

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER** Page 1 of 3  
**DOCKET NO.:** 2007-0813-MLM-E **TCEQ ID:** RN101226322 **CASE NO.:** 33538  
**RESPONDENT NAME:** Thompson Heights Development Company

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input type="checkbox"/> AIR	<input checked="" type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input checked="" type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input checked="" type="checkbox"/> WATER RIGHTS
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Thompson Heights Water System, southeast of the intersection of Denison Dam Road and Farm-to-Market 1310, Grayson County</p> <p><b>TYPE OF OPERATION:</b> Public water supply</p> <p><b>SMALL BUSINESS:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on October 22, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Ms. Yuliya Dunaway, Enforcement Division, Enforcement Team 2, MC R-13, (210) 403-4077; Mr. Steve Lopez, Enforcement Division, MC 219, (512) 239-1896  <b>Respondent:</b> Mr. John Munson, President, Thompson Heights Development Company, P.O. Box 378, Denison, Texas 75021  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> March 15, 2007</p> <p><b>Date of NOE Relating to this Case:</b> May 14, 2007 (NOE)</p> <p><b>Background Facts:</b> This was a routine scheduled investigation for compliance with the water rights and drinking water quality programs. Eight significant program violations were observed.</p> <p><b>WATER</b></p> <p>1) Failure to complete and maintain Customer Service Inspection reports [30 TEX. ADMIN. CODE § 290.46(j)].</p> <p>2) Failure to maintain a facility operations manual for operator review and reference [30 TEX. ADMIN. CODE § 290.42(1)].</p> <p>3) Failure to develop and maintain an up-to-date chemical and microbiological monitoring plan that can be made available at the time of the inspection [30 TEX. ADMIN. CODE § 290.121(a)].</p> <p>4) Failure to provide a plumbing ordinance or service agreement [30 TEX. ADMIN. CODE § 290.46(i)].</p> <p>5) Failure to provide a water purchase contract that can be made available at the time of Commission inspection [30 TEX. ADMIN. CODE § 290.45(f)(1)].</p> <p>6) Failure to properly develop and maintain records of water works operation and maintenance activities and make them available to Commission personnel at the time of the investigation. [30 TEX. ADMIN. CODE § 290.46(f)].</p> <p>7) Failure to provide a public water supply</p>	<p><b>Total Assessed:</b> \$1,260</p> <p><b>Total Deferred:</b> \$252  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$1,008</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Corrective Actions Taken:</b></p> <p>1) The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:</p> <p>a) On April 27, 2007, submitted a copy of a plumbing ordinance adopted by the water system; and</p> <p>b) On April 27, 2007, submitted complete monthly operating reports for the period from January 2006 through February 2007.</p> <p><b>Ordering Provisions:</b></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. Prepare and begin maintaining Customer Service Inspections reports;</p> <p>ii. Prepare and begin maintaining an up-to-date chemical and microbiological monitoring plan; and</p> <p>iii. Commence operating the Facility under the direct supervision of a Class "D" or higher certified water works operator.</p> <p>b) Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation to demonstrate compliance with Ordering Provision No. 2.a.;</p> <p>c) Within 60 days after the effective date of this Agreed Order:</p> <p>i. Prepare and begin maintaining an up-to-date and thorough plant operations manual for operator review and reference;</p> <p>ii. Develop and begin maintaining a drought contingency plan for the Facility;</p>

<p>operator who holds an applicable, valid license issued by the Commission [30 TEX. ADMIN. CODE § 290.46(e)(4)(A) and TEX. HEALTH &amp; SAFETY CODE § 341.034(b)].</p> <p>8) Failure to develop and maintain a drought contingency plan for the water system [30 TEX. ADMIN. CODE § 288.30(5)].</p>		<p>and</p> <p>iii. Obtain a water purchase contract and make it available at the time of Commission inspection.</p> <p>d) Within 75 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c. The certification shall be notarized by a State of Texas Notary Public.</p>
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Additional ID No(s): PWS ID No. 0910085





# Penalty Calculation Worksheet (PCW)

<b>DATES</b>	<b>Assigned</b>	14-May-2007	<b>Screening</b>	21-May-2007	<b>EPA Due</b>	
	<b>PCW</b>	18-May-2007				

<b>RESPONDENT/FACILITY INFORMATION</b>			
<b>Respondent</b>	Thompson Heights Development Company		
<b>Reg. Ent. Ref. No.</b>	RN101226322		
<b>Facility/Site Region</b>	4-Dallas/Fort Worth	<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	33538	<b>No. of Violations</b>	7
<b>Docket No.</b>	2007-0813-MLM-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Public Water Supply	<b>Enf. Coordinator</b>	Yuliya Dunaway
<b>Multi-Media</b>	Water Rights	<b>EC's Team</b>	EnforcementTeam 2
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$50	<b>Maximum</b>
			\$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** **Subtotals 2, 3, & 7**

5% Enhancement

Notes

The enhancement is due to one prior NOV for the same or similar violations as those in the current enforcement action.

**Culpability** **Subtotal 4**

No

0% Enhancement

Notes

The Respondent does not meet the culpability criteria.

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

0% Reduction

Before NOV      NOV to EDRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria.

0% Enhancement\*

**Subtotal 6**

\*Capped at the Total EB \$ Amount

Total EB Amounts	\$113
Approx. Cost of Compliance	\$3,850

**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** **Adjustment**

20%

Reduction

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** **\$588**

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

### 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 submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
<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) 5%

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The enhancement is due to one prior NOV for the same or similar violations as those in the current enforcement action.

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

Screening Date 21-May-2007

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PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number 1

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

Violation Description Failed to complete and maintain Customer Service Inspection reports.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				0%	
Potential					

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
		x		10%	
100% of the rule requirements were not met.					

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 67

mark only one with an 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 \$21

Violation Final Penalty Total \$105

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

## Economic Benefit Worksheet

**Respondent** Thompson Heights Development Company  
**Case ID No.** 33538  
**Reg. Ent. Reference No.** RN101226322  
**Media** Public Water Supply  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

### 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	15-Mar-2007	1-Dec-2007	0.7	\$21	n/a	\$21
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 prepare and maintain Customer Service reports, 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance	\$600	TOTAL	\$21
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Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

OR

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

Percent

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text"/>

Percent

Matrix Notes

Adjustment

Violation Events

Number of Violation Events

Number of violation days

mark only one with an 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="text" value="x"/>

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** Thompson Heights Development Company  
**Case ID No.** 33538  
**Reg. Ent. Reference No.** RN101226322  
**Media** 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	One-time Costs	EB Amount
<small>No commas or \$</small>							

### 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	\$500	15-Mar-2007	1-Nov-2007	0.6	\$16	n/a	\$16
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 maintain a facility operations manual for operator review and reference, 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance

\$500

TOTAL

\$16

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 290.121(a)

Violation Description Failed to develop and maintain an up-to-date chemical and microbiological monitoring plan that can be made available at the time of the inspection.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 10%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1

67 Number of violation days

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$100

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$16

Violation Final Penalty Total \$105

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

## Economic Benefit Worksheet

**Respondent** Thompson Heights Development Company  
**Case ID No.** 33538  
**Reg. Ent. Reference No.** RN101226322  
**Media** Public Water Supply  
**Violation No.** 3

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	\$500	15-Mar-2007	1-Nov-2007	0.6	\$16	n/a	\$16
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 prepare and maintain an up-to-date chemical and microbiological monitoring plan, 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

There no avoided costs associated with this violation.

Approx. Cost of Compliance

\$500

**TOTAL**

\$16

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number 4

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

Violation Description Failed to adopt a plumbing ordinance or service agreement.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
			x		
100% of the rule requirements were not met.					

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 67

mark only one with an 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 \$3

Violation Final Penalty Total \$105

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

## Economic Benefit Worksheet

**Respondent** Thompson Heights Development Company  
**Case ID No.** 33538  
**Reg. Ent. Reference No.** RN101226322  
**Media** 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
<b>Delayed Costs</b>							
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	\$500	15-Mar-2007	27-Apr-2007	0.1	\$3	n/a	\$3
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 prepare and maintain a plumbing ordinance or service agreement, 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance	\$500	<b>TOTAL</b>	\$3
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Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code § 290.45(f)(1)

Violation Description Failed to provide a water purchase contract at the time of the inspection.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
			x		
100% of the rule requirements were not met.					

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 67

mark only one with an 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 \$16

Violation Final Penalty Total \$105

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

## Economic Benefit Worksheet

**Respondent:** Thompson Heights Development Company  
**Case ID No.:** 33538  
**Reg. Ent. Reference No.:** RN101226322  
**Media:** 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
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### 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	\$500	15-Mar-2007	1-Nov-2007	0.6	\$16	n/a	\$16
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 maintain a water purchase contract, 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance

\$500

TOTAL

\$16

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number 6

Rule Cite(s)

30 Tex. Admin. Code § 290.46(f)

Violation Description

Failed to properly develop and maintain records of water works operation and maintenance activities and make them available to Commission personnel at the time of the investigation. Specifically, at the time of the investigation, the water works monthly operating reports from January 2006 through June 2006 lacked components of the amount of water treated each week and disinfectant residual monitoring results, and monthly operating reports from July 2006 through February 2007 were not available for review.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 10%

Matrix Notes

70% of the rule requirements were not met.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1

481 Number of violation days

mark only one with an 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 \$3

Violation Final Penalty Total \$105

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

## Economic Benefit Worksheet

**Respondent** Thompson Heights Development Company  
**Case ID No.** 33538  
**Reg. Ent. Reference No.** RN101226322  
**Media** Public Water Supply  
**Violation No.** 6

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

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

### Delayed Costs

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	\$500	15-Mar-2007	27-Apr-2007	0.1	\$3	n/a	\$3
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 properly prepare and maintain a record of water works operation and maintenance activities, 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance \$500

TOTAL \$3

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Public Water Supply

Enf. Coordinator Yuliya Dunaway

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code § 290.46(e)(4)(A) and Tex. Health & Safety Code § 341.034(b)

Violation Description

Failed to provide a public water supply operator who holds an applicable, valid license issued by the Commission. Specifically, at the time of the investigation, the water system operator had a license that expired on October 28, 2006.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Failure to have a water works operator who holds a valid license could result in poor plant operation and could expose customers of the water supply to a significant amount of pollutants which would not exceed levels that are protective of human health.

Adjustment \$900

\$100

Violation Events

1

67 Number of violation days

daily	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$100

One quarterly event is recommended from the date of the investigation, March 15, 2007, to the date of screening, May 21, 2007.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$38

Violation Final Penalty Total \$105

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

## Economic Benefit Worksheet

**Respondent:** Thompson Heights Development Company  
**Case ID No.:** 33538  
**Reg. Ent. Reference No.:** RN101226322  
**Media:** Public Water Supply  
**Violation No.:** 7

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

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

### 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	\$750	28-Oct-2006	1-Nov-2007	1.0	\$38	n/a	\$38
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 train and obtain a license for the water system operator, calculated from the date when the violation occurred 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance

\$750

TOTAL

\$38



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision April 26, 2007

**TCEQ**

DATES	Assigned	14-May-2007	Screening	21-May-2007	EPA Due	
	PCW	21-May-2007				

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	Thompson Heights Development Company		
Reg. Ent. Ref. No.	RN101226322		
Facility/Site Region	4-Dallas/Fort Worth	Major/Minor Source	Minor

<b>CASE INFORMATION</b>				
Enf./Case ID No.	33538	No. of Violations	1	
Docket No.	2007-0813-MLM-E	Order Type	1660	
Media Program(s)	Water Rights	Enf. Coordinator	Yuliya Dunaway	
Multi-Media	Public Water Supply	EC's Team	EnforcementTeam 2	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$5,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** Subtotal 1 \$500

### 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 \$25

Notes: The enhancement is due to one prior NOV for the same or similar violations as those in the current enforcement action.

**Culpability** No 0% Enhancement Subtotal 4 \$0

Notes: The Respondent does not meet the culpability criteria.

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

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

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

**Total EB Amounts** \$16 0% Enhancement\* Subtotal 6 \$0  
 Approx. Cost of Compliance \$500 \*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** Final Subtotal \$525

**OTHER FACTORS AS JUSTICE MAY REQUIRE** Adjustment \$0

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

Notes

**Final Penalty Amount** \$525

**STATUTORY LIMIT ADJUSTMENT** Final Assessed Penalty \$525

**DEFERRAL** 20% Reduction Adjustment -\$105

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** \$420

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Water Rights

Enf. Coordinator Yuliya Dunaway

### 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 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 submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
<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) 5%

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The enhancement is due to one prior NOV for the same or similar violations as those in the current enforcement action.

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

Screening Date 21-May-2007

Docket No. 2007-0813-MLM-E

PCW

Respondent Thompson Heights Development Company

Policy Revision 2 (September 2002)

Case ID No. 33538

PCW Revision April 26, 2007

Reg. Ent. Reference No. RN101226322

Media [Statute] Water Rights

Enf. Coordinator Yuliya Dunaway

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 288.30(5)

Violation Description Failed to develop and maintain a drought contingency plan for the water system.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
		x			10%
100% of the rule requirements were not met.					

Adjustment \$4,500

\$500

Violation Events

Number of Violation Events 1 Number of violation days 67

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$500

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$16

Violation Final Penalty Total \$525

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

## Economic Benefit Worksheet

**Respondent** Thompson Heights Development Company  
**Case ID No.** 33538  
**Reg. Ent. Reference No.** RN101226322  
**Media** Water Rights  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				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)	\$500	15-Mar-2007	1-Nov-2007	0.6	\$16	n/a	\$16

Notes for DELAYED costs

The delayed costs include the amount to prepare and approve a drought contingency plan for the water supply, 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

There are no avoided costs associated with this violation.

Approx. Cost of Compliance \$500

TOTAL \$16

# Compliance History

Customer/Respondent/Owner-Operator:	CN600666903 Thompson Heights Development Company	Classification:	Rating:
Regulated Entity:	RN101226322 THOMPSON HEIGHTS WATER SYSTEM	Classification:	Site Rating:
ID Number(s):	PUBLIC WATER SYSTEM/SUPPLY WATER LICENSING	REGISTRATION LICENSE	0910085 0910085
Location:	SE OF DENISON DAM RD AND FM 1310, GRAYSON COUNTY, TX		
TCEQ Region:	REGION 04 - DFW METROPLEX		
Date Compliance History Prepared:	May 17, 2007		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	May 17, 2002 to May 17, 2007		

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

Name: Yuliya Dunaway Phone: (210) 403-4077

## 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.)
  - 1 02/07/2005 (345945)
  - 2 05/09/2007 (557813)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
  - Date: 02/01/2005 (345945)
  - Self Report? NO Classification: Moderate
  - Citation: 30 TAC Chapter 290, SubChapter D 290.46(j)[G]
  - Description: Failure to provide customer service inspections.
  - Self Report? NO Classification: Minor
  - Citation: 30 TAC Chapter 290, SubChapter D 290.42(l)
  - Description: Failure to provide a plant operations manual.
  - Self Report? NO Classification: Minor
  - Citation: 30 TAC Chapter 288, SubChapter B 288.20(a)(2)  
30 TAC Chapter 288, SubChapter B 288.20[G]
  - Description: Failure to provide a drought contingency plan.
  - Self Report? NO Classification: Minor
  - Citation: 30 TAC Chapter 290, SubChapter F 290.121[G]
  - Description: Failure to provide an adequate monitoring plan.
  - Self Report? NO Classification: Moderate
  - Citation: 30 TAC Chapter 290, SubChapter D 290.46(i)
  - Description: Failure to provide service agreements.
- 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  
THOMPSON HEIGHTS  
DEVELOPMENT COMPANY  
RN101226322

§ BEFORE THE  
§ TEXAS COMMISSION ON  
§ ENVIRONMENTAL QUALITY  
§

AGREED ORDER  
DOCKET NO. 2007-0813-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 Thompson Heights Development Company ("Thompson Heights") under the authority of TEX. HEALTH & SAFETY CODE ch. 341 and TEX. WATER CODE ch. 11. The Executive Director of the TCEQ, through the Enforcement Division, and Thompson Heights appear before the Commission and together stipulate that:

1. Thompson Heights owns and operates a public water supply southeast of the intersection of Denison Dam Road and Farm-to-Market Road 1310, Grayson County, Texas (the "Facility") that has approximately 108 service connections and serves at least 25 people per day for at least 60 days per year.
2. Thompson Heights' Facility adjoins, is contiguous with or surrounds state water as defined in TEX. WATER CODE § 11.021 and 30 TEX. ADMIN. CODE § 297.1(46).
3. The Commission and Thompson Heights agree that the Commission has jurisdiction to enter this Agreed Order, and that Thompson Heights is subject to the Commission's jurisdiction.
4. Thompson Heights received notice of the violations alleged in Section II ("Allegations") on or about May 19, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Thompson Heights of any violation alleged in Section II ("Allegations"), nor of any statute or rule.



6. An administrative penalty in the amount of One Thousand Two Hundred Sixty Dollars (\$1,260) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Thompson Heights has paid One Thousand Eight Dollars (\$1,008) of the administrative penalty and Two Hundred Fifty-Two Dollars (\$252) is deferred contingent upon Thompson Heights' 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 Thompson Heights fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Thompson Heights 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 Thompson Heights 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 Thompson Heights has implemented the following corrective measures at the Facility:
  - a. On April 27, 2007, submitted a copy of a plumbing ordinance adopted by the water system; and
  - b. On April 27, 2007, submitted complete monthly operating reports for the period from January 2006 through February 2007.
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 Thompson Heights 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 Facility, Thompson Heights is alleged to have:

1. Failed to complete and maintain Customer Service Inspection reports, in violation of 30 TEX. ADMIN. CODE § 290.46(j), as documented during an investigation conducted on March 15, 2007.
2. Failed to maintain a facility operations manual for operator review and reference, in violation of 30 TEX. ADMIN. CODE § 290.42(I), as documented during an investigation conducted on March 15, 2007.



3. Failed to develop and maintain an up-to-date chemical and microbiological monitoring plan that can be made available at the time of Commission inspection, in violation of 30 TEX. ADMIN. CODE § 290.121(a), as documented during an investigation conducted on March 15, 2007.
4. Failed to provide a plumbing ordinance or service agreement, in violation of 30 TEX. ADMIN. CODE § 290.46(i), as documented during an investigation conducted on March 15, 2007.
5. Failed to provide a water purchase contract at the time of Commission inspection, in violation of 30 TEX. ADMIN. CODE § 290.45(f)(1), as documented during an investigation conducted on March 15, 2007.
6. Failed to properly develop and maintain records of water works operation and maintenance activities and make them available to Commission personnel at the time of the investigation, in violation of 30 TEX. ADMIN. CODE § 290.46(f), as documented during an investigation conducted on March 15, 2007.
7. Failed to provide a public water supply operator who holds an applicable, valid license issued by the Commission, in violation of 30 TEX. ADMIN. CODE § 290.46(e)(4)(A) and TEX. HEALTH & SAFETY CODE § 341.034(b), as documented during an investigation conducted on March 15, 2007.
8. Failed to develop and maintain a drought contingency plan for the water system, in violation of 30 TEX. ADMIN. CODE § 288.30(5), as documented during an investigation conducted on March 15, 2007.

### III. DENIALS

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

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Thompson Heights pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Thompson Heights' 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: Thompson Heights Development Company, Docket No. 2007-0813-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

2. It is further ordered that Thompson Heights shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order:



- i. Prepare and begin maintaining Customer Service Inspection reports, as required by 30 TEX. ADMIN. CODE § 290.46;
  - ii. Prepare and begin maintaining an up-to-date chemical and microbiological monitoring plan, as required by 30 TEX. ADMIN. CODE § 290.121; and
  - iii. Commence operating the Facility under the direct supervision of a Class "D" or higher certified water works operator, as required by 30 TEX. ADMIN. CODE § 290.46;
- b. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.d. below, and include detailed supporting documentation to demonstrate compliance with Ordering Provision No. 2.a.;
- c. Within 60 days after the effective date of this Agreed Order:
- i. Prepare and begin maintaining an up-to-date and thorough plant operations manual for operator review and reference, as required by 30 TEX. ADMIN. CODE § 290.42;
  - ii. Develop and begin maintaining a drought contingency plan for the Facility, as required by 30 TEX. ADMIN. CODE § 288.30; and
  - iii. Obtain a water purchase contract and make it available at the time of Commission inspection, as required by 30 TEX. ADMIN. CODE § 290.45;
- d. Within 75 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:



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

3. The provisions of this Agreed Order shall apply to and be binding upon Thompson Heights. Thompson Heights is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If Thompson Heights 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, Thompson Heights' failure to comply is not a violation of this Agreed Order. Thompson Heights have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Thompson Heights shall notify the Executive Director within seven days after Thompson Heights 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 Thompson Heights shall be made in writing to the Executive Director. Extensions are not effective until Thompson Heights 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 Thompson Heights 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 Thompson Heights, or three days after the date on which the Commission mails notice of the Order to Thompson Heights, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



Thompson Heights Development Company  
DOCKET NO. 2007-0813-MLM-B  
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**SIGNATURE PAGE**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

John S. DeWitt  
\_\_\_\_\_  
For the Executive Director

10/9/07  
\_\_\_\_\_  
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 indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

John Murrain  
\_\_\_\_\_  
Signature

8/15/07  
\_\_\_\_\_  
Date

Pres. Thompson Hgts Dev. Co.  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Thompson Heights Development Company

Pres.  
\_\_\_\_\_  
Title

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

