

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2008-0126-MWD-E **TCEQ ID:** RN102078474 **CASE NO.:** 35257
RESPONDENT NAME: Point Aquarius Municipal Utility District

ORDER TYPE:		
<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	
CASE TYPE:		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input checked="" 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 type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Point Aquarius MUD, located approximately one mile southwest of the intersection of Farm-to-Market Road 1097 and Aquarius Boulevard, Montgomery County</p> <p>TYPE OF OPERATION: Wastewater treatment plant</p> <p>SMALL BUSINESS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on May 12, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Heather Brister, Enforcement Division, Enforcement Team 1, MC R-09, (254) 761-3048; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Marvin D. Knoll, President, Point Aquarius Municipal Utility District, 12190 Lake Vista Drive, Willis, Texas 77318 Respondent's Attorney: Mr. Andy Walker, Law Firm of M. A. Walker III, 314 Cochran, Conroe, Texas 77301</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: November 12, 2007</p> <p>Date of NOV/NOE Relating to this Case: December 11, 2007 (NOE)</p> <p>Background Facts: This was a routine record review.</p> <p>WATER</p> <p>Failed to comply with permit effluent limits for 5-Day Biochemical Oxygen Demand [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011219001, Effluent Limitations and Monitoring Requirements No. 1].</p>	<p>Total Assessed: \$2,980</p> <p>Total Deferred: \$596 <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: \$2,384</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Ordering Provisions:</p> <p>The Order will require the Respondent to, within 60 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0011219001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations.</p>

Additional ID No(s): WQ0011219001



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision November 6, 2007

DATES	Assigned	17-Dec-2007	Screening	17-Jan-2008	EPA Due	
	PCW	17-Jan-2008				

RESPONDENT/FACILITY INFORMATION			
Respondent	Point Aquarius Municipal Utility District		
Reg. Ent. Ref. No.	RN102078474		
Facility/Site Region	12-Houston	Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	35257	No. of Violations	1
Docket No.	2008-0126-MWD-E	Order Type	1660
Media Program(s)	Water Quality	Enf. Coordinator	Heather Brister
Multi-Media		EC's Team	Enforcement Team 1
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

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 Respondent self-reported seven months of effluent quality violations, received two Notice of Violations ("NOVs") for violations that are considered to be same or similar, and received two NOVs for violations that are not considered same or similar.

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	<input checked="" type="checkbox"/> X	(mark with x)

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

Total EB Amounts **Subtotal 6**
 Approx. Cost of Compliance *Capped at the Total EB \$ Amount

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

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 17-Jan-2008

Docket No. 2008-0126-MWD-E

PCW

Respondent Point Aquarius Municipal Utility District

Policy Revision 2 (September 2002)

Case ID No. 35257

PCW Revision November 6, 2007

Reg. Ent. Reference No. RN102078474

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

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>)	9	45%
	Other written NOVs	2	4%
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 submitted</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%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 49%

>> **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 Respondent self-reported seven months of effluent quality violations, received two Notice of Violations ("NOVs") for violations that are considered to be same or similar, and received two NOVs for violations that are not considered same or similar.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 49%

Screening Date 17-Jan-2008	Docket No. 2008-0126-MWD-E	PCW												
Respondent Point Aquarius Municipal Utility District		<i>Policy Revision 2 (September 2002)</i>												
Case ID No. 35257		<i>PCW Revision November 6, 2007</i>												
Reg. Ent. Reference No. RN102078474														
Media [Statute] Water Quality														
Enf. Coordinator Heather Brister														
Violation Number <input type="text" value="1"/>														
Rule Cite(s)	Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011219001, Effluent Limitations and Monitoring Requirements No. 1													
Violation Description	Failed to comply with permit effluent limits, as documented during a record review conducted on November 12, 2007. See attached table.													
	Base Penalty	<input type="text" value="\$10,000"/>												
>> Environmental, Property and Human Health Matrix														
OR	Harm													
	Release Major Moderate Minor													
	Actual <input type="text"/> <input type="text"/> <input type="text" value="x"/>	Percent <input type="text" value="10%"/>												
	Potential <input type="text"/> <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" value="0%"/>												
Matrix Notes	A simplified model was used to evaluate 5-day biochemical oxygen demand ("BOD ₅ ") and flow to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.													
	Adjustment	<input type="text" value="\$9,000"/>												
		<input type="text" value="\$1,000"/>												
Violation Events														
	Number of Violation Events <input type="text" value="2"/>	<input type="text" value="123"/> Number of violation days												
<i>mark only one with an x</i>	<table style="width:100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">daily</td><td style="border: 1px solid black; width: 50px;"></td></tr> <tr><td style="padding: 2px;">monthly</td><td style="border: 1px solid black;"></td></tr> <tr><td style="padding: 2px;">quarterly</td><td style="border: 1px solid black; text-align: center;">x</td></tr> <tr><td style="padding: 2px;">semiannual</td><td style="border: 1px solid black;"></td></tr> <tr><td style="padding: 2px;">annual</td><td style="border: 1px solid black;"></td></tr> <tr><td style="padding: 2px;">single event</td><td style="border: 1px solid black;"></td></tr> </table>	daily		monthly		quarterly	x	semiannual		annual		single event		Violation Base Penalty <input type="text" value="\$2,000"/>
daily														
monthly														
quarterly	x													
semiannual														
annual														
single event														
	Two quarterly events are recommended.													
Economic Benefit (EB) for this violation		Statutory Limit Test												
	Estimated EB Amount <input type="text" value="\$75"/>	Violation Final Penalty Total <input type="text" value="\$2,980"/>												
	This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$2,980"/>													

Economic Benefit Worksheet

Respondent Point Aquarius Municipal Utility District
Case ID No. 35257
Reg. Ent. Reference No. RN102078474
Media Water Quality
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
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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)	\$1,000	31-Mar-2007	30-Sep-2008	1.5	\$75	n/a	\$75

Notes for DELAYED costs

Estimated cost for additional monitoring of the levels of bacteria in the aeration basin to control the BOD in the wastewater. Date Required is the initial month of noncompliance. Final Date is the anticipated 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

\$1,000

TOTAL

\$75

Effluent Limit Violation Table table rev.

Respondent	Point Aquarius Municipal Utility District
ID Number(s)	TPDES Permit No. WQ0011219001
Docket Number	2008-0126-MWD-E
Enf. Coordinator	Heather Brister

Corresponds to Violation Number: 1

<i>EFFLUENT PARAMETER</i>	
	<i>Permit Limit</i>
	5-Day Biochemical Oxygen Demand Daily Average Concentration 10 Milligrams per Liter
<i>Month/Year</i>	
Mar-07	10.63
Apr-07	14.2
Jul-07	11.0
Aug-07	10.68

Compliance History

Customer/Respondent/Owner-Operator: CN600659841 Point Aquarius Municipal Utility District Classification: AVERAGE Rating: 0.47
 Regulated Entity: RN102078474 POINT AQARIUS MUD Classification: AVERAGE Site Rating: 0.47

ID Number(s): WASTEWATER PERMIT WQ0011219001
 WASTEWATER PERMIT TPDES0022071
 WASTEWATER PERMIT TX0022071
 WASTEWATER LICENSING LICENSE WQ0011219001

Rating Date: September 01 07 Repeat Violator: NO

Location: Located approximately one mile southwest of the intersection of Farm-to-Market Road 1097 and Aquarius Boulevard in Montgomery County, Texas.

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: December 20, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 20, 2002 to December 20, 2007

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

Name: Heather Brister Phone: (254) 761-3048

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.) | |
- | | |
|------------|----------|
| 12/20/2002 | (164617) |
| 01/17/2003 | (164621) |
| 02/21/2003 | (164588) |
| 03/21/2003 | (164591) |
| 04/22/2003 | (298027) |
| 05/23/2003 | (298028) |
| 06/23/2003 | (298029) |
| 07/21/2003 | (298030) |
| 08/08/2003 | (144746) |
| 08/22/2003 | (298031) |
| 09/22/2003 | (298032) |
| 09/23/2003 | (249604) |
| 10/23/2003 | (298033) |
| 11/24/2003 | (298034) |
| 12/29/2003 | (298035) |
| 01/23/2004 | (298036) |
| 02/23/2004 | (298024) |
| 03/22/2004 | (298026) |
| 04/26/2004 | (353194) |
| 05/24/2004 | (353195) |
| 06/24/2004 | (353196) |
| 07/22/2004 | (353197) |
| 09/07/2004 | (353198) |
| 09/24/2004 | (353199) |
| 10/25/2004 | (353200) |
| 11/24/2004 | (382421) |
| 12/27/2004 | (353201) |
| 01/24/2005 | (382422) |
| 02/22/2005 | (420276) |
| 03/21/2005 | (382420) |
| 04/15/2005 | (420277) |

05/23/2005 (420278)
 06/24/2005 (420279)
 07/25/2005 (420280)
 08/23/2005 (441344)
 09/28/2005 (441345)
 10/24/2005 (469373)
 11/18/2005 (433403)
 11/21/2005 (469374)
 12/27/2005 (469375)
 01/23/2006 (469376)
 02/23/2006 (469371)
 02/27/2006 (451064)
 03/22/2006 (469372)
 04/21/2006 (498822)
 05/22/2006 (498823)
 06/06/2006 (450974)
 06/19/2006 (498824)
 07/13/2006 (498825)
 08/22/2006 (520827)
 08/25/2006 (510133)
 09/13/2006 (512048)
 09/18/2006 (520828)
 10/11/2006 (520829)
 11/10/2006 (576689)
 12/12/2006 (576690)
 01/10/2007 (576691)
 02/12/2007 (576683)
 03/13/2007 (576684)
 04/19/2007 (576685)
 05/09/2007 (576686)
 06/12/2007 (576687)
 07/09/2007 (576688)
 08/10/2007 (566206)
 08/14/2007 (601999)
 09/17/2007 (602000)
 12/10/2007 (611002)
 12/12/2007 (601210)

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

Date: **02/28/2003** (164591)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter

Date: **07/31/2003** (298031)
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter

Date: **08/08/2003** (144746)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 317 317.4(a)(8)
 Description: Failure to certify the reduced pressure backflow prevention device annually as required.

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to properly operate and maintain the wastewater treatment plant.

Date: **11/17/2005** (433403)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(5)
 Description: Failure to prevent the unauthorized discharge of wastewater from the collection

system.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 317 317.7(d)
Description: Failure to mark the greywater chlorination system with nonpotable signs as required.

Date: 01/31/2006 (469371)

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)
Description: Failure to meet the limit for one or more permit parameter

Date: 07/07/2006 (510133)

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT Self-reporting Requirements
Description: Using unapproved self-generated Discharge Monitoring Report (DMR) forms to report monitoring results

Date: 03/31/2007 (576685)

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)
Description: Failure to meet the limit for one or more permit parameter

Date: 04/30/2007 (576686)

Self Report? YES Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)
Description: Failure to meet the limit for one or more permit parameter

Date: 07/31/2007 (601999)

Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 08/09/2007 (566206)

Self Report? NO Classification: Moderate
Citation: TWC Chapter 26 26.121(a)(1)
Description: Failure to prevent the unauthorized discharge of wastewater from the collection system.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT Eff limitations & Mon Req No. 1
Description: Failure to maintain compliance with the permitted effluent limits for biochemical oxygen demand (5-Day). During the review period of May 2006 through April 2007, 2 violations were reported. The daily average BOD concentration result for March 2007 (10.63 mg/L) and April 2007 (14.20 mg/L) exceeded the limit of 10 mg/L. Every effort must be made to maintain compliance with effluent permit limits.

Date: 08/31/2007 (602000)

Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

- 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
POINT AQUARIUS MUNICIPAL
UTILITY DISTRICT
RN102078474**

§
§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2008-0126-MWD-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 Point Aquarius Municipal Utility District ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent, represented by Andy Walker of the law firm of M.A. Walker III, appear before the Commission and together stipulate that:

1. The Respondent owns and operates a wastewater treatment plant located approximately one mile southwest of the intersection of Farm-to-Market Road 1097 and Aquarius Boulevard in Montgomery County, Texas (the "Facility").
2. The Respondent has discharged municipal waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about December 16, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Two Thousand Nine Hundred Eighty Dollars (\$2,980) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Two Thousand Three Hundred Eighty-Four Dollars (\$2,384) of the administrative penalty and Five Hundred Ninety-Six Dollars (\$596) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
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 the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to comply with permit effluent limits, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011219001, Effluent Limitations and Monitoring Requirements No. 1, as documented during a record review conducted on November 12, 2007 and as seen in the following table:

EFFLUENT PARAMETER	
Permit Limit	
	5-Day Biochemical Oxygen Demand Daily Average Concentration 10 Milligrams per Liter
Month/Year	
Mar-07	10.63
Apr-07	14.2
Jul-07	11.0
Aug-07	10.68

DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Point Aquarius Municipal Utility District, Docket No. 2008-0126-MWD-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 the Respondent shall, within 60 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0011219001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. 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 this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

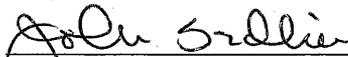
Water Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If the Respondent 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
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 the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

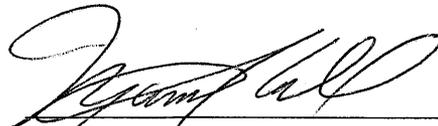
4/30/2008
Date

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.



Signature

2/19/2008
Date

MARVIN D. KROLL
Name (Printed or typed)
Authorized Representative of
Point Aquarius Municipal Utility District

President
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.

