

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

Page 1 of 4

DOCKET NO.: 2006-0593-MLM-E TCEQ ID: RN101253557, RN102687472, RN102688322 and RN101453660 CASE NO.: 29469

RESPONDENT NAME: HMW Special Utility District

ORDER TYPE:

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

CASE TYPE:

<input type="checkbox"/> AGRICULTURE	<input type="checkbox"/> AIR	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE	<input type="checkbox"/> MUNICIPAL SOLID WASTE
<input type="checkbox"/> OCCUPATIONAL CERTIFICATION	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input checked="" type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> RADIOACTIVE WASTE
<input checked="" type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL	<input type="checkbox"/> USED OIL
<input type="checkbox"/> USED OIL FILTER	<input type="checkbox"/> WATER QUALITY	<input checked="" type="checkbox"/> PUBLIC WATER UTILITIES	

SITE WHERE VIOLATION(S) OCCURRED: 14837 Grant Road in Harris County, (the Grant Road facility), 2600 Rimwick Forest Drive in Montgomery County, (the Rimwick Forest facility), 34301 Jimmy Lane in Montgomery County, (the Kipling Oaks 2, 3, & 4 facility), and 26600 Sunset Drive in Montgomery County, (the Pleasant Forest facility)

TYPE OF OPERATION: Special utility district with public water supplies

SMALL BUSINESS: Yes No

OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding these facility locations.

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 March 19, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Mr. Epifanio Villarreal, Enforcement Division, Enforcement Section I, MC R-13, (210) 403-4033; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896

TCEQ Field Investigators: Mr. Barry Price, Ms. Leticia De Leon, and Ms. De'Shaune Blake, Houston Regional Office, R-12, (713) 767-3500

Respondent: Mr. Mark Pinter, President, HMW Special Utility District, P.O. Box 837, Pinehurst, Texas 77362-0837

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Dates of Investigations Relating to this Case: March 15, April 12, June 27, and July 12, 2006</p> <p>Dates of NOV/NOEs Relating to this Case: January 17, 2003, March 2, 2004, August 1, 2004, August 7, 2004, September 24, 2004, April 24, 2004 (NOVs); May 10, 2006, and June 8, 2006 (NOEs)</p> <p>Background Facts: These were routine investigations. Nineteen violations were documented.</p> <p>WATER</p> <p>1) Failed to meet the minimum well capacity requirement of 1.5 gallons per minute ("gpm") per connection at the Grant Road facility [30 TEX. ADMIN. CODE § 290.45(b)(1)(A)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].</p> <p>2) Failed to provide a written planning report to the Commission regarding the Grant Road facility, that clearly explains how the utility will provide the expected service demands to the remaining areas within the boundaries of its certified area when a retail public utility possessing a Certificate of Convenience and Necessity ("CCN") has reached or exceeded 85% of all or part of its capacity [30 TEX. ADMIN. CODE § 291.93(3) and TEX. WATER CODE § 13.139(d)].</p> <p>3) Failed to provide a total storage capacity of 200 gallons per connection at the Rimwick Forest facility [30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].</p> <p>4) Failed to provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Rimwick Forest facility [30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].</p>	<p>Total Assessed: \$11,011</p> <p>Total Deferred: \$2,203 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$8,808</p> <p>Site Compliance History Classification: <input type="checkbox"/> High <input type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification: <input type="checkbox"/> High <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>1) The Executive Director recognizes that HMW implemented the following corrective measures:</p> <p>a. Submitted plans on March 23, 2006 for the Grant Road Estates facility explaining how HMW would provide the expected service demands to the remaining areas within the boundaries of its certified area for Commission approval;</p> <p>b. Submitted an up-to-date chemical and microbiological monitoring plan for the Rimwick Forest facility identifying all locations where routine sampling for microbial contaminants will be conducted, as documented in a letter dated September 14, 2006;</p> <p>c. Submitted an annual tank inspection report for the Rimwick Forest facility, as documented in a letter dated September 14, 2006;</p> <p>d. Submitted an up-to-date facility operations manual for operator review and reference for the Pleasant Forest Subdivision facility, as documented in a letter dated September 14, 2006;</p> <p>e. Submitted an annual tank inspection report for the Pleasant Forest facility, as documented in a letter dated September 14, 2006;</p> <p>f. Submitted photos that provided floor ventilation for the gas chlorination room at the Pleasant Forest facility, as documented in a letter dated September 14, 2006;</p> <p>g. Submitted photos and documentation for the Pleasant Forest facility demonstrating that the injection line and caustic soda are in service, as documented in a letter dated September 14, 2006;</p> <p>h. Submitted a copy of the plugging report for abandoned well no. 1 located on Jimmy Lane (Kipling Oaks 2, 3, & 4 facility), as documented in a letter dated September 20, 2006;</p> <p>i. Submitted photos of the resurfaced ground storage pressure tanks located at the Kipling Oaks 2,3, & 4 facility, as documented in a letter dated September 8, 2006; and</p>

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>5) Failed to provide a sanitary control easement or an approved exception to the easement requirement that covers the land within 150 feet of the two wells located at the Rimwick Forest facility [30 TEX. ADMIN. CODE § 290.41(c)(1)(F)].</p> <p>6) Failed to maintain an up-to-date chemical and microbiological monitoring plan for the Rimwick Forest facility that identifies all locations where routine sampling for microbial contaminants will be conducted [30 TEX. ADMIN. CODE § 290.121(a) and (b)].</p> <p>7) Failed to maintain on file and make available an up-to-date map of the Rimwick Forest distribution system so that valves and mains may be easily located during emergencies [30 TEX. ADMIN. CODE § 290.46(n)(2)].</p> <p>8) Failed to inspect the pressure tank annually at the Rimwick Forest facility to ensure that the pressure release device and pressure gauge are working properly, the air-water ratio is being properly maintained, the exterior coating is continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition [30 TEX. ADMIN. CODE § 290.46(m)(1)(B)].</p> <p>9) Failed to provide a sanitary control easement or an approved exception to the easement requirement that covers the land within 150 feet of well no. 1 located at the Pleasant Forest facility [30 TEX. ADMIN. CODE § 290.41(c)(1)(F)].</p> <p>10) Failed to provide a total storage capacity of 200 gallons per connection at the Pleasant Forest facility [30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].</p> <p>11) Failed to provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Pleasant Forest facility [30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].</p> <p>12) Failed to initiate maintenance housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment at the Pleasant Forest facility [30 TEX. ADMIN. CODE § 290.46(m)].</p> <p>13) Failed to maintain on file and make available an up-to-date map of the Pleasant Forest distribution system so that valves and mains may be easily located during emergencies [30 TEX. ADMIN. CODE § 290.46(n)(2)].</p> <p>14) Failed to compile and maintain a facility operations manual for operator review and reference at the Pleasant Forest facility [30 TEX. ADMIN. CODE § 290.42(l)].</p>		<p>j. Submitted an up-to-date facility operations manual for operator review and reference for the Kipling Oaks 2, 3, & 4 facility, as documented in a letter dated September 8, 2006.</p> <p>Ordering Provisions:</p> <p>2) The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order:</p> <p>i. Begin maintaining an up-to-date map of the Rimwick Forest distribution system so that valves and mains may be easily located during emergencies; and</p> <p>ii. Begin maintaining an up-to-date map of the Pleasant Forest distribution system so that valves and mains may be easily located during emergencies.</p> <p>b. Within 45 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 2.a.</p> <p>c. Within 90 days after the effective date of this Agreed Order:</p> <p>i. Obtain a sanitary control easement or Commission approval of an exception to the easement requirement that covers the land within 150 feet of the two wells located at the Rimwick Forest facility; and</p> <p>ii. Obtain a sanitary control easement or Commission approval of an exception to the easement requirement that covers the land within 150 feet of the well located at the Pleasant Forest facility.</p> <p>d. Within 105 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 2.c.</p>

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>15) Failed to inspect the pressure tank annually at the Pleasant Forest facility to ensure that the pressure release device and pressure gauge are working properly, the air-water ratio is being properly maintained, the exterior coating is continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition [30 TEX. ADMIN. CODE § 290.46(m)(1)(B)].</p> <p>16) Failed to house gas chlorination facilities in a separate above ground level room or building with adequate floor level and high ventilation at the Pleasant Forest facility [30 TEX. ADMIN. CODE § 290.42(e)(4)(C)].</p> <p>17) Failed to plug and seal abandoned well no. 1 at the Kipling Oaks 2, 3, & 4 facility [30 TEX. ADMIN. CODE § 290.46(u)].</p> <p>18) Failed to initiate maintenance housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment at the Kipling Oaks 2, 3, & 4 facility [30 TEX. ADMIN. CODE § 290.46(m)].</p> <p>19) Failed to compile and maintain a facility operations manual for operator review and reference at the Kipling Oaks 2, 3, & 4 facility [30 TEX. ADMIN. CODE § 290.42(l)].</p>		<p>e. Within 245 days after the effective date of this Agreed Order:</p> <ul style="list-style-type: none"> i. Provide a well capacity of 1.5 gpm per connection at the Grant Road facility; ii. Provide a total storage capacity of 200 gallons per connection at the Rimwick Forest facility; iii. Provide a total storage capacity of 200 gallons per connection at the Pleasant Forest facility; iv. Provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Rimwick Forest facility; and v. Provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Pleasant Forest facility. <p>f. Within 260 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 2.e.</p>



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision May 19, 2005

DATES	Assigned	15-May-2006	Screening	22-May-2006	EPA Due	
	PCW	22-May-2006				

RESPONDENT/FACILITY INFORMATION	
Respondent	HMW Special Utility District (Grant Road Estates Mobile Home Subdivision)
Reg. Ent. Ref. No.	RN101253557
Facility/Site Region	12-Houston
Major/Minor Source	Major Source

CASE INFORMATION				
Enf./Case ID No.	29469	No. of Violations	1	
Docket No.	2006-0593-MLM-E	Order Type	1660	
Media Program(s)	Public Water Utilities	Enf. Coordinator	Epifanio Villarreal	
Multi-Media		EC's Team	Enforcement Team 2	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$500

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 10% Enhancement **Subtotals 2, 3, & 7**

Notes

Culpability No 0% Enhancement **Subtotal 4**

Notes

Good Faith Effort to Comply 0% Reduction **Subtotal 5**

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
N/A	X	(mark with a small x)

Notes

Economic Benefit 0% Enhancement* **Subtotal 6**

Total EB Amounts *Capped at the Total EB \$ Amount
 Approx. Cost of Compliance

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL 20% Reduction **Adjustment**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

PAYABLE PENALTY

Screening Date 22-May-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Grant Road Estates Mobile Hember 2002)
Case ID No. 29469 **PCW Revision** May 19, 2005
Reg. Ent. Reference No. RN101253557
Media [Statute] Public Water Utilities
Enf. Coordinator Epifanio Villarreal

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	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements 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 disclosed)	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%
Other	<i>Please Enter Yes or No</i>		
	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) 10%

>> **Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes The penalty enhancement is due to two prior Notices of Violation ("NOV") that are the same as or similar to the violations in the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 10%

Screening Date 22-May-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Grant Road Estates Mobile Home 2002)
Case ID No. 29469 *PCW Revision May 19, 2005*
Reg. Ent. Reference No. RN101253557
Media [Statute] Public Water Utilities
Enf. Coordinator Epifanio Villarreal
Violation Number
Primary Rule Cite(s) 30 Tex. Admin. Code 291.93(3)
Secondary Rule Cite(s) Tex. Water Code 13.139(d)
Violation Description Failure to provide a written planning report to the Commission regarding the Grant Road facility, that clearly explains how the utility will provide the expected service demands to the remaining areas within the boundaries of its certified area when a retail public utility possessing a Certificate of Convenience and Necessity ("CCN") has reached or exceeded 85% of all or part of its capacity. Specifically, the utility is at 150% well capacity, as documented during the investigation conducted on March 15, 2006.

Base Penalty

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="25%"/>

Matrix Notes

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

mark only one use a small x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="checkbox"/>

Violation Base Penalty

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 HMW Special Utility District (Grant Road Estates Mobile Home Subdiv)
 Case ID No. 29469
 Reg. Ent. Reference No. RN101253557
 Media [Statute] Public Water Utilities
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	Date Required	Final Date	Yrs	Interest Saved	Percent Interest	Years of Depreciation
						Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
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)	\$1,000	15-Mar-2006	23-Mar-2006	0.0	\$1	n/a	\$1

Notes for DELAYED costs: Estimated cost to produce and submit a planning report. The date required was the date of the investigation. The final date is the date of compliance.

Item Description	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Percent Interest	Years of Depreciation
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 **\$1,000** **TOTAL \$1**



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision May 19, 2005

DATES	Assigned 21-Aug-2006	Screening 08-Sep-2006	EPA Due <input type="text"/>
	PCW 08-Sep-2006		

RESPONDENT/FACILITY INFORMATION			
Respondent	HMW Special Utility District		(Pleasant Forest Subdivision)
Reg. Ent. Ref. No.	RN102688322		
Facility/Site Region	12-Houston	Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	29469	No. of Violations	7
Docket No.	2006-0593-MLM-E	Order Type	1660
Media Program(s)	Public Water Supply	Enf. Coordinator	Epifanio Villarreal
Multi-Media		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability Enhancement **Subtotal 4**

Notes

Good Faith Effort to Comply Reduction **Subtotal 5**

Before NOV NOV to EDP RP/Settlement Offer

Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	X	(mark with a small x)

Notes

Economic Benefit Enhancement* **Subtotal 6**

Total EB Amounts	<input type="text" value="\$1,816"/>	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	<input type="text" value="\$18,650"/>	

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

PAYABLE PENALTY

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Pleasant Forest 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

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 (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
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) 10%

>> **Repeat Violator (Subtotal 3)**

N/A

Adjustment Percentage (Subtotal 3) 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes The penalty enhancement is due to two prior Notices of Violation ("NOV") containing violations that are the same as or similar to the violations in the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 10%

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Pleasant Forestember 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 1
Primary Rule Cite(s) 30 Tex. Admin.Code § 290.41(c)(1)(F)
Secondary Rule Cite(s)
Violation Description Failure to provide a sanitary control easement or an approved exception to the easement requirement that covers the land within 150 feet of well no. 1 located at the Pleasant Forest facility.
Base Penalty \$1,000

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

Harm

Release	Major	Moderate	Minor
Actual			
Potential			X

Percent 10%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes
 Without a sanitary control easement for the well, contaminants could enter the well and customers of the water supply could be exposed to an insignificant amount of contaminants that do not exceed levels protective of human health.

Adjustment -\$900

Base Penalty Subtotal \$100

Violation Events

Number of Violation Events 1

<i>mark only one use a small x</i>	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$100

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount \$15

Statutory Limit Test

Violation Final Penalty Total \$110

This violation Final Assessed Penalty (adjusted for limits) \$110

Economic Benefit Worksheet

Respondent HMW Special Utility District
Case ID No. 29469
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Violation No. 1

(Pleasant Forest Subdivi

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$200	27-Jun-2006	01-Aug-2007	1.1	\$1	\$15	\$15
Engineering/construction				0.0	\$0	\$0	\$0
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 The delayed costs include the amount to obtain a sanitary control easement or exceptions to the easement requirement, calculated from the date of the investigation to 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 \$200

TOTAL \$15

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Pleasant Fore**ember 2002**)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 2
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.45(b)(1)(C)(ii)
Secondary Rule Cite(s) Tex. Health & Safety Code § 341.0315(c)
Violation Description Failure to provide a total storage capacity of 200 gallons per connection at the Pleasant Forest facility. Specifically, at the time of the investigation, the Pleasant Forest facility did not provide total storage capacity.

Base Penalty \$1,000

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

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

>> **Programmatic Matrix**

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

Matrix Notes Without sufficient storage capacity, customers of the water system could experience water outages and the system's ability to provide a safe and adequate supply of water to the customers could be impaired.

Adjustment -\$500

Base Penalty Subtotal \$500

Violation Events

Number of Violation Events

mark only one use a small x	daily	<input type="text"/>
	monthly	X
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

Violation Base Penalty \$1,500

Three monthly events are recommended based on the June 27, 2006 investigation date to the September 8, 2006 screening date.

Economic Benefit (EB) for this violation

Estimated EB Amount \$530

Statutory Limit Test

Violation Final Penalty Total \$1,650

This violation Final Assessed Penalty (adjusted for limits) \$1,650

Economic Benefit Worksheet

Respondent HMW Special Utility District (Pleasant Forest Subdivision)
 Case ID No. 29469
 Reg. Ent. Reference No. RN102688322
 Media [Statute] Public Water Supply
 Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$5,000	27-Jun-2006	01-Jan-2008	1.5	\$25	\$505	\$530
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: The delayed cost includes the amount to purchase and install a ground storage tank that will create a total storage capacity of 200 gallons per connection at the Facility, calculated from the date of the investigation to 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 \$5,000 TOTAL \$530

Screening Date	08-Sep-2006	Docket No.	2006-0593-MLM-E	PCW
Respondent	HMW Special Utility District			(Pleasant Fore ember 2002)
Case ID No.	29469			PCW Revision May 19, 2005
Reg. Ent. Reference No.	RN102688322			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			
Violation Number	<input type="text" value="3"/>			
Primary Rule Cite(s)	<input type="text" value="30 Tex. Admin. Code § 290.45(b)(1)(C)(iii)"/>			
Secondary Rule Cite(s)	<input type="text" value="Tex. Health & Safety Code § 341.0315(c)"/>			
Violation Description	<input type="text" value="Failure to provide two or more service pumps having a total capacity of 2.0 gallons per minute at each pump station or pressure plane at the Pleasant Forest facility. Specifically, because there are no service pumps at the facility, there is a 100% deficiency."/>			
		Base Penalty	<input type="text" value="\$1,000"/>	

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

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

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent <input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Matrix Notes	<input type="text" value="Without sufficient total capacity, customers of the water system could experience water outages and the system's ability to provide a safe and adequate supply of water to the customers could be impaired."/>				

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

<i>mark only one use a small x</i>	<i>daily</i>	<input type="text"/>
	<i>monthly</i>	<input checked="" type="checkbox"/>
	<i>quarterly</i>	<input type="text"/>
	<i>semiannual</i>	<input type="text"/>
	<i>annual</i>	<input type="text"/>
	<i>single event</i>	<input type="text"/>

Violation Base Penalty

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent HMW Special Utility District
 Case ID No. 29469
 Reg. Ent. Reference No. RN102688322
 Media [Statute] Public Water Supply
 Violation No. 3

(Pleasant Forest Subdivi

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$10,000	27-Jun-2006	01-Jan-2008	1.5	\$51	\$1,010	\$1,061
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: The delayed costs include the amount to purchase and install two service pumps that will create a total capacity of 2.0 gallons per minute per connection, calculated from the date of the investigation to 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 **\$10,000** TOTAL **\$1,061**

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Pleasant Forest 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 4
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.46(m)
Secondary Rule Cite(s)
Violation Description Failure to initiate maintenance housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment at the Pleasant Forest facility. Specifically, at the time of the investigation, it was observed that the caustic soda was not plugged in and the injection line was disconnected from the system.

Base Penalty \$1,000

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual				Percent 25%
	Potential		X		

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	Percent

Matrix Notes Without maintaining the caustic soda for the well, customers of the water supply could be exposed to significant amounts of contaminants that would not exceed levels protective of human health.

Adjustment -\$750

Base Penalty Subtotal \$250

Violation Events

Number of Violation Events 1

mark only one use a small x	daily	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$250

One quarterly event is recommended based on the June 27, 2006 investigation date to the September 8, 2006 screening date.

Economic Benefit (EB) for this violation

Estimated EB Amount \$2

Statutory Limit Test

Violation Final Penalty Total \$275

This violation Final Assessed Penalty (adjusted for limits) \$275

Economic Benefit Worksheet

Respondent HMW Special Utility District (Pleasant Forest Subdivision)
Case ID No. 29469
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Violation No. 4.

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$100	27-Jun-2006	14-Sep-2006	0.2	\$0	\$1	\$2
Engineering/construction				0.0	\$0	\$0	\$0
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: The delayed costs include the amount to have the caustic soda and injection line in service, calculated from the date of the investigation to the 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 \$100
TOTAL \$2

Screening Date 08-Sep-2006

Docket No. 2006-0593-MLM-E

PCW

Respondent HMW Special Utility District

(Pleasant Forest 2002)

Case ID No. 29469

PCW Revision May 19, 2005

Reg. Ent. Reference No. RN102688322

Media [Statute] Public Water Supply

Enf. Coordinator Epifanio Villarreal

Violation Number

Primary Rule Cite(s)

Secondary Rule Cite(s)

Violation Description

Base Penalty

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	
<input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Percent <input type="text" value="25%"/>

Matrix Notes

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

mark only one use a small x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="checkbox"/>

Violation Base Penalty

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 **HMW Special Utility District** (Pleasant Forest Subdivi
 Case ID No. **29469**
 Reg. Ent. Reference No. **RN102688322**
 Media [Statute] **Public Water Supply**
 Violation No. **5**

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				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$100	27-Jun-2006	01-Jun-2007	0.9	\$5	n/a	\$5
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)	\$100	27-Jun-2006	14-Sep-2006	0.2	\$1	n/a	\$1

Notes for DELAYED costs: The delayed costs includes the amount to create and begin maintaining an up-to-date map of the distribution system, calculated from the date of the investigation to the estimated date of compliance. The delayed costs also includes the amount required to maintain a facility operations manual, calculated from the date of the investigation to the 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 \$200 TOTAL \$6

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Pleasant Fore**ember** 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number
Primary Rule Cite(s)
Secondary Rule Cite(s)
Violation Description
Base Penalty

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

OR

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

>> **Programmatic Matrix**

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

Matrix Notes

Complete failure to perform an inspection of the pressure tank could result in non-detection of a tank defect causing loss of tank integrity and customers of the water supply could be exposed to significant amounts of contamination at levels that are not protective of human health.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

mark only one use a small x

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

Violation Base Penalty

One annual 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 HMW Special Utility District (Pleasant Forest Subdivi
 Case ID No. 29469
 Reg. Ent. Reference No. RN102688322
 Media [Statute] Public Water Supply
 Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
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

Item Description	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)	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]	\$150	27-Jun-2006	14-Sep-2006	1.0	\$8	\$150	\$158
Other (as needed)		0.0	\$0	\$0	\$0		

Notes for AVOIDED costs
 The avoided cost includes the amount to conduct an annual inspection on the pressure tank, calculated from the June 27, 2006 investigation date to the date of compliance.

Approx. Cost of Compliance \$150 TOTAL \$158

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Pleasant Fore**ember 2002**)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102688322
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number
Primary Rule Cite(s)
Secondary Rule Cite(s)
Violation Description Failure to house gas chlorination facilities in a separate above ground level room or building with adequate floor level and high ventilation at the Pleasant Forest facility. Specifically, at the time of the investigation, no floor level ventilation in the gas chlorine room was provided at the well site.

Base Penalty

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="25%"/>
	Potential	<input type="text"/>	<input checked="" type="text" value="X"/>	<input type="text"/>	

>> **Programmatic Matrix**

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

Matrix Notes

Failing to house gas chlorination facilities in a separate, above ground level room or building with adequate floor level and high ventilation could result in non-detection of a chlorine gas leakage causing damage to electrical wires and customers of the water supply could be exposed to significant amounts of contamination at levels that are not protective of human health.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

mark only one use a small x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input checked="" type="text" value="X"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

Violation Base Penalty

One quarterly event is recommended based on the June 27, 2006 investigation date to the September 8, 2006 screening date.

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent HMW Special Utility District (Pleasant Forest Subdivision)
 Case ID No. 29469
 Reg. Ent. Reference No. RN102688322
 Media [Statute] Public Water Supply
 Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	Date Required	Final Date	Yrs	Interest Saved	Economic Benefit	
						Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$3,000	27-Jun-2006	14-Sep-2006	0.2	\$2	\$43	\$45
Engineering/construction				0.0	\$0	\$0	\$0
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: The delayed costs include the amount to house and provide ventilation for a gas chlorination room, calculated from the date of the investigation to the 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 **\$3,000** TOTAL **\$45**

Compliance History

Customer/Respondent/Owner-Operator: CN600623375 HMW Special Utility District Classification: AVERAGE Rating: 1.64

Regulated Entity: RN102688322 PLEASANT FOREST SUBDIVISION Classification: Site Rating:

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1700245
 WATER LICENSING LICENSE 1700245

Location: 26600 SUNSET DRIVE, PINEHURST, TX, 77362

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: October 06, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 08, 2001 to September 08, 2006

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

Name: Epi Villarreal Phone: 210-403-4033

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? | N/A |
| 4. If Yes, who was/were the prior owner(s)? | N/A |
| 5. When did the change(s) in ownership occur? | N/A |

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
 N/A
- 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.)
- | | |
|------------|----------|
| 08/06/2004 | (285494) |
| 08/18/2006 | (486004) |
| 01/22/2003 | (21580) |
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
- | | | |
|------------------|--|--------------------------|
| Date: 01/22/2003 | (21580) | |
| Self Report? | NO | Classification: Moderate |
| Citation: | 30 TAC Chapter 291, SubChapter F 291.93(3)[G] | |
| Description: | Failure to submit a planning report, by a retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity. | |
| Self Report? | NO | Classification: Moderate |
| Citation: | 30 TAC Chapter 290, SubChapter D 290.46(m)(1) | |
| | 30 TAC Chapter 290, SubChapter D 290.46(m)(1)(B) | |
| Description: | Failure to inspect the pressure tank annually, to determine that the pressure release device and pressure gauge | |
| Self Report? | NO | Classification: Moderate |
| Citation: | 30 TAC Chapter 290, SubChapter D 290.41(c)(1)(F) | |
| Description: | Failure to provide copies of recorded sanitary control easements, an approved substitute, or an exception to the requirement for the well. | |

Date: 08/06/2004 (285494)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(1)(F)

Description: Failure to provide copies of recorded sanitary control easements, an approved substitute, or an exception to the requirement for the well.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(ii)

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

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(iii)

Description: Failure to provide at least two service pumps with a total capacity of 2.0 gallons per minute per connection.

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision May 19, 2005

DATES	Assigned	07-Sep-2006	Screening	08-Sep-2006	EPA Due	
	PCW	08-Sep-2006				

RESPONDENT/FACILITY INFORMATION	
Respondent	HMW Special Utility District (Kipling Oaks 2, 3, & 4)
Reg. Ent. Ref. No.	RN101453660
Facility/Site Region	12-Houston
Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	29469	No. of Violations	3
Docket No.	2006-0593-MLM-E	Order Type	1660
Media Program(s)	Public Water Supply	Enf. Coordinator	Epifanio Villarreal
Multi-Media		EC's Team	Enforcement Team 2
Admin. Penalty \$	Limit Minimum \$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement Subtotals 2, 3, & 7

Notes: The penalty enhancement is due to one prior Notice of Violation ("NOV") containing violations that are the same as or similar to the violations in the current enforcement action. The penalty reduction is due to one notice of audit.

Culpability Enhancement Subtotal 4

Notes: The culpability criteria was not met.

Good Faith Effort to Comply Reduction Subtotal 5

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with a small x)

Notes: The respondent does not meet the good faith criteria.

Economic Benefit Enhancement* Subtotal 6

Total EB Amounts	\$195	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$15,600	

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL Reduction Adjustment

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Kipling Center 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN101453660
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

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 (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
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) 4%

>> **Repeat Violator (Subtotal 3)**

N/A

Adjustment Percentage (Subtotal 3) 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

The penalty enhancement is due to one prior Notice of Violation ("NOV") containing violations that are the same as or similar to the violations in the current enforcement action. The penalty reduction is due to one notice of audit.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 4%

Screening Date 08-Sep-2006 Docket No. 2006-0593-MLM-E PCW

Respondent HMW Special Utility District (Kipling Center 2002)

Case ID No. 29469 PCW Revision May 19, 2005

Reg. Ent. Reference No. RN101453660

Media [Statute] Public Water Supply

Enf. Coordinator Epifanio Villarreal

Violation Number 1

Primary Rule Cite(s) 30 Tex. Admin.Code § 290.46(u)

Secondary Rule Cite(s)

Violation Description Failure to plug and seal abandoned well no. 1 located at the Kipling Oaks 2, 3, & 4 facility.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

		Harm				
Release		Major	Moderate	Minor		
OR	Actual				Percent	50%
	Potential	x				

>> Programmatic Matrix

		Falsification	Major	Moderate	Minor		
						Percent	
Matrix Notes	Failing to plug an abandoned public water supply well, could result in contaminants entering the well and customers of the water supply could be exposed to contaminants that would exceed levels protective of human health.						

Adjustment -\$500

Base Penalty Subtotal \$500

Violation Events

Number of Violation Events 2

mark only one use a small x	daily	
	monthly	x
	quarterly	
	semiannual	
	annual	
	single event	

Violation Base Penalty \$1,000

Two monthly events are recommended from the date of the investigation July 12, 2006 to the date of screening September 8, 2006.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$134

Violation Final Penalty Total \$1,040

This violation Final Assessed Penalty (adjusted for limits) \$1,040

Economic Benefit Worksheet

Respondent HMW Special Utility District (Kipling Oaks 2, 3, 8)
 Case ID No. 29469
 Reg. Ent. Reference No. RN101453660
 Media [Statute] 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
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$10,000	12-Jul-2006	20-Sep-2006	0.2	\$6	\$128	\$134
Engineering/construction				0.0	\$0	\$0	\$0
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: The delayed costs include the amount to plug the abandoned public water supply well, calculated from the date of the investigation to the 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 **\$10,000** TOTAL **\$134**

Screening Date	08-Sep-2006	Docket No.	2006-0593-MLM-E	PCW
Respondent	HMW Special Utility District			(Kipling <i>ember 2002</i>)
Case ID No.	29469			PCW Revision May 19, 2005
Reg. Ent. Reference No.	RN101453660			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			
Violation Number	<input type="text" value="2"/>			
Primary Rule Cite(s)	<input type="text" value="30 Tex. Admin. Code § 290.46(m)"/>			
Secondary Rule Cite(s)	<input type="text"/>			
Violation Description	<input type="text" value="Failure to initiate maintenance housekeeping practices to ensure the good working condition and general appearance of the Kipling Oaks 2, 3, & 4 facility and equipment. Specifically, at the time of the investigation, the pressure tank's exterior had excessive areas of corrosion."/>			
		Base Penalty	<input type="text" value="\$1,000"/>	

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

		Harm			
	Release	Major	Moderate	Minor	
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="25%"/>
	Potential	<input type="text"/>	x	<input type="text"/>	

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	
		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text"/>
Matrix Notes	<input type="text" value="Failure to maintain the pressure tank's exterior could result in customers of the water supply being exposed to insignificant amounts of contaminants which would not exceed levels that are protective of human health."/>					

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

<i>mark only one use a small x</i>	<i>daily</i>	<input type="text"/>
	<i>monthly</i>	<input type="text"/>
	<i>quarterly</i>	x
	<i>semiannual</i>	<input type="text"/>
	<i>annual</i>	<input type="text"/>
	<i>single event</i>	<input type="text"/>

Violation Base Penalty

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent **HMW Special Utility District** (Kipling Oaks 2, 3, & 4)
 Case ID No. 29469
 Reg. Ent. Reference No. RN101453660
 Media [Statute] Public Water Supply
 Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$5,000	12-Jul-2006	08-Sep-2006	0.2	\$3	\$53	\$56
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: The delayed costs include the amount to initiate maintenance and good housekeeping practices at the facility, calculated from the date of the investigation to the 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 \$5,000 **TOTAL** \$56

Screening Date 08-Sep-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Kipling *ember 2002*)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN101453660
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 3
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.42(l)
Secondary Rule Cite(s)
Violation Description Failure to compile and maintain a facility operations manual for operator review and reference for the Kipling Oaks 2, 3, & 4 facility.
Base Penalty \$1,000

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual				Percent
	Potential				

>> **Programmatic Matrix**

		Major	Moderate	Minor	
	Falsification				Percent
		X			

Matrix Notes 100% of the rule requirement was not met.
Adjustment -\$750
Base Penalty Subtotal \$250

Violation Events

Number of Violation Events 1
mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$250

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$5 **Violation Final Penalty Total** \$260
This violation Final Assessed Penalty (adjusted for limits) \$260

Economic Benefit Worksheet

Respondent HMW Special Utility District

(Kipling Oaks 2, 3, 8)

Case ID No. 29469

Reg. Ent. Reference No. RN101453660

Media [Statute] Public Water Supply

Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item **Item** **Date** **Final** **Yrs** **Interest** **One-time** **EB**
Description **Cost** **Required** **Date** **Saved** **Costs** **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				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$600	12-Jul-2006	08-Sep-2006	0.2	\$5	n/a	\$5
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

The delayed cost includes the amount required to compile and maintain a facility operations manual, calculated from the date of the investigation to the 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

TOTAL

Compliance History

Customer/Respondent/Owner-Operator: CN600623375 HMW Special Utility District Classification: AVERAGE Rating: 1.64

Regulated Entity: RN101453660 KIPLING OAKS 2 3 & 4 Classification: Site Rating:

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1700153
WATER LICENSING LICENSE 1700153

Location: W1,2,3,4 - 34301 JIMMY LANE-PLANT 1
W5,6 - 1927 TIMBER RANCH- PLANT 2
PINEHURST TX 77362
KEY MAP 247K

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: October 06, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 08, 2001 to September 08, 2006

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

Name: Epi Villarreal Phone: 210-403-4033

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? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

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

N/A

- 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.)

08/28/2006 (482320)

08/11/2004 (288193)

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

Date: 08/12/2004 (288193)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.118(a)

30 TAC Chapter 290, SubChapter F 290.118(b)

Description: Failure to provide drinking water above the minimum permissible level for pH which is equal to or greater than 7. The most recent chemical analysis of the water from this system reveals that the pH of 6.5 is below the minimum secondary constituent level.

Self Report? NO

Classification: Moderate

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

Description: Failure to plug an abandoned public water supply well #1 Jimmy Lane owned by the system.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(K)

Description: Failure to properly screen the #4 Jimmy Lane well casing vent.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(v)
Description: Failure to install all water system electrical wiring in a securely mounted conduit in compliance with a local or national electrical code-well #3 Jimmy Lane.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure to properly maintain the regulated entity by not resurfacing both silver ground storage tanks and the pressure tank located at Jimmy Lane.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure to properly maintain the regulated entity by not repairing fence at Timbergreen Plant site.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure to properly maintain the regulated entity by not repair or replace the electrical conduit for well #4 Jimmy Lane.

F. Environmental audits.

Notice of Intent Date: 07/03/2006 (511206)
No DOV Associated

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



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision May 19, 2005

DATES	Assigned	12-Jun-2006	Screening	28-Jun-2006	EPA Due	
	PCW	28-Jun-2006				

RESPONDENT/FACILITY INFORMATION	
Respondent	HMW Special Utility District (Rimwick Forest)
Reg. Ent. Ref. No.	RN102687472
Facility/Site Region	12-Houston
Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	29469	No. of Violations	6
Docket No.	2006-0593-MLM-E	Order Type	1660
Media Program(s)	Public Water Supply	Enf. Coordinator	Epifanio Villarreal
Multi-Media		EC's Team	Enforcement Team 2
Admin. Penalty \$	Limit Minimum \$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 5% Enhancement Subtotals 2, 3, & 7

Notes

Culpability No 0% Enhancement Subtotal 4

Notes

Good Faith Effort to Comply 0% Reduction Subtotal 5

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
N/A	X	(mark with a small x)

Notes

Economic Benefit 0% Enhancement* Subtotal 6

Total EB Amounts	<input type="text" value="\$2,595"/>	<small>*Capped at the Total EB \$ Amount</small>
Approx. Cost of Compliance	<input type="text" value="\$20,500"/>	

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL 20% Reduction Adjustment

Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

PAYABLE PENALTY

Screening Date 28-Jun-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Remember 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102687472
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

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)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (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 disclosed)	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%
Other	<i>Please Enter Yes or No</i>		
	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) 5%

>> **Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

The penalty enhancement is due to one prior Notice of Violation ("NOV") containing violations that are the same as or similar to the violations in the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 5%

Screening Date	28-Jun-2006	Docket No.	2006-0593-MLM-E	PCW
Respondent	HMW Special Utility District			(Remember 2002)
Case ID No.	29469			PCW Revision May 19, 2005
Reg. Ent. Reference No.	RN102687472			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			
Violation Number	<input type="text" value="1"/>			
Primary Rule Cite(s)	<input type="text" value="30 Tex. Admin. Code § 290.45(b)(1)(C)(ii)"/>			
Secondary Rule Cite(s)	<input type="text" value="Tex. Health & Safety Code § 341.0315(c)"/>			
Violation Description	<input type="text" value="Failure to provide a total storage capacity of 200 gallons per connection at the Rimwick Forest facility. Specifically, because there are no ground storage tanks at the Facility, there is a 100% deficiency."/>			

Base Penalty

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

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

>> **Programmatic Matrix**

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

Matrix Notes

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

<i>mark only one use a small x</i>	daily	<input type="text"/>
	monthly	<input checked="" type="text" value="X"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

Violation Base Penalty

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 HMW Special Utility District
 Case ID No. 29469
 Reg. Ent. Reference No. RN102687472
 Media [Statute] Public Water Supply
 Violation No. 1

(Rimwick For

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$10,000	12-Apr-2006	01-Jan-2008	1.7	\$57	\$1,149	\$1,206
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

The delayed cost includes the amount to purchase and install ground storage tanks that will create a total storage capacity of 200 gallons per connection at the Facility, calculated from the date of the investigation to 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 **\$10,000**

TOTAL \$1,206

Screening Date 28-Jun-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Remember 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102687472
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

Violation Number
Primary Rule Cite(s)
Secondary Rule Cite(s)

Violation Description
 Failure to provide two or more service pumps having a total capacity of 2.0 gallons per minute at each pump station or pressure plane at the Rimwick Forest facility. Specifically, because there are no service pumps at the Facility, there is a 100% deficiency.

Base Penalty

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

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

>> **Programmatic Matrix**

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

Matrix Notes
 Without sufficient total capacity, customers of the water system could experience water outages and the system's ability to provide a safe and adequate supply of water to the customers could be impaired.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

mark only one use a small x

daily	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty

Three monthly events are recommended from the date of the investigation, April 12, 2006, to the date of screening, June 28, 2006.

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 HMW Special Utility District
 Case ID No. 29469
 Reg. Ent. Reference No. RN102687472
 Media [Statute] Public Water Supply
 Violation No. 2

(Rimwick Forest)

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction	\$10,000	12-Apr-2006	01-Jan-2008	1.7	\$57	\$1,149	\$1,206
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

The delayed costs include the amount to purchase and install two service pumps that will create a total capacity of 2.0 gallons per minute per connection, calculated from the date of the investigation to 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 **\$10,000**

TOTAL \$1,206

Screening Date 28-Jun-2006	Docket No. 2006-0593-MLM-E	PCW
Respondent HMW Special Utility District		<i>(Revised 2002)</i>
Case ID No. 29469		<i>PCW Revision May 19, 2005</i>
Reg. Ent. Reference No. RN102687472		
Media [Statute] Public Water Supply		
Enf. Coordinator Epifanio Villarreal		
Violation Number	3	
Primary Rule Cite(s)	30 Tex. Admin.Code § 290.41(c)(1)(F)	
Secondary Rule Cite(s)		
Violation Description	Failure to provide a sanitary control easement or an approved exception to the easement requirement that covers the land within 150 feet of the two wells located at the Rimwick Forest facility.	
	Base Penalty	\$1,000

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

Harm			
Release	Major	Moderate	Minor
Actual			
Potential			x
			Percent <input style="width:50px" type="text" value="10%"/>

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			Percent <input style="width:50px" type="text"/>

Matrix Notes Without a sanitary control easements for the two wells, contaminants could enter the wells and customers of the water supply could be exposed to an insignificant amount of contaminants that do not exceed levels protective of human health.

Adjustment

Base Penalty Subtotal

Violation Events

Number of Violation Events

		<i>daily</i>	
		<i>monthly</i>	
<i>mark only one</i>		<i>quarterly</i>	
		<i>semiannual</i>	
<i>use a small x</i>		<i>annual</i>	
		<i>single event</i>	x

Violation Base Penalty

Two single events are recommended -- one event for each well without a sanitary control easement.

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent HMW Special Utility District (Rimwick Forest)
 Case ID No. 29469
 Reg. Ent. Reference No. RN102687472
 Media [Statute] Public Water Supply
 Violation No. 3

Percent Interest	5.0
Years of Depreciation	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	One-time Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$200	12-Apr-2006	01-Aug-2007	1.3	\$1	\$17	\$18
Engineering/construction				0.0	\$0	\$0	\$0
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: The delayed costs include the amount to obtain two sanitary control easements or exceptions to the easement requirement, calculated from the date of the investigation to 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 **\$200** TOTAL **\$18**

Screening Date 28-Jun-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Remember 2002)
Case ID No. 29469 PCW Revision May 19, 2005
Reg. Ent. Reference No. RN102687472
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 4
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.121(a) and (b)
Secondary Rule Cite(s)
Violation Description Failure to maintain an up-to-date chemical and microbiological monitoring plan for the Rimwick Forest facility that identifies all locations where routine sampling for microbial contaminants will be conducted.
Base Penalty \$1,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				
Potential				

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
		X		10%

Matrix Notes: Approximately 50% of the rule requirement was not met because, although the system had a monitoring plan, it did not include the locations where microbiological monitoring is conducted.

Adjustment -\$900

Base Penalty Subtotal \$100

Violation Events

Number of Violation Events 1

mark only one use a small x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$100

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$105

This violation Final Assessed Penalty (adjusted for limits) \$105

Economic Benefit Worksheet

Respondent HMW Special Utility District
 Case ID No. 29469
 Reg. Ent. Reference No. RN102687472
 Media [Statute] Public Water Supply
 Violation No. 4

(Rimwick For

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$50	12-Apr-2006	14-Sep-2006	0.4	\$1	n/a	\$1
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: The delayed costs include the amount to develop and begin maintaining a microbial monitoring plan for the water supply, calculated from the date of the investigation to the date of compliance.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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 **\$50**

TOTAL \$1

Screening Date 28-Jun-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Remember 2002)
Case ID No. 29469 (PCW Revision May 19, 2005)
Reg. Ent. Reference No. RN102687472
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 5
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.46(n)(2)
Secondary Rule Cite(s)
Violation Description Failure to maintain on file and make available an up-to-date map of the Rimwick Forest facility distribution system so that valves and mains may be easily located during emergencies.
Base Penalty \$1,000

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

Harm

Release	Major	Moderate	Minor
Actual			
Potential			

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
	X		

Percent 25%
Matrix Notes 100% of the rule requirement was not met.

Adjustment -\$750
Base Penalty Subtotal \$250

Violation Events

Number of Violation Events 1

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$250

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount \$6

Statutory Limit Test

Violation Final Penalty Total \$263

This violation Final Assessed Penalty (adjusted for limits) \$263

Economic Benefit Worksheet

Respondent HMW Special Utility District
 Case ID No. 29469
 Reg. Ent. Reference No. RN102687472
 Media [Statute] Public Water Supply
 Violation No. 5

(Rimwick For

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$100	12-Apr-2006	01-Jun-2007	1.1	\$6	n/a	\$6
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: The delayed costs include the amount to create and begin maintaining an up-to-date map of the distribution system, calculated from the date of the investigation to 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

TOTAL

Screening Date 28-Jun-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utility District (Remember 2002)
Case ID No. 29469 (PCW Revision May 19, 2005)
Reg. Ent. Reference No. RN102687472
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 6
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.46(m)(1)(B)
Secondary Rule Cite(s)
Violation Description
 Failure to inspect the pressure tank annually at the Rimwick Forest facility to ensure that the pressure release device and pressure gauge are working properly, the air-water ratio is being properly maintained, the exterior coating is continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition.
Base Penalty \$1,000

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual				Percent 50%
	Potential	X			

>> **Programmatic Matrix**

		Falsification	Major	Moderate	Minor	
						Percent
Matrix Notes	Complete failure to perform an inspection of the pressure tank could result in non-detection of a tank defect causing loss of tank integrity and customers of the water supply could be exposed to significant amounts of contamination at levels that are not protective of human health.					

Adjustment -\$500

Base Penalty Subtotal \$500

Violation Events

Number of Violation Events 1

mark only one use a small x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	X
	single event	

Violation Base Penalty \$500

One annual event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount \$158

Statutory Limit Test

Violation Final Penalty Total \$525

This violation Final Assessed Penalty (adjusted for limits) \$525

Economic Benefit Worksheet

Respondent HMW Special Utility District
 Case ID No. 29469
 Reg. Ent. Reference No. RN102687472
 Media [Statute] Public Water Supply
 Violation No. 6

(Rimwick For

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	One/Time Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	One/Time Costs	EB Amount
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]	\$150	12-Apr-2005	12-Apr-2006	1.0	\$8	\$150	\$158
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs
 The avoided cost includes the amount to conduct an annual inspection on the pressure tank, calculated for the year prior to the April 12, 2006 investigation.

Approx. Cost of Compliance **\$150** **TOTAL \$158**

Compliance History

Customer/Respondent/Owner-Operator: CN600623375 HMW Special Utility District Classification: AVERAGE Rating: 0.85

Regulated Entity: RN102687472 RIMWICK FOREST Classification: Site Rating:

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1700156
 WATER LICENSING LICENSE 1700156

Location: W1 AND W2 - 2600 RIMWICK FOREST DRIVE,
 MONTGOMERY COUNTY

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: June 28, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: June 28, 2001 to June 28, 2006

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

Name: Epi Villarreal Phone: 210-403-4033

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? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
 N/A
- 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.)
 - 04/26/2004 (261534)
 - 06/09/2006 (458727)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
 - Date: 04/26/2004 (261534)
 - Self Report? NO Classification: Moderate
 - Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(ii)
 5A THC Chapter 341, SubChapter A 341.0315(c)
 - Description: Failure to provide a total storage capacity of 200 gallons per connection.
 - Self Report? NO Classification: Moderate
 - Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(iii)
 5A THC Chapter 341, SubChapter A 341.0315(c)
 - Description: Failure to provide at least two service pumps with a total capacity of 2.0 gallons per minute per connection.
 - Self Report? NO Classification: Moderate
 - Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(1)(F)[G]
 - Description: Failure to provide a sanitary easement or exception to the easement requirement that covers all property within 150 feet of the two wells at the facility.
- 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



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision May 19, 2005

DATES	Assigned	15-May-2006	Screening	22-May-2006	EPA Due	
	PCW	22-May-2006				

RESPONDENT/FACILITY INFORMATION	
Respondent	HMW Special Utilities District (Grant Road Estates Mobile Home Subdivision)
Reg. Ent. Ref. No.	RN101253557
Facility/Site Region	12-Houston Major/Minor Source Major Source

CASE INFORMATION			
Enf./Case ID No.	29469	No. of Violations	1
Docket No.	2006-0593-MLM-E	Order Type	1660
Media Program(s)	Public Water Supply	Enf. Coordinator	Epifanio Villarreal
Multi-Media		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement Subtotals 2, 3, & 7

Notes: The penalty enhancement is due to two prior Notices of Violation ("NOV") that are the same as or similar to the violations in the current enforcement action.

Culpability Enhancement Subtotal 4

Notes: The respondent does not meet the culpability criteria.

Good Faith Effort to Comply Reduction Subtotal 5

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	X	(mark with a small x)

Notes: The respondent does not meet the good faith criteria.

Economic Benefit Enhancement* Subtotal 6

Total EB Amounts	<input type="text" value="\$252"/>	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	<input type="text" value="\$2,000"/>	

SUM OF SUBTOTALS 1-7 Final Subtotal

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty

DEFERRAL Reduction Adjustment

Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 22-May-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utilities District (Grant Road Estates Mobile Hember 2002)
Case ID No. 29469 *PCW Revision May 19, 2005*
Reg. Ent. Reference No. RN101253557
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

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 (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (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 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
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) 10%

>> **Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) 0%

>> **Compliance History Person Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

The penalty enhancement is due to two prior Notices of Violation ("NOV") that are the same as or similar to the violations in the current enforcement action.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 10%

Screening Date 22-May-2006 **Docket No.** 2006-0593-MLM-E **PCW**
Respondent HMW Special Utilities District (Grant Road Estates Mobile Hember 2002)
Case ID No. 29469 *PCW Revision May 19, 2005*
Reg. Ent. Reference No. RN101253557
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal
Violation Number 1
Primary Rule Cite(s) 30 Tex. Admin. Code § 290.45(b)(1)(A)(i)
Secondary Rule Cite(s) Tex. Health & Safety Code § 341.0315(c)
Violation Description Failure to meet the minimum well capacity requirement of 1.5 gallons per minute ("gpm") per connection at Grant Road facility. Specifically, the water system has 32 connections and is currently providing 32 gpm, which is approximately 34% deficient.
Base Penalty \$1,000

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

		Harm			
Release		Major	Moderate	Minor	
OR	Actual				Percent 25%
	Potential		X		

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent

Matrix Notes Without sufficient well capacity, customers of the water supply could possibly experience water outages and the system's ability to provide a safe and adequate water supply could be impaired.

Adjustment -\$750

Base Penalty Subtotal \$250

Violation Events

Number of Violation Events 1

mark only one use a small x	daily	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$250

One quarterly event is recommended from the date of the investigation, March 15, 2006, to the date of screening May 22, 2006.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$252

Violation Final Penalty Total \$275

This violation Final Assessed Penalty (adjusted for limits) \$275

Economic Benefit Worksheet

Respondent HMW Special Utilities District (Grant Road Estates Mobile Home Subdiv)
Case ID No. 29469
Reg. Ent. Reference No. RN101253557
Media [Statute] Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$2,000	15-Mar-2006	01-Jan-2008	1.8	\$12	\$240	\$252
Engineering/construction				0.0	\$0	\$0	\$0
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: The delayed costs includes the amount to meet the minimum well capacity requirement of 1.5 gallons per minute ("gpm") per connection, calculated from the date of the investigation to the estimated date of compliance.

Item Description	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
	Cost	Date	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 \$2,000
TOTAL \$252

Compliance History

Customer/Respondent/Owner-Operator: CN600623375 HMW Special Utility District Classification: AVERAGE Rating: 0.85

Regulated Entity: RN101253557 GRANT ROAD ESTATES MOBILE Classification: Site Rating:
HOME SUB

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1011996
WATER LICENSING LICENSE 1011996

Location: 14837 GRANT ROAD, HARRIS COUNTY

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: May 22, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: May 22, 2001 to May 22, 2006

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

Name: Epi Villarreal Phone: N/A

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? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

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

N/A

- 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.)

03/03/2004 (263059)

09/28/2004 (335464)

05/11/2006 (459030)

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

Date: 03/02/2004 (263059)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(A)(i)

Description: Failure to provide a well capacity of 1.5 gallons per minute per connection.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 291, SubChapter F 291.93(3)

Description: Failure, by a retail public utility with a CCN which has reached 85% of its capacity to submit a planning report explaining how the utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area.

Date: 09/24/2004 (335464)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(A)(i)

Description: Failure to provide a well capacity of 1.5 gallons per minute per connection.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 291, SubChapter F 291.93(3)

Description: Failure, by a retail public utility with a CCN which has reached 85% of its capacity to

submit a planning report explaining how the utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area.

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
HMW SPECIAL UTILITY DISTRICT
RN101253557
RN102687472
RN102688322
RN101453660

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BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2006-0593-MLM-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 HMW Special Utility District ("HMW") under the authority of TEX. HEALTH & SAFETY CODE ch. 341 and TEX. WATER CODE ch. 13. The Executive Director of the TCEQ, through the Enforcement Division, and HMW appear before the Commission and together stipulate that:

1. HMW owns and operates a special utility district with public water supplies located at 14837 Grant Road in Harris County, Texas (the "Grant Road facility"), 2600 Rimwick Forest Drive in Montgomery County, Texas (the "Rimwick Forest facility"), 34301 Jimmy Lane in Montgomery County, Texas (the "Kipling Oaks 2, 3, & 4 facility"), and 26600 Sunset Drive in Montgomery County, Texas (the "Pleasant Forest facility") that have approximately 32, 51, 348, and 59 service connections respectively, and serve at least 25 people per day for at least 60 days per year (collectively "the Facilities").
2. HMW owns and operates, in Texas and for compensation, equipment or facilities for the transmission, storage, distribution, sale, or provision of potable water to the public or for the resale of potable water to the public for any use. HMW is not exempt from regulation under TEX. WATER CODE ch. 13 or the rules of the commission.
3. The Commission and HMW agree that the Commission has jurisdiction to enter this Agreed Order, and that HMW is subject to the Commission's jurisdiction.
4. HMW received notices of the violations alleged in Section II ("Allegations") on or about January 22, 2003, March 7, 2004, August 6, 2004, August 12, 2004, September 29, 2004, April 29, 2004, May 15, 2006, and June 13, 2006.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by HMW of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Eleven Thousand Eleven Dollars (\$11,011) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). HMW has paid Eight Thousand Eight Hundred Eight Dollars (\$8,808) of the administrative penalty and Two Thousand Two Hundred Three Dollars (\$2,203) is deferred contingent upon HMW'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 HMW fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require HMW to pay all or part of the deferred penalty.
7. 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.
8. The Executive Director of the TCEQ and HMW have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that HMW implemented the following corrective measures:
 - a. Submitted plans on March 23, 2006 for the Grant Road facility explaining how HMW would provide the expected service demands to the remaining areas within the boundaries of its certified area for Commission approval;
 - b. Submitted an up-to-date chemical and microbiological monitoring plan for the Rimwick Forest facility identifying all locations where routine sampling for microbial contaminants will be conducted, as documented in a letter dated September 14, 2006;
 - c. Submitted an annual tank inspection report for the Rimwick facility, as documented in a letter dated September 14, 2006;
 - d. Submitted an up-to-date facility operations manual for operator review and reference for the Pleasant Forest, as documented in a letter dated September 14, 2006;
 - e. Submitted an annual tank inspection report for the Pleasant Forest facility, as documented in a letter dated September 14, 2006;
 - f. Submitted photos that provided floor ventilation for the gas chlorination room at the Pleasant Forest facility, as documented in a letter dated September 14, 2006;
 - g. Submitted photos and documentation for the Pleasant Forest facility demonstrating that the injection line and caustic soda are in service, as documented in a letter dated September 14, 2006;

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Second main paragraph of handwritten text, continuing the narrative or list of items.

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- h. Submitted a copy of the plugging report for abandoned well no. 1 located on Jimmy Lane (Kipling Oaks 2, 3, & 4 facility), as documented in a letter dated September 20, 2006;
 - i. Submitted photos of the resurfaced ground storage pressure tanks located at the Kipling Oaks 2, 3, & 4 facility, as documented in a letter dated September 8, 2006; and
 - j. Submitted an up-to-date facility operations manual for operator review and reference for the Kipling Oaks 2, 3, & 4 facility, as documented in a letter dated September 8, 2006.
10. 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 HMW has not complied with one or more of the terms or conditions in this Agreed Order.
11. 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.
12. 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 Facilities, HMW is alleged to have:

1. Failed to meet the minimum well capacity requirement of 1.5 gallons per minute ("gpm") per connection at the Grant Road facility, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(A)(i) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on March 15, 2006.
2. Failed to provide a written planning report to the Commission regarding the Grant Road facility, that clearly explains how the utility will provide the expected service demands to the remaining areas within the boundaries of its certified area when a retail public utility possessing a Certificate of Convenience and Necessity ("CCN") has reached or exceeded 85% of all or part of its capacity, in violation of 30 TEX. ADMIN. CODE § 291.93(3) and TEX. WATER CODE § 13.139(d), as documented during an investigation conducted on March 15, 2006.
3. Failed to provide a total storage capacity of 200 gallons per connection at the Rimwick Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on April 12, 2006.
4. Failed to provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Rimwick Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on April 12, 2006.

The first part of the report deals with the general situation in the country. It is noted that the economy is still in a state of depression and that the government is struggling to meet its obligations. The report also mentions the need for a more active role for the state in the economy.

The second part of the report discusses the financial situation. It is pointed out that the government's budget is in a deficit and that the public debt is increasing. The report suggests that the government should take measures to reduce its expenditures and to increase its revenues.

The third part of the report deals with the social situation. It is noted that the standard of living is low and that there is a high level of unemployment. The report suggests that the government should take measures to improve the social conditions.

The fourth part of the report discusses the political situation. It is noted that the government is facing a crisis of confidence and that there is a need for a new government. The report suggests that the government should take steps to restore its credibility.

The fifth part of the report deals with the international situation. It is noted that the country is facing a difficult international environment and that there is a need for a more active role in international affairs. The report suggests that the government should take steps to improve its relations with other countries.

The sixth part of the report discusses the economic situation. It is noted that the economy is still in a state of depression and that there is a need for a more active role for the state in the economy. The report suggests that the government should take measures to stimulate the economy.

The seventh part of the report deals with the social situation. It is noted that the standard of living is low and that there is a high level of unemployment. The report suggests that the government should take measures to improve the social conditions.

The eighth part of the report discusses the political situation. It is noted that the government is facing a crisis of confidence and that there is a need for a new government. The report suggests that the government should take steps to restore its credibility.

The ninth part of the report deals with the international situation. It is noted that the country is facing a difficult international environment and that there is a need for a more active role in international affairs. The report suggests that the government should take steps to improve its relations with other countries.

5. Failed to provide a sanitary control easement or an approved exception to the easement requirement that covers the land within 150 feet of the two wells located at the Rimwick Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(1)(F), as documented during an investigation conducted on April 12, 2006.
6. Failed to maintain an up-to-date chemical and microbiological monitoring plan for the Rimwick Forest facility that identifies all locations where routine sampling for microbial contaminants will be conducted, in violation of 30 TEX. ADMIN. CODE § 290.121(a) and (b), as documented during an investigation conducted on April 12, 2006.
7. Failed to maintain on file and make available an up-to-date map of the Rimwick Forest distribution system so that valves and mains may be easily located during emergencies, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(2), as documented during an investigation conducted on April 12, 2006.
8. Failed to inspect the pressure tank annually at the Rimwick Forest facility to ensure that the pressure release device and pressure gauge are working properly, the air-water ratio is being properly maintained, the exterior coating is continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition, in violation of 30 TEX. ADMIN. CODE § 290.46(m)(1)(B), as documented during an investigation conducted on April 12, 2006.
9. Failed to provide a sanitary control easement or an approved exception to the easement requirement that covers the land within 150 feet of well no. 1 located at the Pleasant Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(1)(F), as documented during an investigation conducted on June 27, 2006.
10. Failed to provide a total storage capacity of 200 gallons per connection at the Pleasant Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on June 27, 2006.
11. Failed to provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Pleasant Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(C)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c), as documented during an investigation conducted on June 27, 2006.
12. Failed to initiate maintenance housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment at the Pleasant Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.46(m), as documented during an investigation conducted on June 27, 2006.
13. Failed to maintain on file and make available an up-to-date map of the Pleasant Forest distribution system so that valves and mains may be easily located during emergencies, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(2), as documented during an investigation conducted on June 27, 2006.
14. Failed to compile and maintain a facility operations manual for operator review and reference at the Pleasant Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.42(1), as documented during an investigation conducted on June 27, 2006.

...the ... of ...

15. Failed to inspect the pressure tank annually at the Pleasant Forest facility to ensure that the pressure release device and pressure gauge are working properly, the air-water ratio is being properly maintained, the exterior coating is continuing to provide adequate protection to all metal surfaces, and the tank remains in a watertight condition, in violation of 30 TEX. ADMIN. CODE § 290.46(m)(1)(B), as documented during an investigation conducted on June 27, 2006.
16. Failed to house gas chlorination facilities in a separate above ground level room or building with adequate floor level and high ventilation at the Pleasant Forest facility, in violation of 30 TEX. ADMIN. CODE § 290.42(e)(4)(C), as documented during an investigation conducted on June 27, 2006.
17. Failed to plug and seal abandoned well no. 1 at the Kipling Oaks 2, 3, & 4 facility, in violation of 30 TEX. ADMIN. CODE § 290.46(u), as documented during an investigation conducted on July 12, 2006.
18. Failed to initiate maintenance housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment at the Kipling Oaks 2, 3, & 4 facility, in violation of 30 TEX. ADMIN. CODE § 290.46(m), as documented during an investigation conducted on July 12, 2006.
19. Failed to compile and maintain a facility operations manual for operator review and reference at the Kipling Oaks 2, 3, & 4 facility, in violation of 30 TEX. ADMIN. CODE § 290.42(l), as documented during an investigation conducted on July 12, 2006.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that HMW pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and HMW'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: HMW Special Utility District, Docket No. 2006-0593-MLM-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

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the success of any business and for the protection of the interests of all parties involved.

It is further stated that the records should be kept in a secure and accessible location, and that they should be reviewed regularly to ensure their accuracy and completeness.

The second part of the document outlines the specific procedures for recording transactions. It provides a detailed description of the format and content of the records, and explains how they should be maintained and updated.

It is also noted that the records should be kept for a minimum of five years, and that they should be available for inspection at any time by the appropriate authorities.

The final part of the document concludes by reiterating the importance of accurate record-keeping and the need for strict adherence to the procedures outlined in the document.

APPENDIX A

RECORD-KEEPING PROCEDURES

1. GENERAL PRINCIPLES

The following principles should be followed in the maintenance of records: (a) All transactions should be recorded in full and in detail. (b) Records should be kept in a clear and legible form. (c) Records should be kept in a secure and accessible location. (d) Records should be reviewed regularly to ensure their accuracy and completeness.

2. RECORD-KEEPING PROCEDURES

(a) RECORD-KEEPING PROCEDURES

(i) RECORD-KEEPING PROCEDURES

(ii) RECORD-KEEPING PROCEDURES

(iii) RECORD-KEEPING PROCEDURES

2. It is further ordered that HMW shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Begin maintaining an up-to-date map of the Rimwick Forest distribution system so that valves and mains may be easily located during emergencies, in violation of 30 TEX. ADMIN. CODE § 290.46; and
 - ii. Begin maintaining an up-to-date map of the Pleasant Forest distribution system so that valves and mains may be easily located during emergencies, in violation of 30 TEX. ADMIN. CODE § 290.46.
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below in Ordering Provision 2.f., and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision 2.a.
 - c. Within 90 days after the effective date of this Agreed Order:
 - i. Obtain a sanitary control easement or Commission approval of an exception to the easement requirement that covers the land within 150 feet of the two wells located at the Rimwick Forest facility, in accordance with 30 TEX. ADMIN. CODE § 290.41; and
 - ii. Obtain a sanitary control easement or Commission approval of an exception to the easement requirement that covers the land within 150 feet of the well located at the Pleasant Forest facility, in accordance with 30 TEX. ADMIN. CODE § 290.41.
 - d. Within 105 days after the effective date of this Agreed Order, submit written certification as described below in Ordering Provision 2.f., and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision 2.c.
 - e. Within 245 days after the effective date of this Agreed Order:
 - i. Provide a well capacity of 1.5 gpm per connection at the Grant Road facility, in accordance with 30 TEX. ADMIN. CODE § 290.45 and TEX. HEALTH & SAFETY CODE § 341.0315;
 - ii. Provide a total storage capacity of 200 gallons per connection at the Rimwick Forest facility, in accordance with 30 TEX. ADMIN. CODE § 290.45 and TEX. HEALTH & SAFETY CODE § 341.0315;

- iv. Provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Rimwick Forest facility, in accordance with 30 TEX. ADMIN. CODE § 290.45 and TEX. HEALTH & SAFETY CODE § 341.0315; and
 - v. Provide two or more service pumps having a total capacity of 2.0 gpm at each pump station or pressure plane at the Pleasant Forest facility, in accordance with 30 TEX. ADMIN. CODE § 290.45 and TEX. HEALTH & SAFETY CODE § 341.0315.
- f. Within 260 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 2.e. The written certification of compliance 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
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Water Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

- 3. The provisions of this Agreed Order shall apply to and be binding upon HMW. HMW is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the operation of the Facilities referenced in this Agreed Order.
- 4. If HMW fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, HMW's failure to comply is not a violation of this Agreed Order. HMW shall have the

burden of establishing to the Executive Director's satisfaction that such an event has occurred. HMW shall notify the Executive Director within seven days after HMW becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. 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 HMW shall be made in writing to the Executive Director. Extensions are not effective until HMW receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against HMW 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.
7. 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.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to HMW, or three days after the date on which the Commission mails notice of the Order to HMW, 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

5/11/07

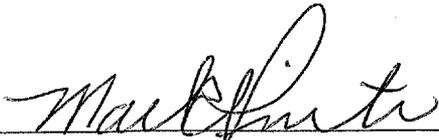
Date

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

12-20-06

Date

MARK PUNTER

Name (Printed or typed)
Authorized Representative of
HMW Special Utility District

President

Title

DECLARATION

I, the undersigned, hereby declare that the above is a true and correct copy of the original document.

[Signature]

[Signature]

I, the undersigned, hereby declare that the above is a true and correct copy of the original document.

I, the undersigned, hereby declare that the above is a true and correct copy of the original document.

I, the undersigned, hereby declare that the above is a true and correct copy of the original document.

[Signature]

[Signature]

I, the undersigned, hereby declare that the above is a true and correct copy of the original document.