Test

Violation Final Penalty Total \$179

This violation Final Assessed Penalty (adjusted for limits) \$179

Screening Date 8-Jun-2018
 Respondent TEXAS WATER SYSTEMS, INC.
 Case ID No. 56460

Docket No. 2018-1042-PWS-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102321544
 Media [Statute] Public Water Supply
 Enf. Coordinator Austin Henck

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 290.117(g)(2)(A)

Violation Description

Failed to submit a recommendation to the Executive Director for source water treatment within 180 days after the end of the January 1, 2015 through December 31, 2017 monitoring period during which the lead and copper action levels were exceeded.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1

71 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Extraordinary		
Ordinary		
N/A	x	

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

Violation Subtotal \$50

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$68

Violation Final Penalty Total \$60

This violation Final Assessed Penalty (adjusted for limits) \$60

Screening Date 8-Jun-2018
Respondent TEXAS WATER SYSTEMS, INC.
Case ID No. 56460

Docket No. 2018-1042-PWS-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102321544
Media [Statute] Public Water Supply
Enf. Coordinator Austin Henck
Violation Number 4
Rule Cite(s)

30 Tex. Admin. Code § 290.117(f)(3)(A)

Violation Description

Failed to submit a recommendation to the Executive Director for optimal corrosion control treatment within six months after the end of the January 1, 2015 through December 31, 2017 monitoring period during which the lead and copper action levels were exceeded.

Base Penalty \$1,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
	X		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1 **Number of violation days** 69

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

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

Notes

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

Violation Subtotal \$50

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$68

Violation Final Penalty Total \$60

This violation Final Assessed Penalty (adjusted for limits) \$60

The TCEQ is committed to accessibility.

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



Compliance History Report

Compliance History Report for CN600629893, RN102321544, Rating Year 2017 which includes Compliance History (CH) components from September 1, 2012, through August 31, 2017.

Customer, Respondent, or Owner/Operator: CN600629893, TEXAS WATER SYSTEMS, INC. **Classification:** UNCLASSIFIED **Rating:** -----

Regulated Entity: RN102321544, Stallion Lake Ranch **Classification:** NOT APPLICABLE **Rating:** N/A

Complexity Points: N/A **Repeat Violator:** N/A

CH Group: 14 - Other

Location: LOCATED NORTH OF INTERSTATE HIGHWAY 20, TWO MILES WEST OF STATE HIGHWAY 110 IN SMITH COUNTY, TEXAS

TCEQ Region: REGION 05 - TYLER

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 2120104

Compliance History Period: September 01, 2012 to August 31, 2017 **Rating Year:** 2017 **Rating Date:** 09/01/2017

Date Compliance History Report Prepared: July 30, 2018

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 30, 2013 to July 30, 2018

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

Name: Austin Henck

Phone: (512) 239-6155

Site and Owner/Operator History:

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

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

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

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1 December 30, 2013 (1139459)

Item 2 March 06, 2017 (1395920)

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

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

- 1 Date: 12/08/2017 (1454479)
- Self Report? NO Classification: Minor
- Citation: 30 TAC Chapter 290, SubChapter D 290.46(l)
- Description: Failure, by the system, to flush more frequently if complaints are received and to maintain water sufficient water quality.
- 2 Date: 01/03/2018 (1485193)
- Self Report? NO Classification: Moderate
- Citation: 30 TAC Chapter 290, SubChapter F 290.117(e)
30 TAC Chapter 290, SubChapter F 290.117(h)
30 TAC Chapter 290, SubChapter F 290.117(i)(3)
- Description: LCR WQP MR Reduced 2017 - The system failed to monitor for water quality parameters in accordance with TCEQ rules two times during the Reduced 2017 monitoring period at entry point location 23560 I-20 (EP001) and the distribution system.
- 3 Date: 05/03/2018 (1485193)
- Self Report? NO Classification: Moderate
- Citation: 30 TAC Chapter 290, SubChapter F 290.117(d)(2)(A)
30 TAC Chapter 290, SubChapter F 290.117(h)
30 TAC Chapter 290, SubChapter F 290.117(i)(2)
- Description: LCR SOWT MR 06/01/2017 to 09/30/2017- The system failed to monitor for

Attachment 'L'

Part F: Question 28

Confidential

Operators Information

CONFIDENTIAL

DOCKET NO.:

STYLE: APPLICATION OF TEXAS WATER SYSTEMS, INC. AND UNDINE DEVELOPMENT, LLC FOR SALE, TRANSFER, OR MERGER OF A RETAIL PUBLIC UTILITY IN GREGG, HENDERSON, SMITH AND UPSHUR COUNTIES

SUBMITTING PARTY: Undine Development, LLC

BRIEF DESCRIPTION OF CONTENTS: Attachment L – Operators Information

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE: 219 to 220

ENVELOPE #: 1 OF 1

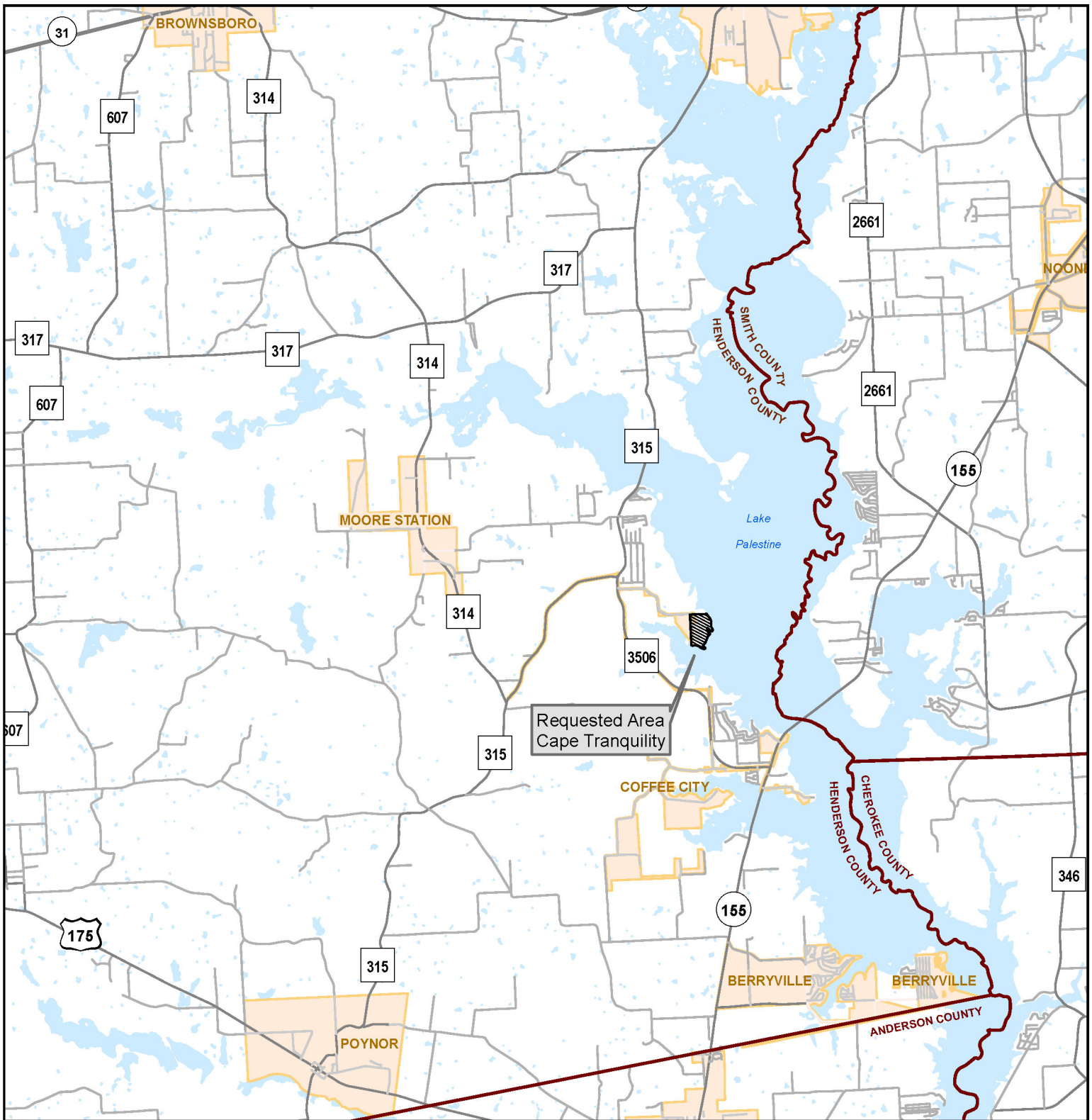
ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

DATE SUBMITTED TO COMMISSION: 9/2/21

Attachment 'M'

Part G

CCN Maps to be Transferred with this Application



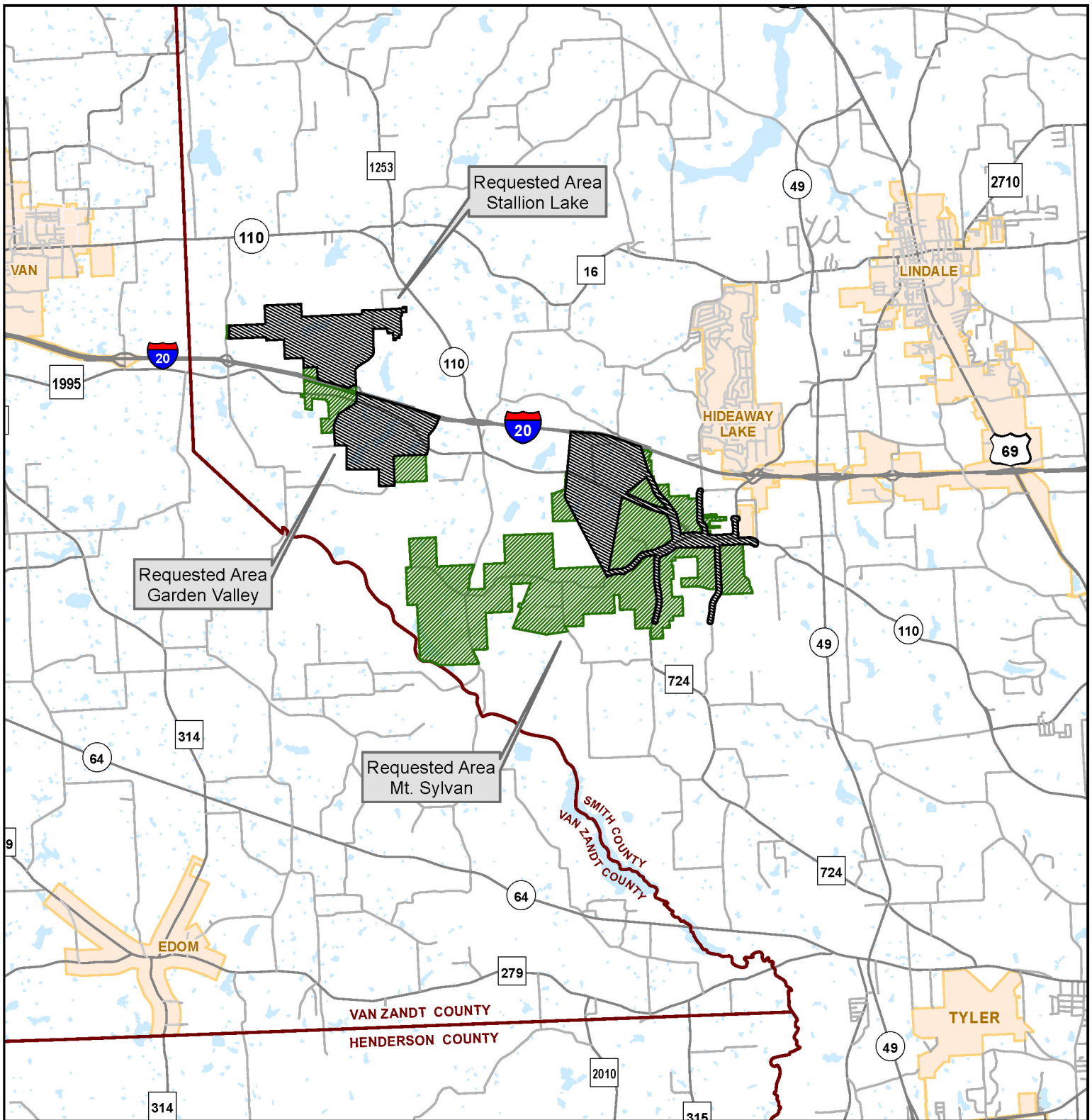
General Location in Henderson County

Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
 and to Amend Portions of CCN 12473 to be Transferred
 in Gregg, Henderson, Smith and Upshur Counties

Requested Water Service Area to Transfer

 CCN 12473 - Texas Water Systems, Inc.





General Location in Smith County

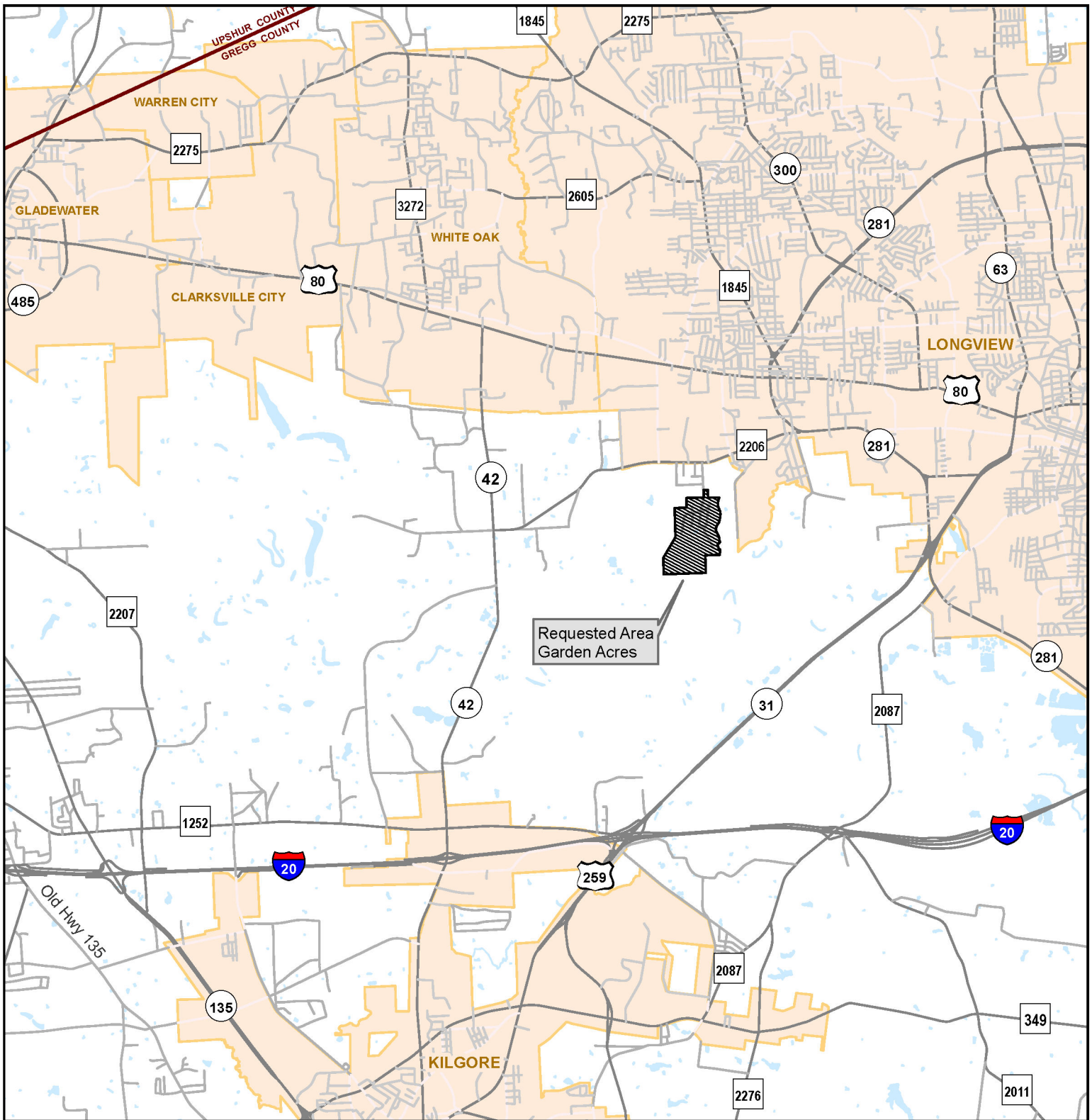
Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
 and to Amend Portions of CCN 12473 to be Transferred
 in Gregg, Henderson, Smith and Upshur Counties



Requested Water Service Area to Transfer and Amend

- CCN 12473 - Texas Water Systems, Inc.
- Water Amendment Areas






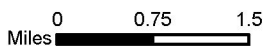
General Location in Gregg County

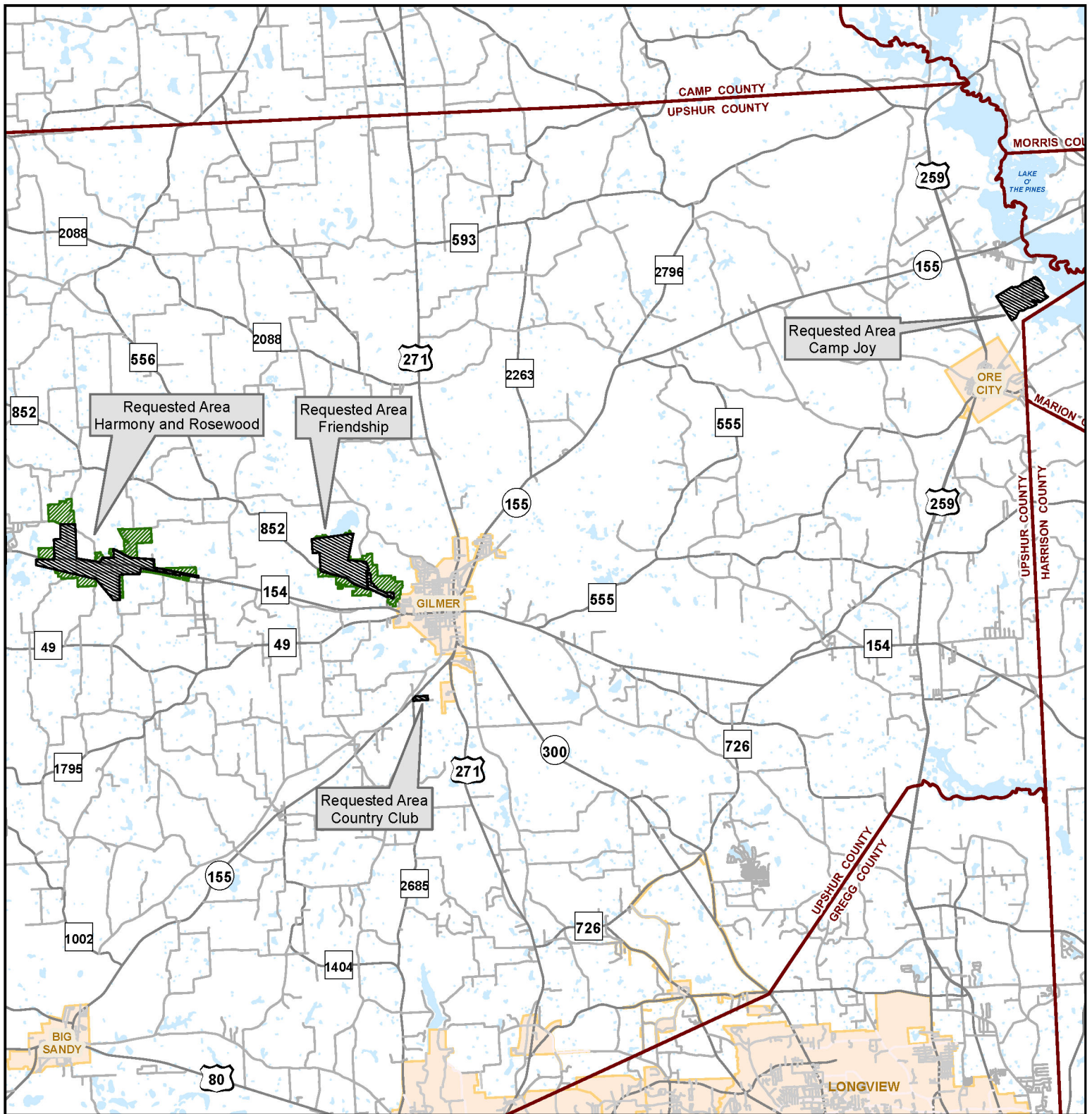
Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
 and to Amend Portions of CCN 12473 to be Transferred
 in Gregg, Henderson, Smith and Upshur Counties



Requested Water Service Area to Transfer

 CCN 12473 - Texas Water Systems, Inc.







General Location in Upshur County

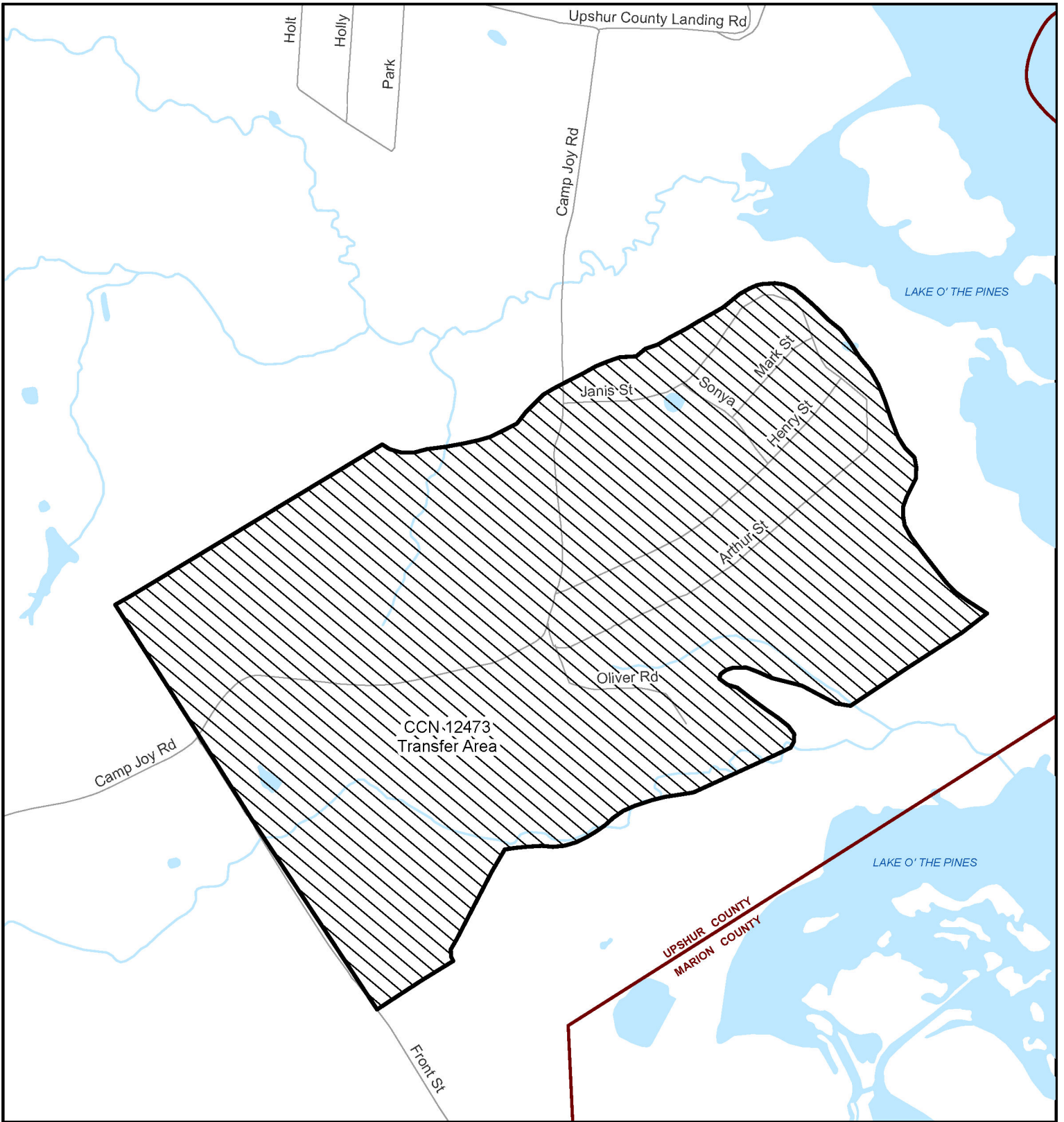
Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407 and to Amend Portions of CCN 12473 to be Transferred in Gregg, Henderson, Smith and Upshur Counties



Requested Water Service Areas to Transfer and Amend

-  CCN 12473 - Texas Water Systems, Inc.
-  Water Amendment Areas





Camp Joy in Upshur County

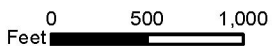
Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
 and to Amend Portions of CCN 12473 to be Transferred
 in Gregg, Henderson, Smith and Upshur Counties



Water CCN Areas to Transfer

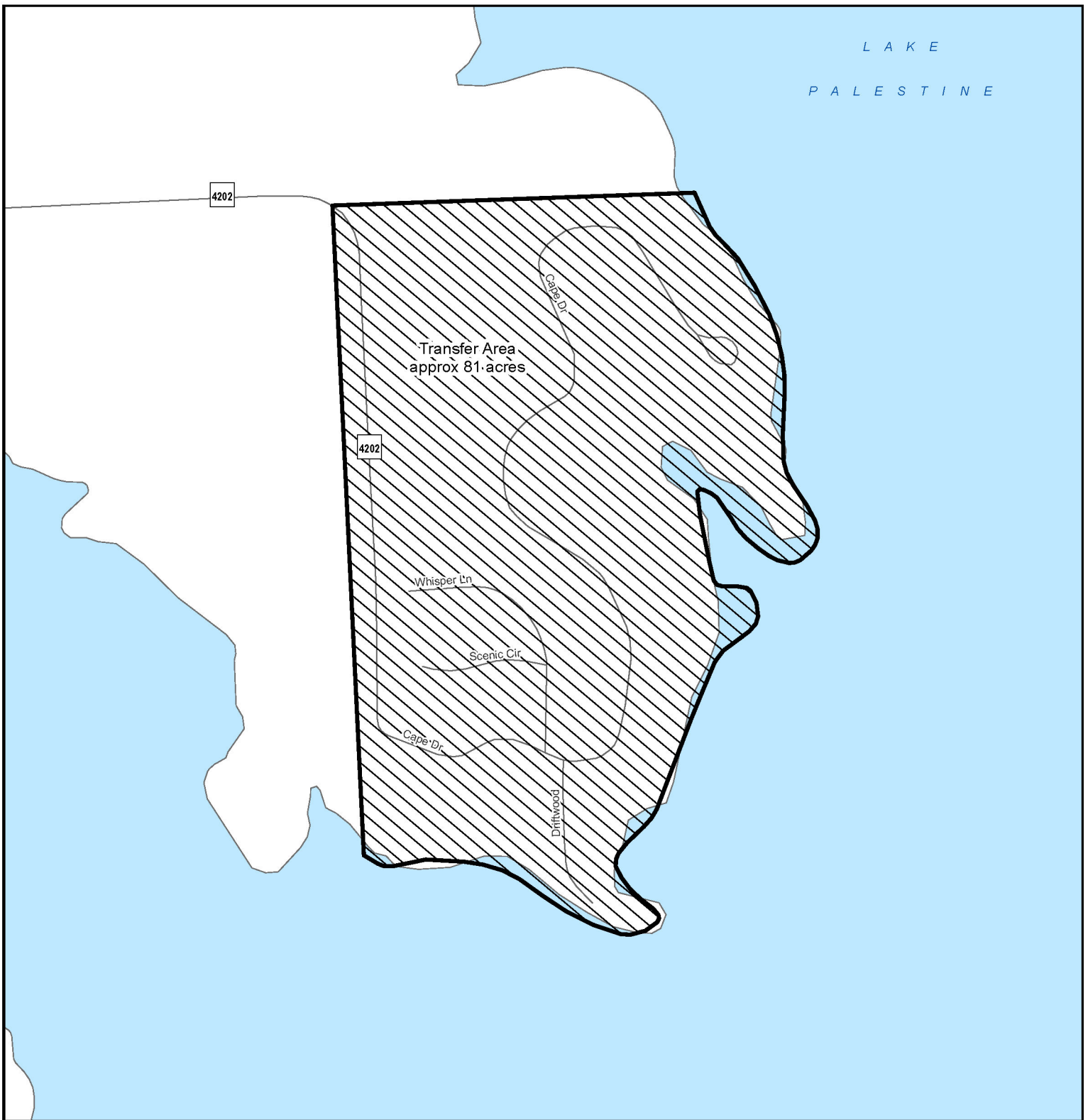


CCN 12473 - Texas Water Systems, Inc.



Map by: S. Burt, ASBGI
 228 Date: Nov. 20, 2019
 Base: TxDOT 2015 Roadways
 Project: CampJoy_UpshurCounty.mxd

L A K E
P A L E S T I N E



Cape Tranquility in Henderson County

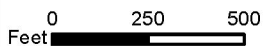
Undine Development, LLC
Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
and to Amend Portions of CCN 12473 to be Transferred
in Gregg, Henderson, Smith and Upshur Counties

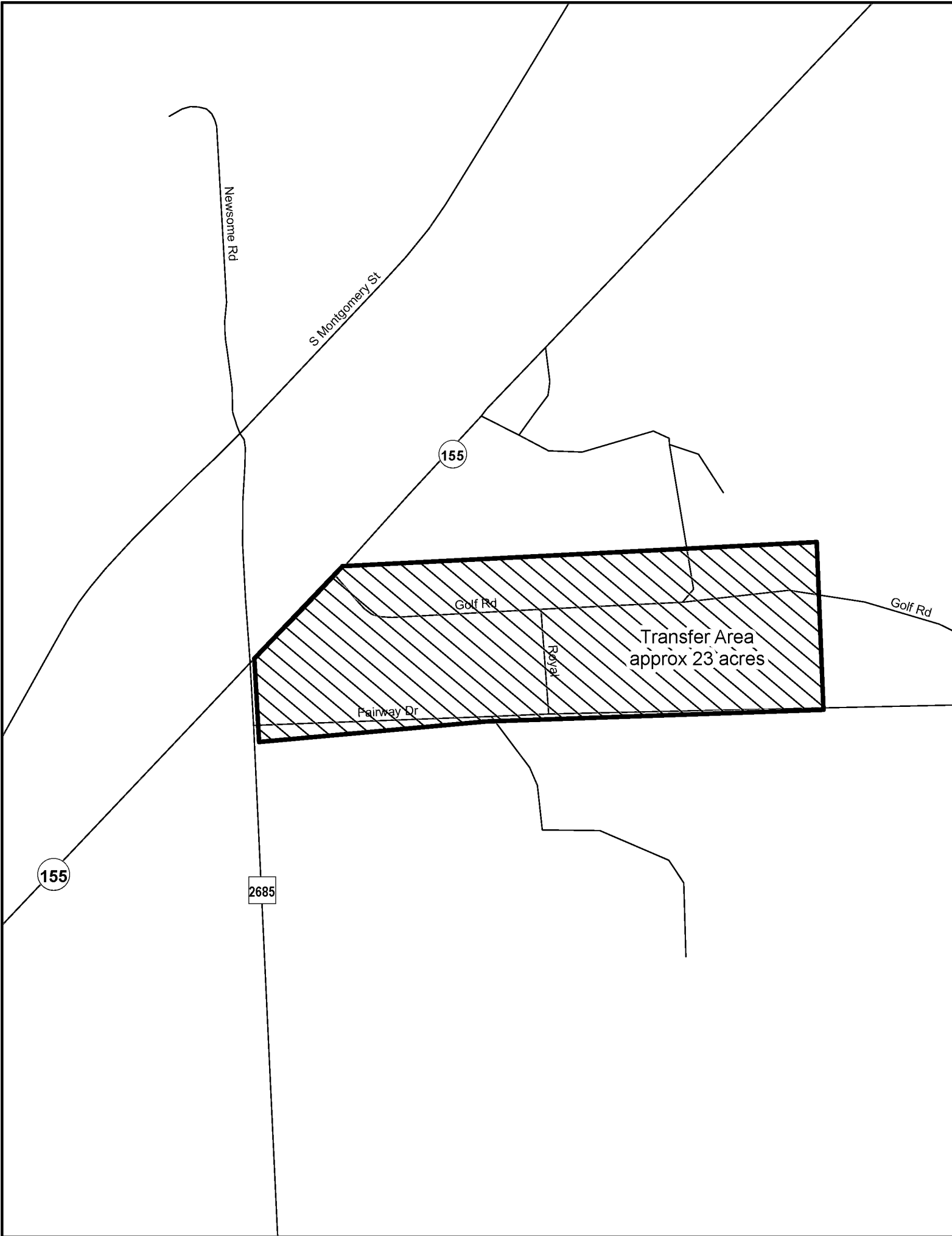


Water CCN Area to Transfer



CCN 12473 - Texas Water Systems, Inc.





Newsome Rd

S Montgomery St

155

Golf Rd

Golf Rd

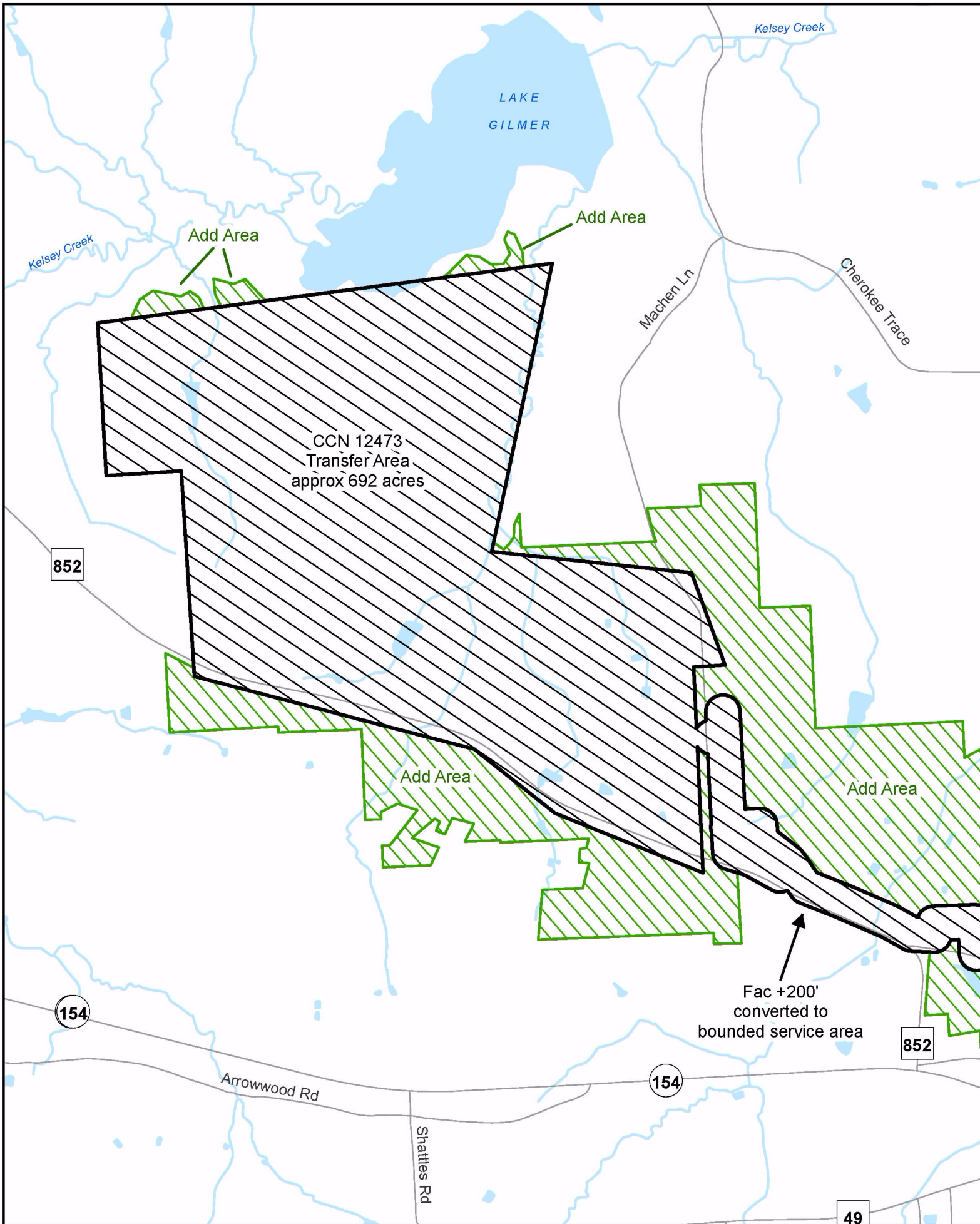
Transfer Area
approx 23 acres

Power

Fairway Dr

155

2685



Friendship in Upshur County

2206

2206

Bon

McKesson

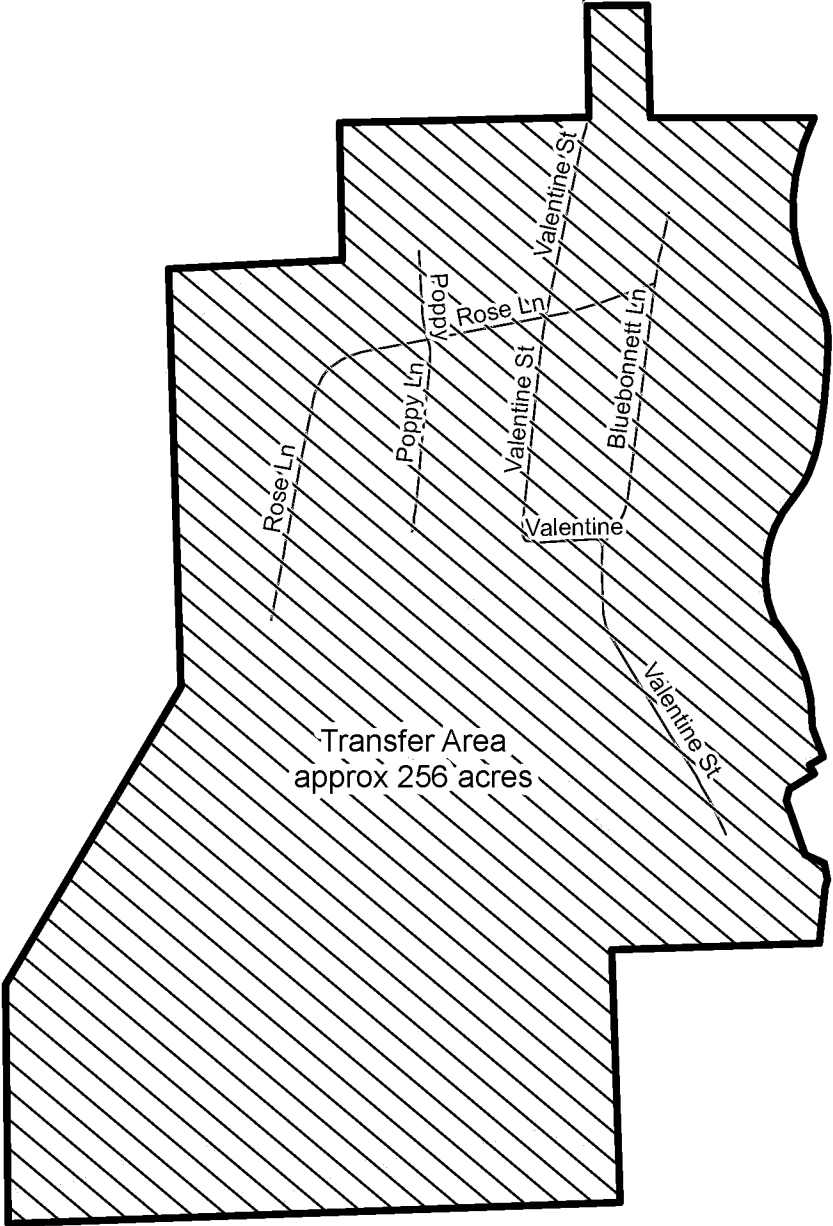
Market

Jamaica

Valentine St

Nimrod

Mistletoe St



Transfer Area
approx 256 acres

Rose Ln

Poppy Ln

Poppy

Rose Ln

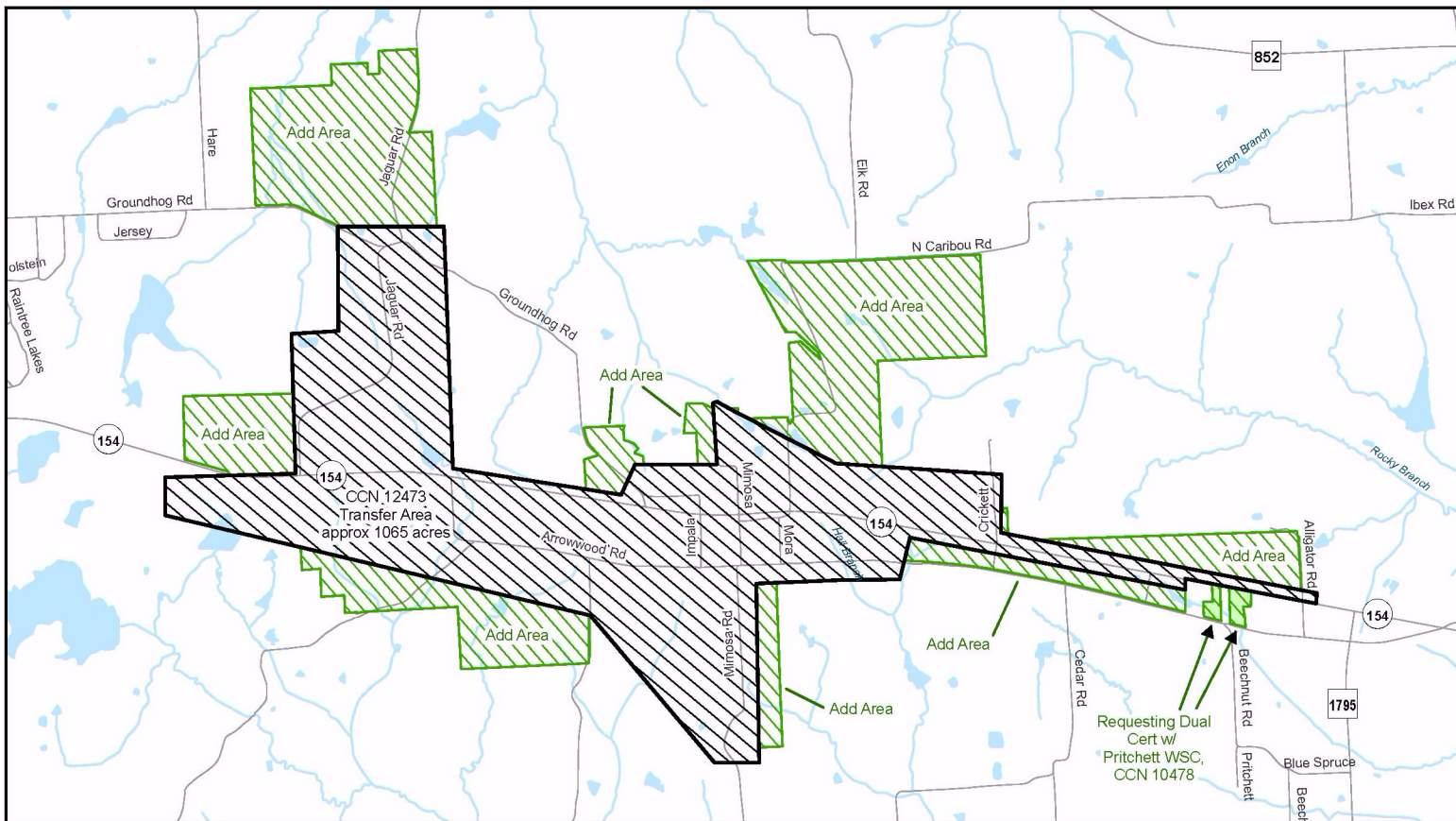
Valentine St

Bluebonnet Ln

Valentine St

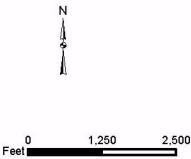
Valentine




Valentine St



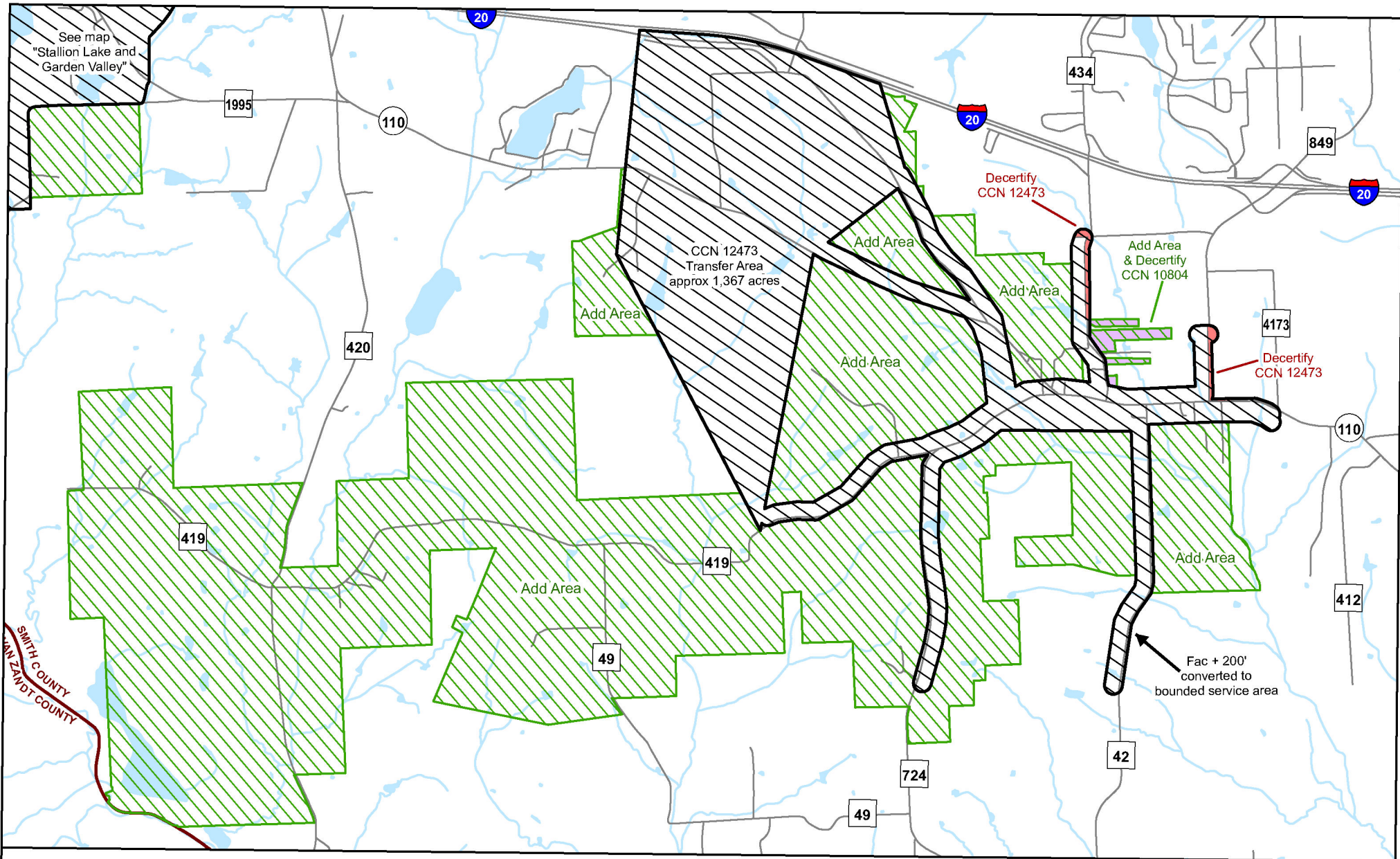
Harmony and Rosewood in Upshur County

Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
 and to Amend Portions of CCN 12473 to be Transferred
 in Gregg, Henderson, Smith and Upshur Counties



Water CCN Areas to Transfer and Amend	
	CCN 12473 - Texas Water Systems, Inc. - approx 1,065 acres
	Water Amendment Areas - approx 739 acres
	Requesting Dual Certification w/ Pritchett WSC, CCN 10478 - approx 8 acres

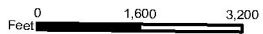
Map by: S. Burt ASBGI
 Date: July 8, 2019
 Base: SraMap Transv2
 Project: Harmony_Rosewood_UpshurCounty_REVISED.mxd



Mt. Sylvan in Smith County

Undine Development, LLC

Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407 and to Amend Portions of CCN 12473 to be Transferred in Gregg, Henderson, Smith and Upshur Counties



Water CCN Area to Amend

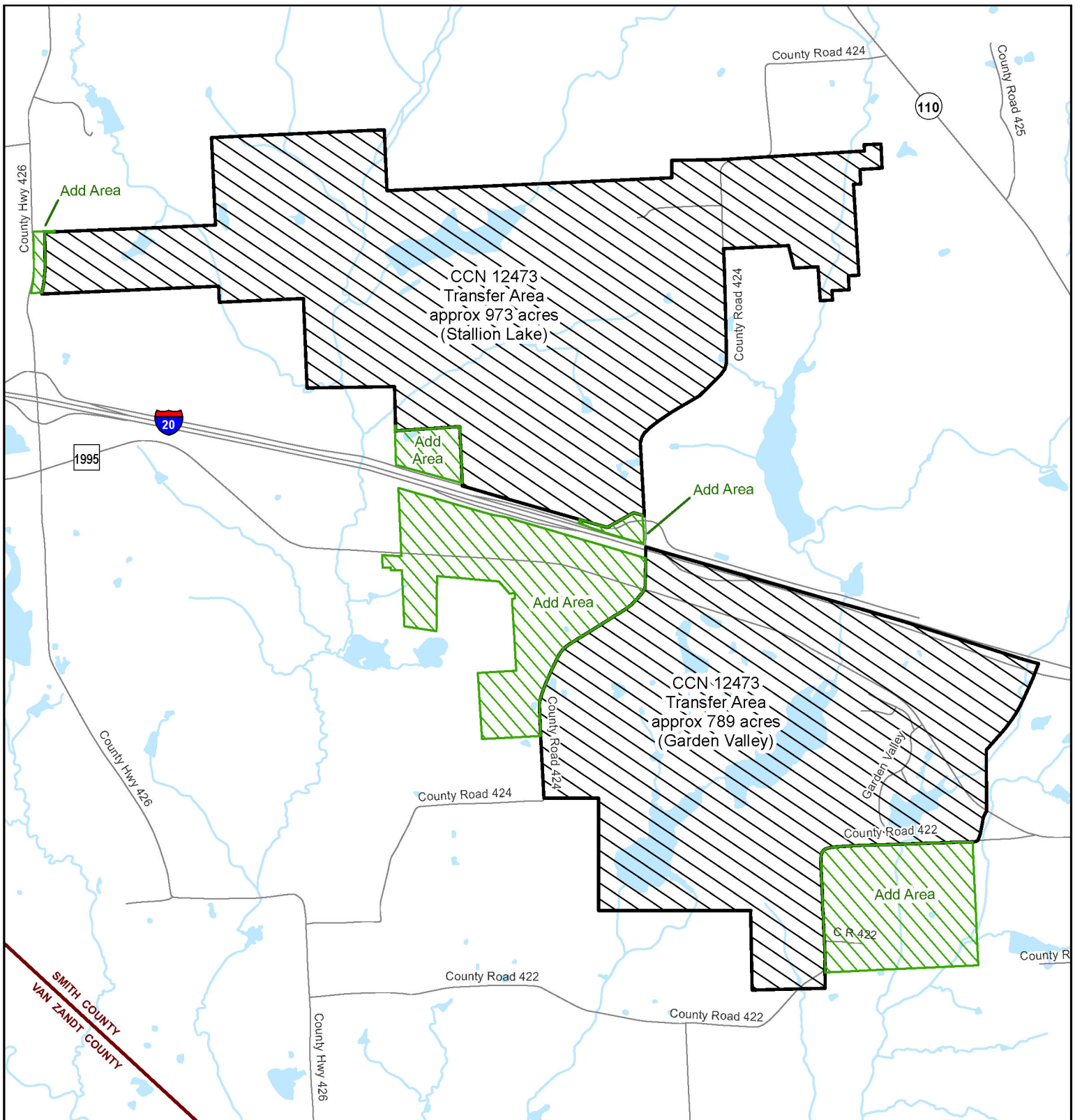
- Water Amendment Areas - approx 3,640 acres
- Requesting to Decertify Crystal Systems, CCN 10804 - approx 21 acres

Water CCN Area to Transfer

- CCN 12473 - Texas Water Systems, Inc. - approx 1,367 acres
- Decertify Texas Water Systems, CCN 12473 - approx 12 acres

Map by: S. Burt, ASBGI
Date: July 8, 2019



Base: StratMapTransv2
Project: Mt Sylvan_SmithCounty_REVISED.mxd

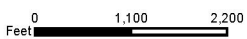


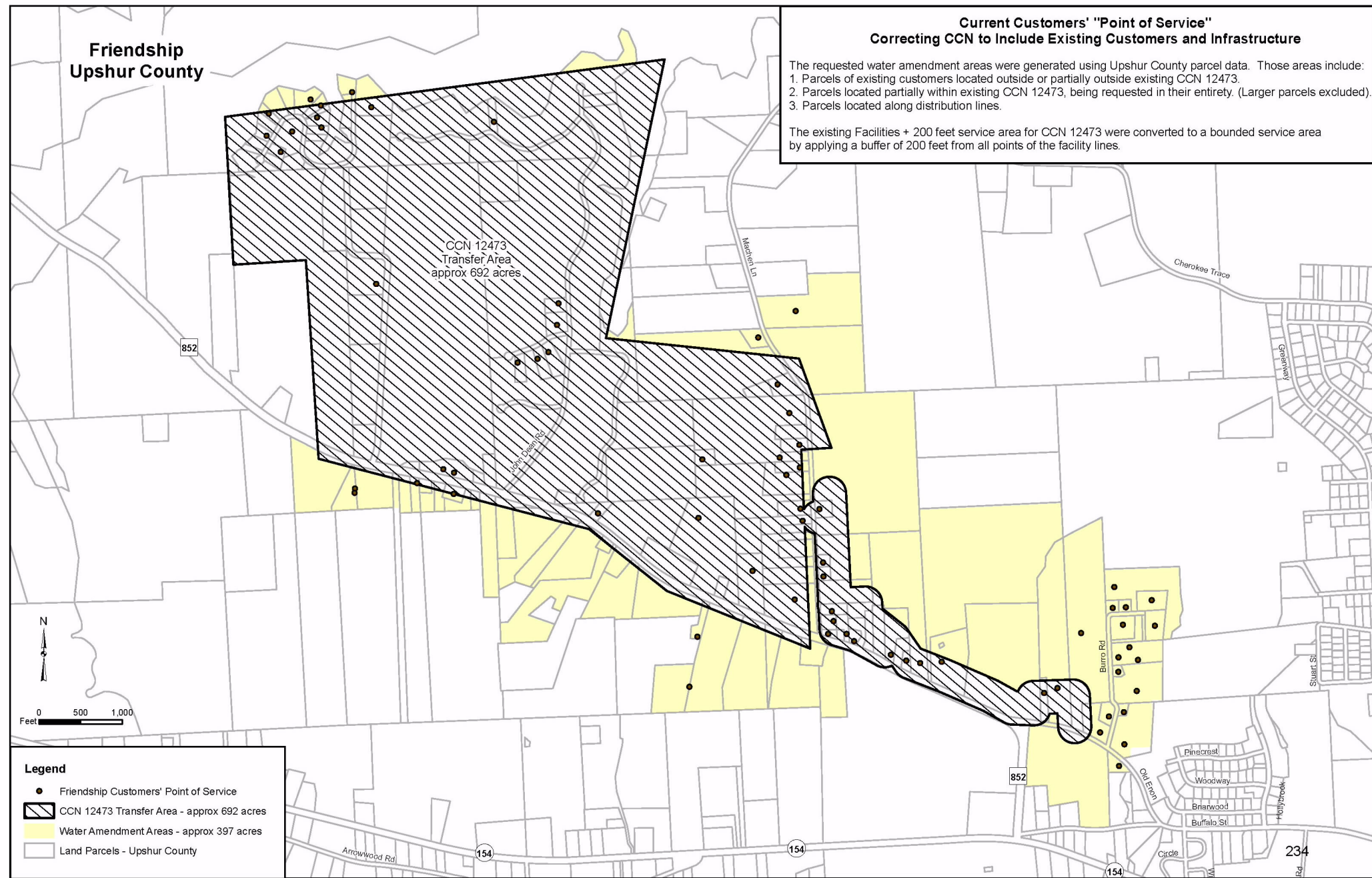
Stallion Lake and Garden Valley in Smith County

Undine Development, LLC
 Application to Transfer a Portion of Texas Water Systems Inc., CCN No. 12473 to Undine Development, LLC, CCN No. 12407
 and to Amend Portions of CCN 12473 to be Transferred
 in Gregg, Henderson, Smith and Upshur Counties

Water CCN Areas to Transfer and Amend

-  CCN 12473 - Texas Water Systems, Inc. - approx 1,762 acres
-  Water Amendment Areas - approx 319 acres

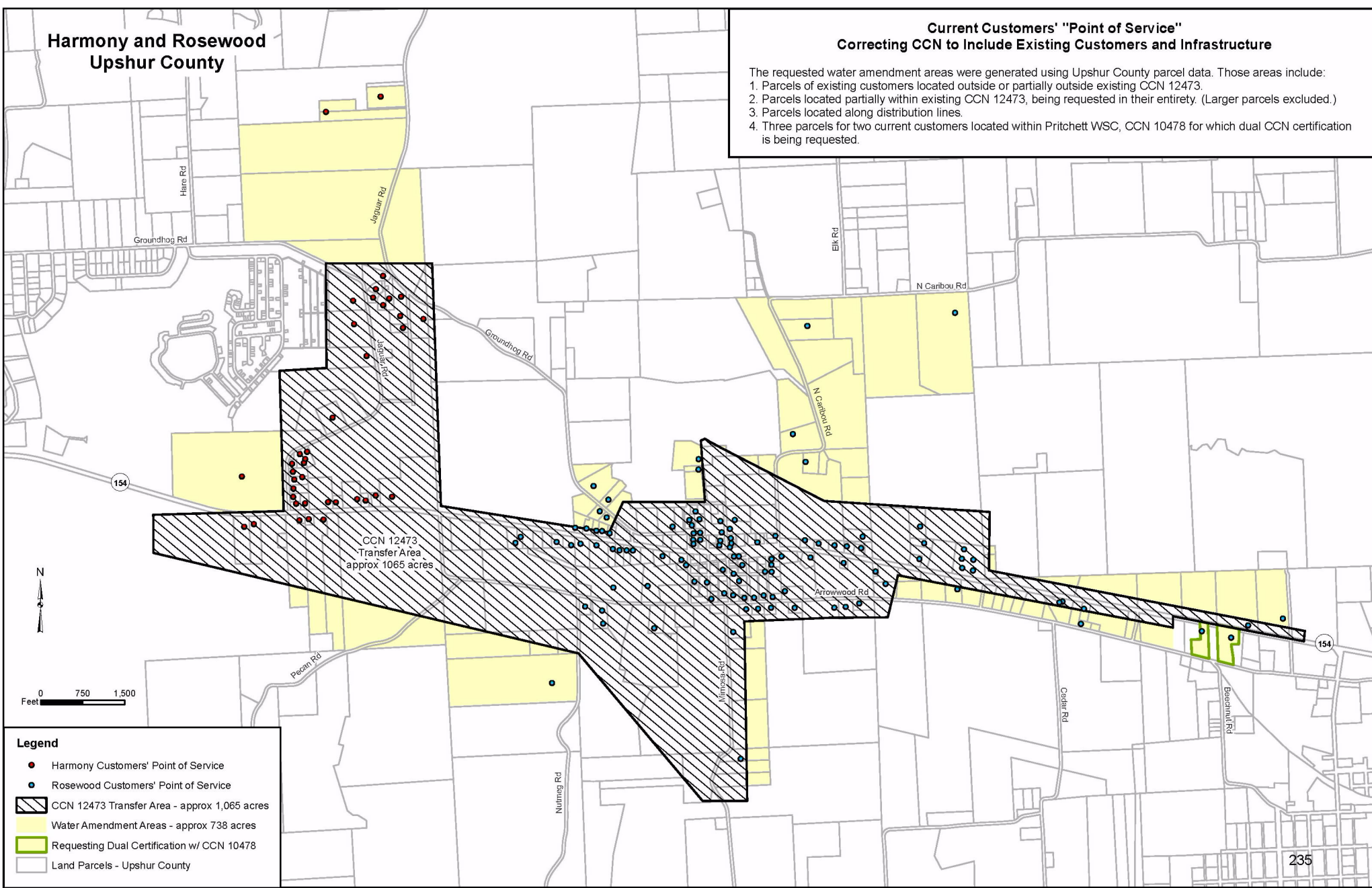




**Harmony and Rosewood
Upshur County**

**Current Customers' "Point of Service"
Correcting CCN to Include Existing Customers and Infrastructure**

The requested water amendment areas were generated using Upshur County parcel data. Those areas include:
 1. Parcels of existing customers located outside or partially outside existing CCN 12473.
 2. Parcels located partially within existing CCN 12473, being requested in their entirety. (Larger parcels excluded.)
 3. Parcels located along distribution lines.
 4. Three parcels for two current customers located within Pritchett WSC, CCN 10478 for which dual CCN certification is being requested.



Legend

- Harmony Customers' Point of Service
- Rosewood Customers' Point of Service
- ▨ CCN 12473 Transfer Area - approx 1,065 acres
- Water Amendment Areas - approx 738 acres
- Requesting Dual Certification w/ CCN 10478
- Land Parcels - Upshur County

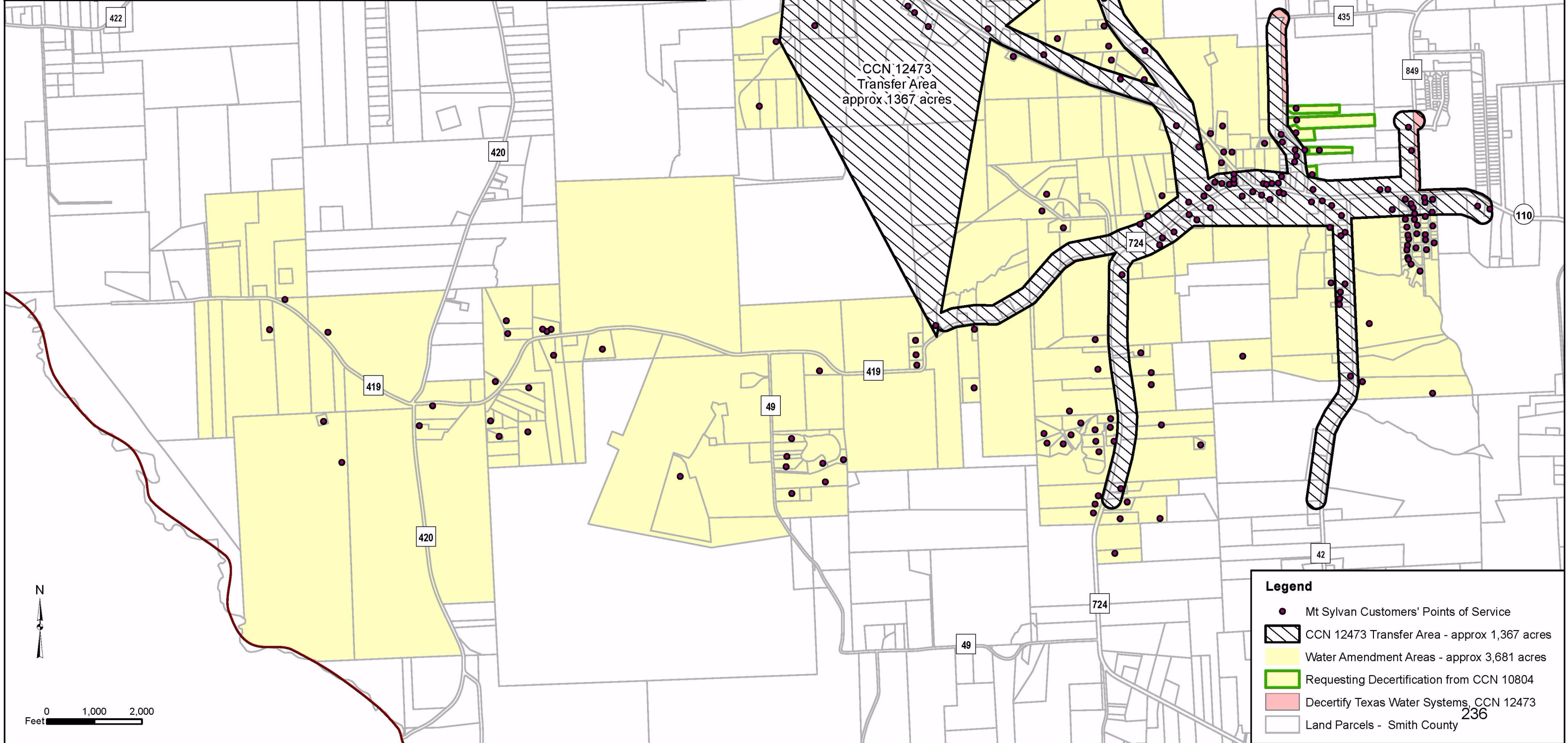
Current Customers' "Point of Service" Correcting CCN to Include Existing Customers and Infrastructure

The requested water amendment areas were generated using Smith County parcel data. Those areas include:

1. Parcels of existing customers located outside or partially outside existing CCN 12473.
2. Parcels located partially within existing CCN 12473, being requested in their entirety. (Larger parcels excluded).
3. Parcels located along distribution lines.
4. Portions of 7 parcels for six customers located within Crystal Systems Texas, Inc., CCN 10804, for which decertification is being requested.
5. Portions of existing CCN 12473 are being decertified. These areas are currently dually certified with Crystal Systems and there are no customers.

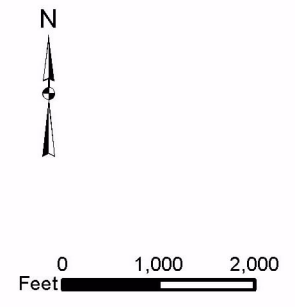
The existing Facilities + 200 feet service areas for CCN 12473 were converted to a bounded service area by applying a buffer of 200 feet from all points of the facility lines.

**Mt. Sylvan
Smith County**



Legend

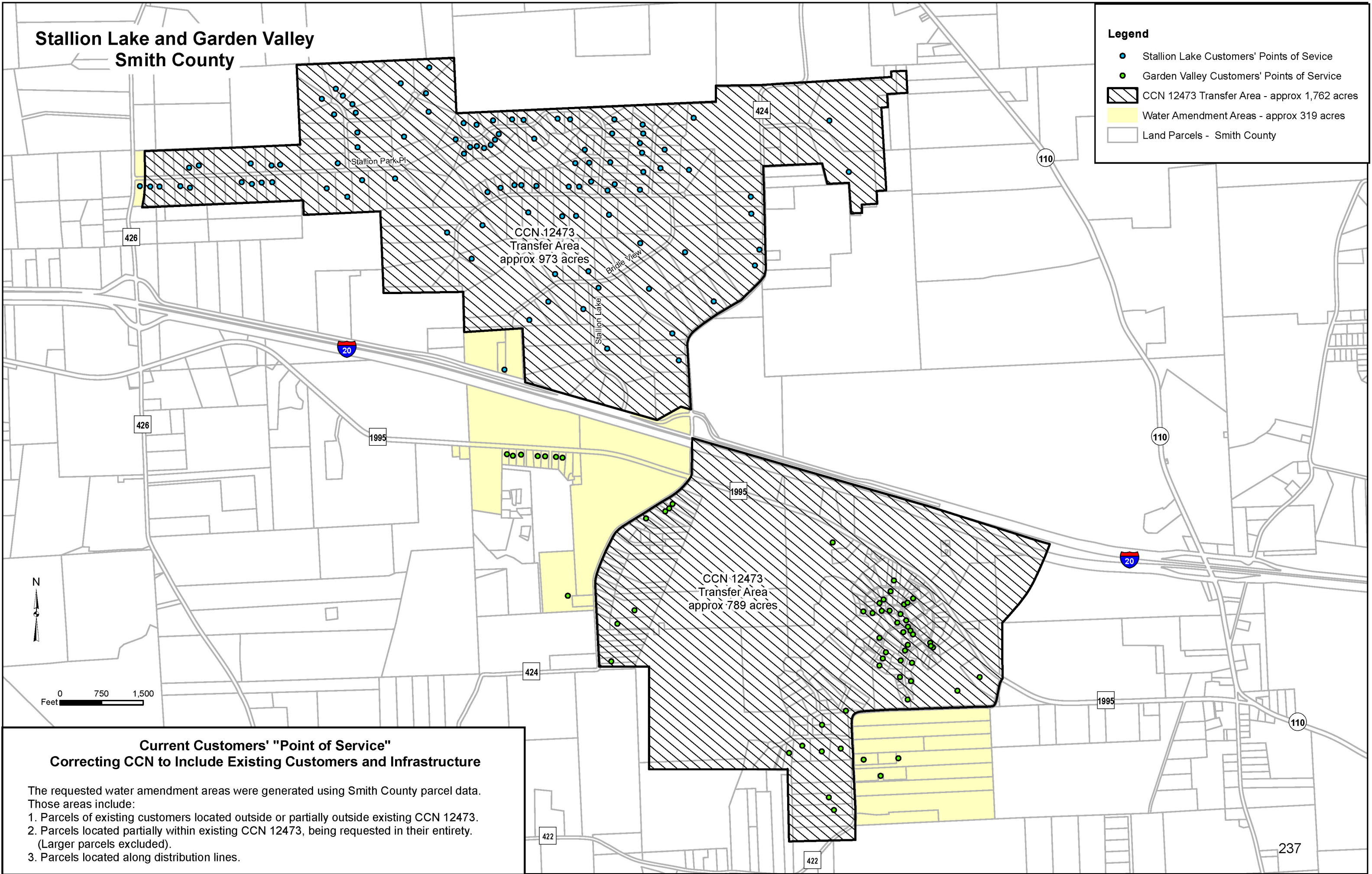
- Mt Sylvan Customers' Points of Service
- ▨ CCN 12473 Transfer Area - approx 1,367 acres
- Water Amendment Areas - approx 3,681 acres
- Requesting Decertification from CCN 10804
- Decertify Texas Water Systems, CCN 12473
- ▭ Land Parcels - Smith County



Stallion Lake and Garden Valley Smith County

Legend

- Stallion Lake Customers' Points of Service
- Garden Valley Customers' Points of Service
- CCN 12473 Transfer Area - approx 1,762 acres
- Water Amendment Areas - approx 319 acres
- Land Parcels - Smith County



Current Customers' "Point of Service" Correcting CCN to Include Existing Customers and Infrastructure

- The requested water amendment areas were generated using Smith County parcel data. Those areas include:
1. Parcels of existing customers located outside or partially outside existing CCN 12473.
 2. Parcels located partially within existing CCN 12473, being requested in their entirety. (Larger parcels excluded).
 3. Parcels located along distribution lines.

TEXAS WATER SYSTEMS

7891 U.S. HIGHWAY 271

TYLER, TX 75708

903-597-5788

June 27, 2019

Pritchett Water Supply Corporation
3670 State Highway 155 South
Gilmer, Texas 75645

Re: Request for Dual Certification Regarding Application of Texas Water Systems, Inc. ("Texas Water") and Undine Texas, LLC ("Undine") for Sale, Transfer or Merger of Facilities and Certificate Rights in Gregg, Henderson, Limestone, Smith and Upshur Counties (Docket No. 49260)

Dear Pritchett Water Supply Corporation Representative:

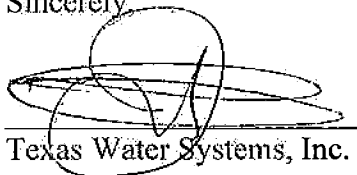
On February 25, 2019, Texas Water and Undine submitted an application to the Public Utility Commission of Texas ("PUC") for the sale, transfer or merger of facilities and certificate rights from Texas Water to Undine (the "Application"). Based on our review, the Application includes two areas of overlap with Pritchett Water Supply Corporation's ("Pritchett WSC") CCN No. 10478. The map attached as Attachment A to this letter specifies the two areas of overlap.

This letter requests that Pritchett WSC agrees to dual certification of the area identified on the attached map for its CCN 10478 so that Texas Water and Undine may incorporate those areas into the service areas that are otherwise the subject of the Application. We note that Pritchett WSC does not now, nor has it ever, supplied drinking water service to customers within the area highlighted on the attached map. Undine and Texas Water seek Pritchett WSC's dual certification of the area for no compensation, under Texas Water Code §13.254 or otherwise.

If approved, the dual certification will allow Undine to exercise its authority to provide retail, public water and sewer utility service under Undine's STM Application to the portion of Pritchett WSC's CCN No. 10478 requested for dual certification.

If you agree to dual certification of the identified area pursuant to the terms of this letter, please so indicate by signing in the area indicated below. We appreciate your consideration in this matter.

Sincerely,



Texas Water Systems, Inc.

By the signature below, Pritchett Water Supply Corporation agrees to dual certification of the area identified in Attachment A to this letter according to the terms of this letter.

Signature: Charles Meador

Name: CHARLES MEADOR

Title: GENERAL MANAGER

Date: 6-27-19

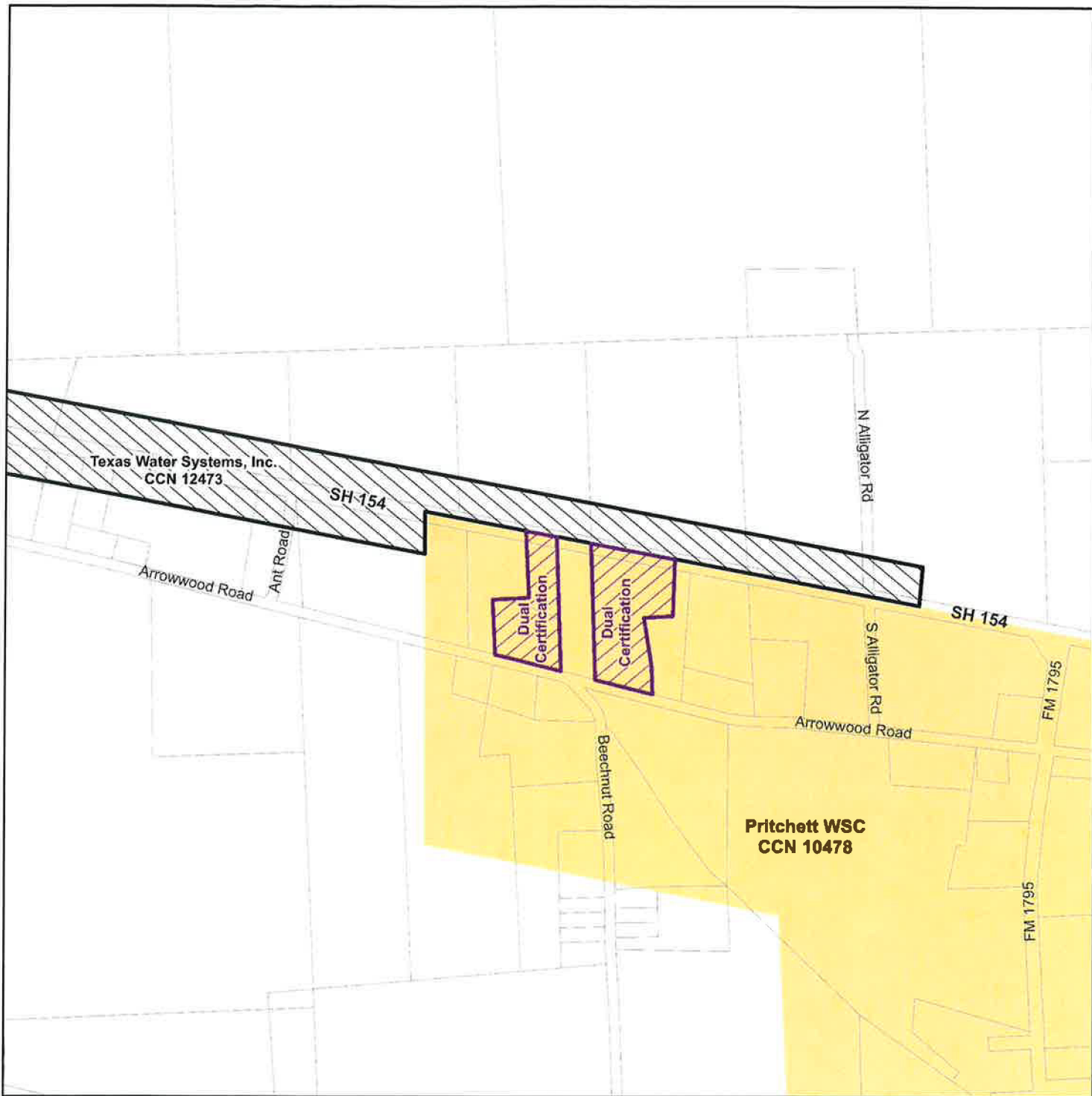
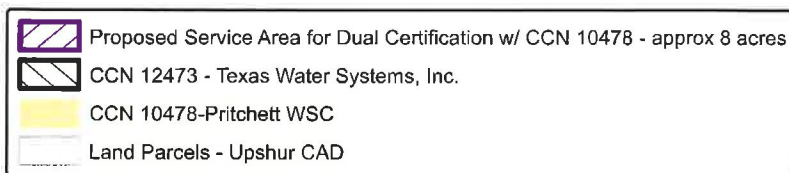


EXHIBIT A

Application to Transfer a Portion of Texas Water Systems Inc., CCN 12473 to Undine Texas, LLC, CCN 13260 and to Amend Portions of CCN 12473 to be Transferred to Include Current Customers

Seeking Approval for Dual Certification with Pritchett WSC, CCN 10478



TEXAS WATER SYSTEMS

7891 U.S. HIGHWAY 271

TYLER, TX 75708

903-597-5788

June 27, 2019

Crystal Systems Texas, Inc.
225 S College Ave.
Tyler, TX 75702

Re: Request for Dual Certification Regarding Application of Texas Water Systems, Inc. (“Texas Water”) and Undine Texas, LLC (“Undine”) for Sale, Transfer or Merger of Facilities and Certificate Rights in Gregg, Henderson, Limestone, Smith and Upshur Counties (Docket No. 49260)

Dear Crystal Systems Texas, Inc. Representative:


On February 25, 2019, Texas Water and Undine submitted an application to the Public Utility Commission of Texas (“PUC”) for the sale, transfer or merger of facilities and certificate rights from Texas Water to Undine (the “Application”). Based on our review, the Application includes four areas of overlap with Crystal Systems Texas, Inc.’s (“Crystal Systems”) CCN No. 10804. The map attached as Attachment A to this letter specifies the four areas of overlap.

This letter requests that Crystal Systems agrees to dual certification of the area identified on the attached map for its CCN 10804 so that Texas Water and Undine may incorporate those areas into the service areas that are otherwise the subject of the Application. We note that Crystal Systems does not now, nor has it ever, supplied drinking water service to customers within the area highlighted on the attached map. Undine and Texas Water seek Crystal Systems’ dual certification of the area for no compensation, under Texas Water Code §13.254 or otherwise.

If approved, the dual certification will allow Undine to exercise its authority to provide retail, public water and sewer utility service under Undine’s STM Application to the portion of Crystal Systems’ CCN No. 10804 requested for dual certification.


If you agree to dual certification of the identified area pursuant to the terms of this letter, please so indicate by signing in the area indicated below. We appreciate your consideration in this matter.

Sincerely,



Texas Water Systems, Inc.

By the signature below, Crystal Systems Texas, Inc. agrees to dual certification of the area identified in Attachment A to this letter according to the terms of this letter.

Signature: 

Name: ALLEN W FAIR

Title: PRESIDENT

Date: 7/2/2019



EXHIBIT A

Application to Transfer a Portion of Texas Water Systems Inc., CCN 12473 to Undine Texas, LLC, CCN 13260 and to Amend Portions of CCN 12473 to be Transferred to Include Current Customers

Seeking Approval for Dual Certification with Crystal Systems Texas, Inc. CCN 10804



The amendment areas reflected in the application (Attachment M) are generally the result of guidance from Commission Staff. The Applicants' original submittal in that docket reflected a "facilities + 200" area of service. Commission Staff recommended the Applicants amend their application to better define the service area using property lines or verifiable manmade or natural landmarks (see April 10, 2019 Memorandum from D. Reyes to K. Meier, Document Id. No. 49260-18 ("Staff's review indicates that portions of the requested areas . . . need to be revised to include bounded service areas, rather than facility lines plus two hundred feet"))).

The subject application requests additions to CCN 12473 that generally incorporate the following areas: (1) parcels of existing customers that are currently located outside or partially outside existing CCN 12473; (2) parcels that are currently located partially within existing CCN 12473, which are being requested in their entirety (with larger parcels excluded); and (3) parcels located along distribution lines and are currently unserved. The amendment areas were generated using county property and parcel data.

The Applicants assert this amendment area to be of reasonable size to accomplish the goal of identifying the proper service area under CCN 12473, without otherwise expanding the CCN area. Particularly, the amendment area is the minimum size necessary to accomplish the following goals: (1) identify and incorporate existing customers of the utility; (2) incorporate the existing infrastructure associated with the existing service; (3) connect customers along a relevant road by also including unserved properties between served parcels; (4) be able to extend service to those unserved properties with distribution lines at the front of those unserved property; and (5) allow for growth along distribution lines.

As indicated, the requested amendment area generally includes customers currently being served by Texas Water Systems, Inc. and the existing infrastructure and distribution lines used to serve them. The existing utility facilities have sufficient capacity to adequately serve its existing customers as required under applicable rules. Attachment B contains infrastructure and capacity notes indicating sufficient infrastructure is in place to serve existing customers and the customers to be added pursuant to the amendment. There are currently no plans for further development in the amendment area. If Undine is approached by a potential customer or developer for service in the amendment area, Undine will increase its capacity and otherwise upgrade its facilities as necessary to provide the requested service in accordance with applicable regulatory standards and requirements, charging the customer or developer a corresponding cost (CIAC).

As part of this response, the Applicants refer Commission Staff to the Application of Sharyland Water Supply Corporation to Amend a Certificate of Convenience and Necessity in Hidalgo County (Docket No. 43354). The applicant in that matter sought a CCN amendment to add an additional service area of 28,506 acres. Chairman Walker issued a memorandum in the docket (Document ID No. 43354-105), in which she recommended that instead of amending the CCN to add 28,506 acres, the CCN instead be amended to include the existing 613 customers currently outside the CCN area. Chairman Walker also indicated a willingness to include "a small, reasonable area around existing customers, such as a developing neighborhood, to the extent that there is support in the evidentiary record."

The Applicants consider the subject application to be completely distinguishable from the Sharyland application. First, the subject application is fundamentally a request for a sale, transfer or merger pursuant to 16 Tex. Admin. Code 24.239. The request for amendment to add additional area to the CCN is ancillary to the sale, transfer or merger. The amendment of the CCN area is in support of the STM application. In the Sharyland application, in contrast, the application was solely a CCN amendment application pursuant to 16 Tex. Admin. Code 24.227. The purpose of the Sharyland application was to expand its existing CCN. The purpose of this application is a transfer of a utility. Second, the applicant in the Sharyland application sought to add 28,506 acres of land pursuant to its CCN amendment. The Applicants in this application seek a fraction of that amount, and, as discussed above, only the amount necessary to accomplish the goal of identifying the proper service area under CCN 12473 as part of the STM application. Ultimately, it is the Applicants' position that this application seeks to accomplish what Chairman Walker endorsed in her memorandum—the amendment of the CCN area to include existing customers, with a small, reasonable area around existing customers.

Accordingly, the Applicants consider any evaluation of “need for service” to be satisfied under this application.



August 15, 2019

James K. Brown
Texas Water Systems, Inc.
7891 Highway 271
Tyler, Texas 75708

Re: Application of Texas Water Systems, Inc. (TWS) and Undine Texas, LLC (Undine) for Sale, Transfer, or Merger (STM) of Facilities and Certificate Rights in Gregg, Henderson, Limestone, Smith and Upshur Counties

Dear Mr. Brown:

As part of processing the referenced application, Commission Staff requested Undine and TWS confirm its agreement on the areas to be decertified. Attached to this letter are the maps for the service areas being transferred from TWS to Undine. These maps also identify the areas designated to be decertified within the STM. By signature below, please confirm your agreement the maps reflect the areas to be decertified within the parties joint STM.

You and Undine are not under any legal obligation of any kind whatsoever by virtue of this letter except for the matters specifically contained herein. We appreciate your ongoing cooperation.

Agreed and accepted this 13th day of September, 2019.

Texas Water Systems, Inc.

UNDINE, LLC

By: 



Name: Hudson White

Name: Carey Thomas

Title: Director

Title: Senior Vice President

Attachment 'N'

Part H

CCN Descriptions

Written Descriptions

Camp Joy – (Recent Transfer to CCN 12473, Updated to Include)

The area subject to this transaction is located within approximately 2 miles north-northeast of downtown Ore City, Texas, and is generally bounded on the north by a line approx. ½ mile south of Upshur County Landing Road; on the east by Lake O' the Pines; on the south by Upshur/Marion County Line; and on the west by N Front Street in Upshur County.

The total area being requested includes approximately 405 acres and serves 113 current customers.

Cape Tranquility

The area subject to this transaction is located within approximately 2 miles north of downtown Coffee City, Texas, and is generally bounded on the north by Jamison Drive; on the east and south by Lake Palestine; and on the west by County Road 4202 in Henderson County.

The total area being requested includes approximately 81 acres and serves 72 current customers.

Country Club

The area subject to this transaction is located within approximately 2 miles south of downtown Gilmer, Texas, and is generally bounded on the north by State Highway 155; on the east by US Highway 271 S; on the south by Sugar Creek; and on the west by FM 2685 in Upshur County.

The total area being requested includes approximately 23 acres and serves 34 current customers.

Friendship

The area subject to this transaction is located within approximately 1.3 miles west of downtown Gilmer, Texas, and is generally bounded on the north by Lake Gilmer and Kelsy Creek; on the east by Brooks Creek; on the south by State Highway 154; and on the west by Kelsey Creek in Upshur County.

The total area being requested includes approximately 1090 acres and serves 93 current customers.

Garden Acres

The area subject to this transaction is located within approximately 4.5 miles west of downtown Longview, Texas, and is generally bounded on the north by Mistletoe Street; on the east by Swinging Bridge Road; on the south by Sabine River; and on the west by Hawkins Creek in Gregg County.

The total area being requested includes approximately 256 acres and serves 83 current customers.

Harmony and Rosewood

The area subject to this transaction is located within approximately 6.2 miles west of downtown Gilmer, Texas, and is generally bounded on the north by FM 852; on the east by FM 1795 and Rocky Branch; on the south by State Highway 154; and on the west by Beck Branch and Kelsey Creek in Upshur County.

The total area being requested includes approximately 1804 acres and serves 210 current customers.

Mt. Sylvan

The area subject to this transaction is located within approximately 4.6 miles southwest of downtown Lindale, Texas, and is generally bounded on the north by IH 20; on the east by County Road 4173 and County Road 412; on the south by Neches River & County Road 49; and on the west by Mill Break Creek & Neches River in Smith County.

The total area being requested includes approximately 5006 acres and serves 308 current customers.

Stallion Lake and Garden Valley

The area subject to this transaction is located within approximately 3.5 miles east/southeast of downtown Van, Texas, and is generally bounded on the north and east by State Highway 110; on the south by Neches River and Mill Break Creek; and on the west by County Road 426 in Smith County.

The total area being requested includes approximately 2081 acres and serves 285 current customers.

Approximate total acreages overall:

Transferred areas – 5,650 acres; 930 customers (estimated)

Amended/Add areas – 5,094 acres; 186 customers (estimated)

Amend/Decertify areas – 12 acres; 0 customers

Dual area w/ Pritchett WSC, CCN 10478 – 8 acres; 2 customers

Dual area w/ Crystal Systems, CCN 10804 – 21 acres; 6 customers

The following files are not convertible:

CCN12473TransferAreas.dbf
CCN12473TransferAreas.prj
CCN12473TransferAreas.shp
CCN12473TransferAreas.shx
DecertifyCrystalSystems_CCN10804.dbf
DecertifyCrystalSystems_CCN10804.prj
DecertifyCrystalSystems_CCN10804.shp
DecertifyCrystalSystems_CCN10804.shx
DecertifyTexasWaterSystems_CCN12473.dbf
DecertifyTexasWaterSystems_CCN12473.prj
DecertifyTexasWaterSystems_CCN12473.shp
DecertifyTexasWaterSystems_CCN12473.shx
DualAreawithPritchettWSC_CCN10478.dbf
DualAreawithPritchettWSC_CCN10478.prj
DualAreawithPritchettWSC_CCN10478.shp
DualAreawithPritchettWSC_CCN10478.shx
WaterAmendment_UncertificatedAreas.dbf
WaterAmendment_UncertificatedAreas.prj
WaterAmendment_UncertificatedAreas.shp
WaterAmendment_UncertificatedAreas.shx

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.