

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 43624  
Wendell Reese d/b/a Pecan Shadows Water Supply Company  
RN102691052  
Docket No. 2012-0424-PWS-E

**Order Type:**

Default Order

**Findings Order Justification:**

N/A

**Media:**

PWS

**Small Business:**

Yes

**Location(s) Where Violation(s) Occurred:**

1.2 miles west of Farm-to-Market Road 457 on Pecan Shadows Street, Matagorda County

**Type of Operation:**

public water system

**Other Significant Matters:**

Additional Pending Enforcement Actions:	None
Past-Due Penalties:	None
Past-Due Fees:	None
Other:	None
Interested Third-Parties:	None

**Texas Register Publication Date:** September 28, 2012

**Comments Received:** None

**Penalty Information**

**Total Penalty Assessed:** \$2,188

**Total Paid to General Revenue:** \$0

**Total Due to General Revenue:** \$2,188

**Compliance History Classifications:**

Person/CN – N/A

Site/RN – N/A

**Major Source:** No

**Statutory Limit Adjustment:** None

**Applicable Penalty Policy:** September 2002

**Investigation Information**

**Complaint Date(s):** N/A  
**Date(s) of Investigation:** January 9, 2012; February 22, 2012  
**Date(s) of NOV(s):** January 14, 2009; November 3, 2009; December 22, 2010.  
**Date(s) of NOE(s):** January 17, 2012; March 15, 2012

**Violation Information**

1. Failed to mail or directly deliver one copy of the CCR to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data [30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c)].
2. Failed to report the results of annual nitrate/nitrite and iron monitoring to the Executive Director [30 TEX. ADMIN. CODE § 290.106(e)]
3. Failed to report the results for triennial metals, minerals, radionuclides, and Stage 1 DBPs monitoring to the Executive Director [30 TEX. ADMIN. CODE §§ 290.106(e), 290.108(e) and 290.113(e)].
4. Failed to report the results of six year VOC sampling to the Executive Director [30 TEX. ADMIN. CODE § 290.107(e)].
5. Failed to pay all annual PHS fees, for fiscal years of 2007 through 2012, including any associated late fees and penalties, for TCEQ Financial Administration Account No. 91610014 [TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(b)].

**Corrective Actions/Technical Requirements**

**Corrective Action(s) Completed:**

None

**Technical Requirements:**

1. Within 30 days:
  - a. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the year 2011 to each bill paying customer and make a good faith effort to deliver the CCR to non-bill paying customers of the Facility;
  - b. Ensure that all delinquent drinking water chemical analysis results are reported to the Executive Director or demonstrate that a compliance schedule has been established;
  - c. Implement improvements to the Facility's process procedures, guidance, training and/or oversight to ensure that future drinking water chemical sample results are released by the Facility's laboratories and reported to the Executive Director within ten days of the Executive Director's request or of their receipt by the Facility, whichever is later; and
  - d. Submit payment for all outstanding fees, interest and penalties for TCEQ Financial Administration Account No. 91610014.
2. Within 45 days, submit to the TCEQ a copy of the CCR provided to customers of the Facility for the year 2011 and the certification that the CCR has been distributed to the customers of the Facilities and that the information in the CCR is correct and consistent with the compliance monitoring data.
3. Within 60 days, submit written certification to demonstrate compliance with Technical Requirements Nos. 1 and 2.

**EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE No. 43624**  
**Wendell Reese d/b/a Pecan Shadows Water Supply Company**  
**RN102691052**  
**Docket No. 2012-0424-PWS-E**

**Litigation Information**

**Date Petition(s) Filed:** August 1, 2012  
**Date Green Card(s) Signed:** unclaimed  
**Date Answer(s) Filed:** N/A

**Contact Information**

**TCEQ Attorneys:** Ryan Rutledge, Litigation Division, (512) 239-3400  
Lena Roberts, Litigation Division, (512) 239-3400  
Eli Martinez, Public Interest Counsel, (512) 239-6363

**TCEQ Enforcement Coordinator:** Andrea Linson, Enforcement Division, (512) 239-1482

**TCEQ Regional Contact:** Steve Smith, Houston Regional Office, (713) 767-3581

**Respondent:** Wendell Reese, Owner, Pecan Shadows Water Supply Company, 729 Private Road  
672, Bay City, Texas 77414

**Respondent's Attorney:** N/A

**THIS PAGE INTENTIONALLY LEFT BLANK**



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	30-Jan-2012	<b>Screening</b>	14-Feb-2012	<b>EPA Due</b>	30-Jun-2009
	<b>PCW</b>	22-Feb-2012				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Wendell Reese dba Pecan Shadows Water Supply Company
<b>Reg. Ent. Ref. No.</b>	RN102691052
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	43624	<b>No. of Violations</b>	5
<b>Docket No.</b>	2012-0424-PWS-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Andrea Linson
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$1,500
---	-------------------	---------

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	21.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$315
---------------------------	-------------------	--------------------------------	-------

Notes: Enhancement for three NOVs with the same/similar violations and three NOVs with dissimilar violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
--------------------	----	------------------	-------------------	-----

Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
--	-------------------	-----

<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
-------------------------	-------------------	-------------------	-----

Total EB Amounts	\$389	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$487	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$1,815
-----------------------------	-----------------------	---------

<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	20.6%	<b>Adjustment</b>	\$373
---	-------	-------------------	-------

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement for the recovery of avoided costs associated with Violation No. 1.

<b>Final Penalty Amount</b>	\$2,188
-----------------------------	---------

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$2,188
-----------------------------------	-------------------------------	---------

<b>DEFERRAL</b>	0.0% Reduction	<b>Adjustment</b>	\$0
-----------------	----------------	-------------------	-----

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

Notes: No deferral is recommended for Findings Orders.

<b>PAYABLE PENALTY</b>	\$2,188
------------------------	---------

Screening Date 14-Feb-2012

Docket No. 2012-0424-PWS-E

PCW

Respondent Wendell Reese dba Pecan Shadows Water Supply Company

Policy Revision 2 (September 2002)

Case ID No. 43624

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102691052

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	3	15%
	Other written NOVs	3	6%
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%
<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)** 21%

#### >> 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

Enhancement for three NOVs with the same/similar violations and three NOVs with dissimilar violations.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 21%

Screening Date 14-Feb-2012

Docket No. 2012-0424-PWS-E

PCW

Respondent Wendell Reese dba Pecan Shadows Water Supply Company

Policy Revision 2 (September 2002)

Case ID No. 43624

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102691052

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 290.271(b) and 290.274(a) and (c)

Violation Description Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data. Specifically, the Respondent did not mail or directly deliver the CCR to the bill paying customers nor did the Respondent submit the CCR or the required certification to the TCEQ for the years of 2007 through 2010.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), and Percent (0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, and Percent (10%).

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

Adjustment \$900

\$100

Violation Events

Number of Violation Events 4 Number of violation days 36

Table for marking frequency: daily, weekly, monthly, quarterly, semiannual, annual (marked with x), single event.

Violation Base Penalty \$400

Four annual events are recommended, one event for each year the required report was not submitted.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Table for Good Faith Efforts: Extraordinary, Ordinary, N/A (marked with x).

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

Violation Subtotal \$400

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$373

Violation Final Penalty Total \$583

This violation Final Assessed Penalty (adjusted for limits) \$583

## Economic Benefit Worksheet

**Respondent** Wendell Reese dba Pecan Shadows Water Supply Company  
**Case ID No.** 43624  
**Req. Ent. Reference No.** RN102691052  
**Media** Public Water Supply  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

### Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$304	1-Jul-2008	14-Feb-2012	4.54	\$69	\$304	\$373
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to prepare and mail or directly deliver the CCRs to the customers of the Facility (calculation: (\$0.52 x 50 connections x 4 years) + (\$50 x 4 years)), calculated from the due date of the first delinquent CCR to the screening date.

Approx. Cost of Compliance \$304

**TOTAL** \$373

Screening Date 14-Feb-2012

Docket No. 2012-0424-PWS-E

PCW

Respondent Wendell Reese dba Pecan Shadows Water Supply Company

Policy Revision 2 (September 2002)

Case ID No. 43624

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102691052

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.106(e)

Violation Description

Failed to report the results of annual nitrate/nitrite and iron monitoring to the Executive Director. Specifically, at the time of the record review, it was documented that the Respondent did not submit nitrate/nitrite monitoring results for the 2008 through 2010 reporting periods and iron monitoring results for the 2006 reporting period.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			10%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 4 36 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty \$400

Four annual events are recommended, based on one annual event for each year the required report was not submitted.

Good Faith Efforts to Comply

0.0% Reduction \$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 for this violation.

Violation Subtotal \$400

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$17

Violation Final Penalty Total \$583

This violation Final Assessed Penalty (adjusted for limits) \$583

## Economic Benefit Worksheet

**Respondent** Wendell Reese dba Pecan Shadows Water Supply Company  
**Case ID No.** 43624  
**Req. Ent. Reference No.** RN102691052  
**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	Onetime Costs	EB Amount
No commas or \$							

### Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$25	10-Jan-2007	30-Sep-2012	5.73	\$7	n/a	\$7
Training/Sampling	\$25	10-Jan-2009	30-Sep-2012	3.72	\$5	n/a	\$5
Training/Sampling	\$25	10-Jan-2010	30-Sep-2012	2.72	\$3	n/a	\$3
Training/Sampling	\$25	10-Jan-2011	30-Sep-2012	1.72	\$2	n/a	\$2
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the estimated amounts of the outstanding laboratory costs (\$25 per iron sampling for 2006; and \$25 per nitrate/nitrite sampling for 2008, 2009, and 2010) that must be paid in order to release the test results, calculated from the report due dates to the estimated date of compliance.

### Avoided Costs

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

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

**TOTAL**

\$17

Screening Date 14-Feb-2012

Docket No. 2012-0424-PWS-E

PCW

Respondent Wendell Reese dba Pecan Shadows Water Supply Company

Policy Revision 2 (September 2002)

Case ID No. 43624

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102691052

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 290.106(e), 290.108(e) and 290.113(e)

Violation Description

Failed to report the results for triennial metals, minerals, radionuclides, and Stage 1 Disinfectant Byproducts monitoring to the Executive Director. Specifically, at the time of the record review, it was documented that the Respondent did not submit the monitoring results for the following contaminants for the indicated reporting periods: metals for 2004-2006 and 2007-2009; minerals for 2008-2010; radionuclides for 2004-2006 and 2007-2009; and Stage 1 Disinfectant Byproducts ("DBP") for 2008-2010.

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 requirement was not met.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 6 36 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$600

Six single events are recommended, based on one single event for each report that was not submitted.

Good Faith Efforts to Comply

0.0% Reduction

\$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 for this violation.

Violation Subtotal \$600

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$238

Violation Final Penalty Total \$875

This violation Final Assessed Penalty (adjusted for limits) \$875

## Economic Benefit Worksheet

**Respondent** Wendell Reese dba Pecan Shadows Water Supply Company  
**Case ID No.** 43624  
**Req. Ent. Reference No.** RN102691052  
**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				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$468	10-Jan-2007	30-Sep-2012	5.73	\$134	n/a	\$134
Training/Sampling	\$468	10-Jan-2010	30-Sep-2012	2.72	\$64	n/a	\$64
Training/Sampling	\$469	10-Jan-2011	30-Sep-2012	1.72	\$40	n/a	\$40
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the estimated amounts of the outstanding laboratory costs (\$264 per metal sample + \$204 per radionuclide sample for 2004-2006 and 2007-2009; and \$155 per mineral sample + \$314 per Stage-1 DBP sample for 2010) that must be paid in order to release the test results, calculated from the report due dates to the estimated date of compliance.

### Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [1]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,405

**TOTAL**

\$238

Screening Date 14-Feb-2012

Docket No. 2012-0424-PWS-E

PCW

Respondent Wendell Reese dba Pecan Shadows Water Supply Company

Policy Revision 2 (September 2002)

Case ID No. 43624

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102691052

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 290.107(e)

Violation Description

Failed to report the results of six year volatile organic compound ("VOC") sampling to the Executive Director. Specifically, at the time of the record review, it was documented that the Respondent did not submit VOC monitoring results for the 2005-2010 reporting period.

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 requirement was not met.					

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1 36 Number of violation days

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

Violation Base Penalty \$100

One single event is recommended.

Good Faith Efforts to Comply

	0.0%	Reduction	\$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 for this violation.

Violation Subtotal \$100

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$16

Violation Final Penalty Total \$146

This violation Final Assessed Penalty (adjusted for limits) \$146

## Economic Benefit Worksheet

**Respondent** Wendell Reese dba Pecan Shadows Water Supply Company  
**Case ID No.** 43624  
**Req. Ent. Reference No.** RN102691052  
**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
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$183	10-Jan-2011	30-Sep-2012	1.72	\$16	n/a	\$16
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount of the outstanding laboratory costs (\$183 for VOC sampling) that must be paid in order to release the test results, calculated from the report due date to the estimated date of compliance.

### Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$183

**TOTAL**

\$16

Screening Date 14-Feb-2012

Docket No. 2012-0424-PWS-E

PCW

Respondent Wendell Reese dba Pecan Shadows Water Supply Company

Policy Revision 2 (September 2002)

Case ID No. 43624

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102691052

Media [Statute] Public Water Supply

Enf. Coordinator Andrea Linson

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code § 290.51(b) and Tex. Water Code § 5.702

Violation Description Failed to pay all annual Public Health Service ("PHS") fees, for fiscal years of 2007 through 2012, including any associated late fees and penalties, for TCEQ Financial Administration Account No. 91610014.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), Percent (0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, Percent (0%). Matrix Notes section below.

Adjustment \$1,000

\$0

Violation Events

Number of Violation Events [ ] Number of violation days [ ]

Table with frequency options: daily, weekly, monthly, quarterly, semiannual, annual, single event. Includes instruction: mark only one with an x.

Violation Base Penalty \$0

All penalties and interest will be determined by the Financial Administration Division at the next billing cycle.

Good Faith Efforts to Comply

0.0% Reduction Before NOV NOV to EDPRP/Settlement Offer

\$0

Table with rows: Extraordinary, Ordinary, N/A. Includes instruction: (mark with x).

Notes

Violation Subtotal \$0

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$0

This violation Final Assessed Penalty (adjusted for limits) \$0

## Economic Benefit Worksheet

**Respondent** Wendell Reese dba Pecan Shadows Water Supply Company  
**Case ID No.** 43624  
**Req. Ent. Reference No.** RN102691052  
**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
No commas or \$							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

N/A

### Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

N/A

Approx. Cost of Compliance

\$0

**TOTAL**

\$0

# Compliance History Report

Customer/Respondent/Owner-Operator: CN602801565 REESE, WENDELL Classification: Rating:  
Regulated Entity: RN102691052 PECAN SHADOWS WSC Classification: Site Rating:  
ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1610014  
WATER LICENSING LICENSE 1610014  
Location: 1.2 MILES FROM FARM-TO-MARKET ROAD 457 ON PECAN SHADOWS STREET,  
MATAGORDA COUNTY, TEXAS  
TCEQ Region: REGION 12 - HOUSTON  
Date Compliance History Prepared: February 22, 2012  
Agency Decision Requiring Compliance History: Enforcement  
Compliance Period: January 30, 2007 to January 30, 2012  
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
Name: Andrea Linson Phone: (512) 239-1482

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? YES
3. If YES, who is the current owner/operator? Since? Wendell Reese, May 09, 2007
4. If YES, who was/were the prior owner(s)/operator(s)? Pecan Shadows Section One Civic Club, Inc.
5. If YES, when did the change(s) in owner or operator occur? May 09, 2007

## Components (Multimedia) for the Site:

- A. Final Enforcement Orders, court judgments, 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 | 08/21/2008 | (684030) | 4 | 11/03/2009 | (963373) |
| 2 | 09/02/2010 | (843008) | 5 | 01/14/2009 | (963374) |
| 3 | 12/22/2010 | (963371) | 6 | 01/27/2012 | (980543) |

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

**Date: 06/21/2008 (684030) CN602801565**

Self Report? NO Classification: Moderate

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

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

**Date: 08/12/2008 (684030) CN602801565**

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.46(e)(4)(A)

Description: Operating Practices for Public Water Supply - Failure by the regulated entity, which serves no more than 250 connections and only uses groundwater or purchased treated water, to employ a water works operator holding a valid Class "D" or higher operator's license.

**Date: 01/14/2009 (963374) CN602801565**

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)

30 TAC Chapter 290, SubChapter H 290.274(a)

Description: This system did not deliver the annual Consumer Confidence Report (CCR) for 2007 to its bill-paying customers.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter H 290.274(c)

Description: This system failed to deliver a copy and certification of delivery of the annual Consumer Confidence Report (CCR) for the 2007 CCR year to the TCEQ.

**Date: 11/03/2009 (963373) CN602801565**

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)

30 TAC Chapter 290, SubChapter H 290.274(a)

Description: This system did not deliver the annual Consumer Confidence Report (CCR) for 2008 to its bill-paying customers.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter H 290.274(c)

Description: This system failed to deliver a copy and certification of delivery of the annual Consumer Confidence Report (CCR) for the 2008 CCR year to the TCEQ.

**Date: 09/02/2010 (843008) CN602801565**

Self Report? NO Classification: Moderate

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

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

**Date: 12/22/2010 (963371) CN602801565**

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)  
30 TAC Chapter 290, SubChapter H 290.274(a)  
Description: This system did not deliver the annual Consumer Confidence Report (CCR) for 2009 to its bill-paying customers.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter H 290.274(c)  
Description: This system failed to deliver a copy and certification of delivery of the annual Consumer Confidence Report (CCR) for the 2009 CCR year to the TCEQ.

- 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 WENDELL REESE  
D/B/A PECAN SHADOWS  
WATER SUPPLY COMPANY;  
RN102691052**

§  
§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

## **DEFAULT ORDER**

**DOCKET NO. 2012-0424-PWS-E**

At its \_\_\_\_\_ agenda meeting, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered the Executive Director's Preliminary Report and Petition filed pursuant to TEX. HEALTH & SAFETY CODE ch. 341, TEX. WATER CODE ch. 5, and the rules of the TCEQ, which requests appropriate relief, including the imposition of an administrative penalty and corrective action of the respondent. The respondent made the subject of this Order is Wendell Reese d/b/a Pecan Shadows Water Supply Company ("Respondent").

The Commission makes the following Findings of Fact and Conclusions of Law:

### **FINDINGS OF FACT**

1. Respondent owns and operates a public water system located 1.2 miles west of Farm-to-Market Road 457 on Pecan Shadows Street in Matagorda County, Texas (the "Facility"). The Facility has approximately 50 service connections and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(66).
2. During a record review conducted on January 9, 2012, TCEQ Central office staff documented that Respondent:
  - a. Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data. Specifically, Respondent did not mail or directly deliver the CCR to the bill paying customers nor did the Respondent submit the CCR or the required certification to the TCEQ for the years of 2007 through 2010;
  - b. Failed to report the results of annual nitrate/nitrite and iron monitoring to the Executive Director. Specifically, Respondent did not submit nitrate/nitrite monitoring results for the 2008 through 2010 reporting periods and iron monitoring results for the 2006 reporting period;
  - c. Failed to report the results for triennial metals, minerals, radionuclides, and Stage 1 Disinfectant Byproducts ("DBPs") monitoring to the Executive Director. Specifically, Respondent did not submit the monitoring results for

the following contaminants for the indicated reporting periods: metals for 2004-2006 and 2007-2009; minerals for 2008-2010; radionuclides for 2004-2006 and 2007-2009; and Stage 1 DBP for 2008-2010; and

- d. Failed to report the results of six year volatile organic compound ("VOC") sampling to the Executive Director. Specifically, Respondent did not submit VOC monitoring results for the 2005-2010 reporting period.
3. Respondent received notice of the violations in Finding of Fact No. 2 on or about January 22, 2012.
4. During a record review conducted on February 22, 2012, TCEQ Central office staff documented that Respondent failed to pay all annual Public Health Service ("PHS") fees for fiscal years of 2007 through 2012, including any associated late fees and penalties, for TCEQ Financial Administration Account No. 91610014.
5. Respondent received notice of the violation in Finding of Fact No. 4 on or about March 20, 2012.
6. The Executive Director filed the "Executive Director's Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of Wendell Reese d/b/a Pecan Shadows Water Supply Company" (the "EDPRP") in the TCEQ Chief Clerk's office on August 1, 2012.
7. By letter dated August 1, 2012, sent to Respondent's last known address via certified mail, return receipt requested, and via first class mail, postage prepaid, the Executive Director served Respondent with notice of the EDPRP. The United States Postal Service returned the EDPRP sent by certified mail as "unclaimed." The first class mail has not been returned, indicating that Respondent received notice of the EDPRP.
8. More than 20 days have elapsed since Respondent received notice of the EDPRP. Respondent failed to file an answer and failed to request a hearing.

#### **CONCLUSIONS OF LAW**

1. As evidenced by Finding of Fact No. 1, Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341, TEX. WATER CODE ch. 5, and the rules of the Commission.
2. As evidenced by Finding of Fact No. 2.a., Respondent failed to mail or directly deliver one copy of the CCR to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data, in violation of 30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c).
3. As evidenced by Finding of Fact No. 2.b., Respondent failed to report the results of annual nitrate/nitrite and iron monitoring to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.106(e).

4. As evidenced by Finding of Fact No. 2.c., Respondent failed to report the results for triennial metals, minerals, radionuclides, and Stage 1 DBPs monitoring to the Executive Director, in violation of 30 TEX. ADMIN. CODE §§ 290.106(e), 290.108(e) and 290.113(e).
5. As evidenced by Finding of Fact No. 2.d., Respondent failed to report the results of six year VOC sampling to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.107(e).
6. As evidenced by Finding of Fact No. 4, Respondent failed to pay all annual PHS fees for fiscal years of 2007 through 2012, including any associated late fees and penalties, for TCEQ Financial Administration Account No. 91610014, in violation of TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(b).
7. As evidenced by Findings of Fact Nos. 6 and 7, the Executive Director timely served Respondent with proper notice of the EDPRP, as required by TEX. HEALTH & SAFETY CODE § 341.049 and 30 TEX. ADMIN. CODE § 70.104(c)(2).
8. As evidenced by Finding of Fact No. 8, Respondent failed to file a timely answer as required by TEX. HEALTH & SAFETY CODE § 341.049 and 30 TEX. ADMIN. CODE § 70.105. Pursuant to TEX. WATER CODE § 7.057 and 30 TEX. ADMIN. CODE § 70.106, the Commission may enter a Default Order against Respondent and assess the penalty recommended by the Executive Director.
9. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against Respondent for violations of state statutes within the Commission's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
10. An administrative penalty in the amount of two thousand one hundred eighty-eight dollars (\$2,188.00) is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049.
11. TEX. WATER CODE §§ 5.102 and 7.002 authorize the Commission to issue orders and make determinations necessary to effectuate the purposes of the statutes within its jurisdiction.

#### **ORDERING PROVISIONS**

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

1. Respondent is assessed an administrative penalty in the amount of two thousand one hundred eighty-eight dollars (\$2,188.00) for violations of state statutes and rules of the TCEQ. The payment of this administrative penalty and Respondent's compliance with all the terms and conditions set forth in this Order completely resolve the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations which are not raised here.

2. The administrative penalty assessed by this Order shall be paid within 30 days after the effective date of this Order. All checks submitted to pay the penalty imposed by this Order shall be made out to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Wendell Reese d/b/a Pecan Shadows Water Supply Company; Docket No. 2012-0424-PWS-E" to:

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

3. Respondent shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Order, Respondent shall:
    - i. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the year 2011 to each bill paying customer and make a good faith effort to deliver the CCR to non-bill paying customers of the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.274;
    - ii. Ensure that all delinquent drinking water chemical analysis results are reported to the Executive Director or demonstrate that a compliance schedule has been established, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants), 290.107 (Organic Contaminants), 290.108 (Radionuclides), and 290.113 (DBP);
    - iii. Implement improvements to the Facility's process procedures, guidance, training and/or oversight to ensure that future drinking water chemical sample results are released by the Facility's laboratories and reported to the Executive Director within ten days of the Executive Director's request or of their receipt by the Facility, whichever is later, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants), 290.107 (Organic Contaminants), 290.108 (Radionuclides), and 290.113 (DBP); and
    - iv. Submit payment for all outstanding fees, interest and penalties for TCEQ Financial Administration Account No. 91610014, in accordance with 30 TEX. ADMIN. CODE § 290.51(a)(6). The payment shall be sent with the notation "Re: Wendell Reese d/b/a Pecan Shadows Water Supply Company, Financial Administration Account No. 91610014" 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

- b. Within 45 days after the effective date of this Order, Respondent shall submit to the TCEQ a copy of the CCR provided to customers of the Facility for the year 2011 and the certification that the CCR has been distributed to the customers of the Facilities and that the information in the CCR is correct and consistent with the compliance monitoring data, in accordance with 30 TEX. ADMIN. CODE § 290.274. The copy of the CCR and certification shall be mailed to:

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

- c. Within 60 days after the effective date of this Order, Respondent shall submit written certification to demonstrate compliance with Ordering Provision Nos. 3.a. and 3.b. The certification shall be accompanied by detailed supporting documentation, including photographs, receipts, and/or other records, shall be notarized by a State of Texas Notary Public, and shall include the following certification language

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

Respondent shall submit the written certification and supporting documentation necessary to demonstrate compliance with these Ordering Provisions to:

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

with a copy to:

Bob Patton, Jr., Section Manager  
Public Drinking Water Section, MC 155  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

4. All relief not expressly granted in this Order is denied.
5. The provisions of this Order shall apply to and be binding upon Respondent. Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the facility operations referenced in this Order.

6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Respondent if the Executive Director determines that Respondent has not complied with one or more of the terms or conditions in this Order.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Chief Clerk shall provide a copy of this Order to each of the parties. By law, the effective date of this Order shall be the date the Order is final, as provided by 30 TEX. ADMIN. CODE § 70.106(d) and TEX. GOV=T CODE § 2001.144.

**S I G N A T U R E   P A G E**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

---

For the Commission

**AFFIDAVIT OF RYAN RUTLEDGE**

**STATE OF TEXAS**

§

**COUNTY OF TRAVIS**

§

§

"My name is Ryan Rutledge. I am of sound mind, capable of making this affidavit, and the facts stated in this affidavit are within my personal knowledge and are true and correct.

On behalf of the Executive Director of the Texas Commission on Environmental Quality, the "Executive Director's Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of Wendell Reese d/b/a Pecan Shadows Water Supply Company" (the "EDPRP") was filed in the TCEQ Chief Clerk's office on August 1, 2012.

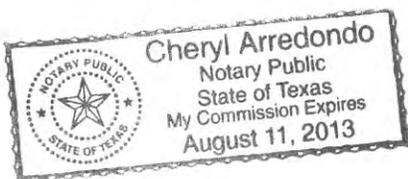
The EDPRP was mailed to Respondent's last known address on August 1, 2012, via certified mail, return receipt requested, and via first class mail, postage prepaid. The United States Postal Service returned the EDPRP sent by certified mail as "unclaimed". The first class mail has not been returned, indicating that Respondent received notice of the EDPRP, in accordance with 30 TEX. ADMIN. CODE § 70.104(c)(2).

More than 20 days have elapsed since Respondent received notice of the EDPRP. Respondent failed to file an answer and failed to request a hearing."

\_\_\_\_\_  
Ryan Rutledge, Staff Attorney  
Office of Legal Services, Litigation Division  
Texas Commission on Environmental Quality

Before me, the undersigned authority, on this day personally appeared Ryan Rutledge, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration herein expressed.

Given under my hand and seal of office this 10<sup>th</sup> day of October, A.D. 2012.



\_\_\_\_\_  
Notary Signature