

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2006-2237-PWS-E TCEQ ID: RN102690310 CASE NO.: 32013**  
**RESPONDENT NAME: Community Water Company dba Rolling Hills Water System**

**ORDER TYPE:**

<input checked="" type="checkbox"/> 1660 AGREED ORDER SHUTDOWN ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER FINDINGS DEFAULT ORDER	<input type="checkbox"/> AMENDED ORDER EMERGENCY ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
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**CASE TYPE:**

<input checked="" type="checkbox"/> AGRICULTURE OCCUPATIONAL CERTIFICATION MULTI-MEDIA (check all that apply) USED OIL FILTER	<input type="checkbox"/> AIR PETROLEUM STORAGE TANKS SEWAGE SLUDGE WATERQUALITY	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE <input checked="" type="checkbox"/> PUBLIC WATER SUPPLY UNDERGROUND INJECTION CONTROL	<input type="checkbox"/> MUNICIPAL SOLID WASTE RADIOACTIVE WASTE USED OIL
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**SITE WHERE VIOLATION(S) OCCURRED:** Rolling Hills Water System, at the intersection of Private Road 3435 and Farm-to-Market Road 513 East, Hunt County

**TYPE OF OPERATION:** Public water supply

**SMALL BUSINESS:**  Yes  No

**OTHER SIGNIFICANT MATTERS:** A complaint was received on September 11, 2006 stating there was a leaking water main in a vacant lot in the area of 7200 Shoreline Drive. There is no record of pending enforcement actions regarding this facility location.

**INTERESTED PARTIES:** No one other than the ED and the Respondent has expressed an interest in this matter.

**COMMENTS RECEIVED:** The *Texas Register* comment period expired on April 23, 2007. No comments were received.

**CONTACTS AND MAILING LIST:**

**TCEQ Attorney/SEP Coordinator:** None  
**TCEQ Enforcement Coordinator:** Ms. Andrea Linson-Mgbeoduru, Enforcement Division, Enforcement Section I, MC 169, (512) 239-1482; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896  
**TCEQ Field Investigator:** Mr. Joe Martinez, DFW Regional Office, MC R-04, (817) 588-5800  
**Respondent:** Mr. Steve Stroube, Owner/President, Community Water Company dba Rolling Hills Water System, P.O. Box 730, Corsicana, Texas 75151  
**Respondent's Attorney:** Not represented by counsel on this enforcement matter

**RESPONDENT'S NAME:** Community Water Company dba Rolling Hills Water System  
**DOCKET NO.:** 2006-2237-PWS-E

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b> <input checked="" type="checkbox"/> Complaint <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p><b>Date of Complaint Relating to this Case:</b> September 11, 2006</p> <p><b>Date of Investigation Relating to this Case:</b> November 15, 2006</p> <p><b>Date of NOE Relating to this Case:</b> December 8, 2006 (NOE)</p> <p><b>Background Facts:</b> This was a complaint investigation. Two violations were documented.</p> <p><b>WATER</b></p> <p>1) Failed to maintain a free chlorine residual of 0.2 milligrams per liter ("mg/L") or 0.5 mg/L of chloramine throughout the distribution system at all times. Specifically, during the investigation on November 15, 2006, the chlorine residual was recorded at 0.0 mg/L [30 TEX. ADMIN. CODE § 290.110(b)(4)].</p> <p>2) Failed to maintain all distribution system lines in a watertight condition. Specifically, the investigator documented leaking water mains located at 7269 Shoreline Drive, 50 yards from 7269 Shoreline Drive, and at the corner of Shadow Lane and Hill Top Road during the November 15, 2006 investigation [30 TEX. ADMIN. CODE § 290.46(m)(4)].</p>	<p><b>Total assessed:</b> \$2,640</p> <p><b>Total Deferred:</b> \$528  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$2,112</p> <p><b>Site Compliance History Classification:</b> <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification:</b> <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>1) The Executive Director recognizes that On November 28, 2006, Community Water repaired all water main leaks, including leaks noted at 7269 Shoreline Drive, 50 yards from 7269 Shoreline Drive, and at the corner of Shadow Lane and Hill Top Road by replacing 180 feet of water line.</p> <p><b>Ordering Provisions:</b></p> <p>2) The order will require the Respondent to:</p> <p>a. Immediately after the effective date of this Agreed Order, begin maintaining a minimum free chlorine residual of 0.2 mg/L, or 0.5 mg/l of chloramine, throughout the distribution system at all times; and</p> <p>b. Within 15 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.</p>



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision November 17, 2006

TCEQ

<b>DATES</b>	Assigned	11-Dec-2006	Screening	19-Dec-2006	EPA Due	
	PCW	19-Dec-2006				

<b>RESPONDENT/FACILITY INFORMATION</b>			
<b>Respondent</b>	Community Water Company dba Rolling Hills Water System		
<b>Reg. Ent. Ref. No.</b>	RN102690310		
<b>Facility/Site Region</b>	4-Dallas/Fort Worth	<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	32013	<b>No. of Violations</b>	2
<b>Docket No.</b>	2006-2237-PWS-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Public Water Supply	<b>Enf. Coordinator</b>	Andrea Linson-Mgbeoduru
<b>Multi-Media</b>		<b>EC's Team</b>	EnforcementTeam 2
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$50	<b>Maximum</b>
			\$1,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$2,000
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	32% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$640
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**Notes**  
The enhancement is due to two prior Notices of Violation ("NOVs") containing violations that are the same as the violations in the current enforcement action, one dissimilar NOV, and one prior agreed order containing a denial of liability.

<b>Culpability</b>	No	0% Enhancement	<b>Subtotal 4</b>	\$0
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**Notes**  
Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply</b>		0% Reduction	<b>Subtotal 5</b>	\$0
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	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

**Notes**  
The Respondent does not meet the good faith criteria.

		0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$25	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$2,200	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$2,640
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>		<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

**Notes**

<b>Final Penalty Amount</b>	\$2,640
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$2,640
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<b>DEFERRAL</b>	20% Reduction	<b>Adjustment</b>	-\$528
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes**

Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$2,112
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Screening Date: 19-Dec-2006

Docket No.: 2006-2237-PWS-E

PCW

Respondent: Community Water Company dba Rolling Hills Water Syst

Policy Revision 2 (September 2002)

Case ID No.: 32013

PCW Revision November 17, 2006

Reg. Ent. Reference No.: RN102690310

Media [Statute]: Public Water Supply

Enf. Coordinator: Andrea Linson-Mgbeoduru

### Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 32%

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The enhancement is due to two prior Notices of Violation ("NOVs") containing violations that are the same as the violations in the current enforcement action, one dissimilar NOV, and one prior agreed order containing a denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 32%

Screening Date 19-Dec-2006

Docket No. 2006-2237-PWS-E

PCW

Respondent Community Water Company dba Rolling Hills Water System

Policy Revision 2 (September 2002)

Case ID No. 32013

PCW Revision November 17, 2006

Reg. Ent. Reference No. RN102690310

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson-Mgbeoduru

Violation Number

Rule Cite(s)

Violation Description Failed to maintain a free chlorine residual of 0.2 mg/L or 0.5 mg/L of chloramine throughout the distribution system at all times. Specifically, during the investigation on November 15, 2006, the chlorine residual was recorded at 0.0 mg/L.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="50%"/>
Potential	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

Matrix Notes Failure to maintain a residual disinfectant concentration at a minimum of 0.2 mg/L free chlorine could result in the delivery of contaminated water to the public which would exceed levels protective of human health.

Adjustment

Violation Events

Number of Violation Events  Number of violation days

daily	<input type="text"/>
monthly	<input type="text" value="x"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

mark only one with an x

Violation Base Penalty

One monthly event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

## Economic Benefit Worksheet

Respondent: Community Water Company dba Rolling Hills Water System

Case ID No: 32013

Reg. Ent. Reference No: RN102690310

Media: Public Water Supply

Violation No: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$500	15-Nov-2006	15-Jun-2007	0.8	\$1	\$19	\$20
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to operate the disinfection equipment and increase chlorine dosage to maintain a minimum free chlorine residual of 0.2 mg/L. Date required is the investigation date. Final date is the estimated date of compliance.

### Avoided Costs

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

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$20

Screening Date 19-Dec-2006

Docket No. 2006-2237-PWS-E

PCW

Respondent Community Water Company dba Rolling Hills Water System

Policy Revision 2 (September 2002)

Case ID No. 32013

PCW Revision November 17, 2006

Reg. Ent. Reference No. RN102690310

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson-Mgbeoduru

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.46(m)(4)

Violation Description

Failed to maintain all distribution system lines in a water tight condition. Specifically, the investigator documented leaking water mains located at 7269 Shoreline Drive, 50 yards from 7269 Shoreline Drive, and at the corner of Shadow Lane and Hill Top Road during the November 15, 2006 investigation.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 50%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor

Percent 0%

Matrix Notes

Failure to maintain a watertight condition could expose customers of the water supply to a significant amount of contaminants which would exceed levels protective of human health.

Adjustment \$500

\$500

Violation Events

Number of Violation Events 3

18 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$1,500

Three single events are recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4

Violation Final Penalty Total \$1,980

This violation Final Assessed Penalty (adjusted for limits) \$1,980

## Economic Benefit Worksheet

**Respondent:** Community Water Company dba Rolling Hills Water System  
**Case ID No:** 32013  
**Reg. Ent. Reference No:** RN102690310  
**Media:** Public Water Supply  
**Violation No.:** 2

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$1,700	15-Nov-2006	28-Nov-2006	0.0	\$0	\$4	\$4
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Cost the Respondent paid to repair or replace leaking water mains. The date required is the investigation date. The final date is the date of compliance.

### Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,700

TOTAL

\$4

## Compliance History

Customer/Respondent/Owner-Operator:	CN600746578	Community Water Company	Classification:	Rating:
Regulated Entity:	RN102690310	ROLLING HILLS WATER SYSTEM	Classification:	Site Rating:
ID Number(s):	PUBLIC WATER SYSTEM/SUPPLY	REGISTRATION	1160048	
	WATER LICENSING	LICENSE	1160048	
Location:	Private Road 3435 and FM 513E in Hunt County			
TCEQ Region:	REGION 04 - DFW METROPLEX			
Date Compliance History Prepared:	December 20, 2006			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	December 20, 2001 to December 20, 2006			

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Andrea Linson-Mgbeoduru Phone: 512-239-1482

### Site Compliance History Components

- |  |            |
|--|------------|
| 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 of the site during the compliance period?    | No         |
| 3. If Yes, who is the current owner?   | <u>N/A</u> |
| 4. If Yes, who was/were the prior owner(s)?  | <u>N/A</u> |
| 5. When did the change(s) in ownership occur?  | <u>N/A</u> |

#### Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 07/14/2006

ADMINORDER 2006-0119-PWS-E

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.46(j)[G]

Description: Failed to keep on file and make available for Commission review customer service inspection certificates.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(l)

Description: Failed to flush dead-end mains at monthly intervals and as needed when water quality complaints are received and when disinfectant residuals fall below acceptable levels.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.42(j)

Description: Failed to use chemicals in the water supplied to the public that conforms to American National Standards Institute/National Sanitation Foundation ("ANSI/NSF") Standard 60 for direct additives and ANSI/NSF Standard 61 for indirect additives.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter F 290.121(a)

Description: Failed to keep on file and make available for Commission review an up-to-date chemical and microbiological monitoring plan for the water system.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.43(e)

Description: Failed to enclose the pump house and storage tanks with an intruder-resistant fence with lockable gates or in a lockable building that is designed to prevent intruder access.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.43(c)(4)

Description: Failed to equip the ground storage tank with a liquid level indicator.

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.110(b)(4)

Description: Failed to maintain a free chlorine residual of 0.2 milligrams per liter throughout the distribution system at all times.

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(r)

5A THC Chapter 341, SubChapter A 341.0315(c)

Description: Failed to provide a minimum pressure of 35 pounds per square inch ("psi") throughout the distribution system under normal conditions.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

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

1 11/29/2005 (436879)  
2 04/19/2005 (376473)  
3 12/07/2006 (532755)  
4 06/08/2005 (393000)

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

Date: 04/20/2005 (376473)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(j)[G]  
Description: Failed to keep on file and make available for Commission review customer service inspection certificates.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)  
Description: Failure to initiate maintenance program on ground storage tank.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(l)  
Description: Failed to flush dead-end mains at monthly intervals and as needed when water quality complaints are received and when disinfectant residuals fall below acceptable levels.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.42(j)  
Description: Failed to use chemicals in the water supplied to the public that conforms to American National Standards Institute/National Sanitation Foundation ("ANSI/NSF") Standard 60 for direct additives and ANSI/NSF Standard 61 for indirect additives.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.42(k)  
Description: Failure to compile plant operations manual for the system. Retain the completed plan and make it available for review by agency personnel at the time of the annual survey.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter F 290.121(a)  
Description: Failed to keep on file and make available for Commission review an up-to-date chemical and microbiological monitoring plan for the water system.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.43(d)(7)  
Description: Failure to maintain pressure tank's site glass in a water-tight condition.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.43(e)  
Description: Failed to enclose the pump house and storage tanks with an intruder-resistant fence with lockable gates or in a lockable building that is designed to prevent intruder access.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.43(c)(4)  
Description: Failed to equip the ground storage tank with a liquid level indicator.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.45(f)(4)  
Description: Failure to provide water purchase contract which authorizes a purchase rate of at least 0.6 gpm per connection.  
Date: 09/02/2005 (405065)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.110(b)(4)  
Description: Failed to maintain a free chlorine residual of 0.2 milligrams per liter throughout the distribution system at all times.  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(r)  
5A THC Chapter 341, SubChapter A 341.0315(c)  
Description: Failed to provide a minimum pressure of 35 pounds per square inch ("psi") throughout the distribution system under normal conditions.

Date: 09/29/2006 (513917)  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.110(b)(4)  
5A THC Chapter 341, SubChapter A 341.0315(c)  
Description: Failure to maintain the residual disinfectant concentration in the far reaches of the distribution system at a minimum of 0.2 mg/L of free chlorine, or a 0.5 mg/L chloramine, as per agency regulations.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)(4)  
Description: Failure to maintain all distribution system lines in a watertight condition. Specifically the leaking water mains located in the lot at 7269 Shoreline Drive must be repaired or replaced as necessary.

- F. Environmental audits.  
N/A
  - G. Type of environmental management systems (EMSs).  
N/A
  - H. Voluntary on-site compliance assessment dates.  
N/A
  - I. Participation in a voluntary pollution reduction program.  
N/A
  - J. Early compliance.  
N/A
- Sites Outside of Texas  
N/A



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
COMMUNITY WATER COMPANY  
DBA ROLLING HILLS WATER  
SYSTEM  
RN102690310**

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**BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2006-2237-PWS-E**

**I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Community Water Company dba Rolling Hills Water System ("Community Water") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and Community Water appear before the Commission and together stipulate that:

1. Community Water owns and operates a public water supply at the intersection of Private Road 3435 and Farm-to-Market Road 513 East in Hunt County, Texas (the "Facility") that has approximately 308 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Commission and Community Water agree that the Commission has jurisdiction to enter this Agreed Order, and that Community Water is subject to the Commission's jurisdiction.
3. Community Water received notice of the violations alleged in Section II ("Allegations") on or about December 13, 2006.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Community Water of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of Two Thousand Six Hundred Forty Dollars (\$2,640) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations").



Community Water has paid Two Thousand One Hundred Twelve Dollars (\$2,112) of the administrative penalty and Five Hundred Twenty-Eight Dollars (\$528) is deferred contingent upon Community Water's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Community Water fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Community Water 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 of the TCEQ and Community Water have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
8. The Executive Director recognizes that On November 28, 2006, Community Water repaired all water main leaks, including leaks noted at 7269 Shoreline Drive, 50 yards from 7269 Shoreline Drive, and at the corner of Shadow Lane and Hill Top Road by replacing 180 feet of water line.
9. 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 Community Water has not complied with one or more of the terms or conditions in this Agreed Order.
10. 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.
11. 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, Community Water is alleged to have:

1. Failed to maintain a free chlorine residual of 0.2 mg/L or 0.5 mg/L of chloramine throughout the distribution system at all times, in violation of 30 TEX. ADMIN. CODE § 290.110(b)(4). Specifically, during the investigation on November 15, 2006, the chlorine residual was recorded at 0.0 mg/L.
2. Failed to maintain all distribution system lines in a watertight condition, in violation of 30 TEX. ADMIN. CODE § 290.46(m)(4). Specifically, the investigator documented leaking water mains located at 7269 Shoreline Drive, 50 yards from 7269 Shoreline Drive, and at the corner of Shadow Lane and Hill Top Road during the November 15, 2006 investigation.



### III. DENIALS

Community Water generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Community Water pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and Community Water'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: Community Water Company dba Rolling Hills Water System, Docket No. 2006-2237-PWS-E" to:

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

2. It is further ordered that Community Water shall undertake the following technical requirements:
  - a. Immediately after the effective date of this Agreed Order, begin maintaining a minimum free chlorine residual of 0.2 mg/L, or 0.5 mg/l of chloramine, throughout the distribution system at all times, in accordance with 30 TEX. ADMIN. CODE § 290.110; and
  - b. Within 15 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality

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P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Public Water Supply Section, Manager  
Dallas/Fort Worth Regional Office  
Texas Commission on Environmental Quality  
2301 Gravel Drive  
Fort Worth, Texas 76118-6951

3. The provisions of this Agreed Order shall apply to and be binding upon Community Water. Community Water 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 Community Water shall be made in writing to the Executive Director. Extensions are not effective until Community Water 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 Community Water 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 agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
7. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Community Water, or three days after the date on which the Commission mails notice of the Order to Community Water, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

4/12/07  
\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, 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 my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- 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 against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

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

  
\_\_\_\_\_  
Signature

2/15/07  
\_\_\_\_\_  
Date

Steve G. Stroube  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Community Water Company dba Rolling Hills Water System

President  
\_\_\_\_\_  
Title

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

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