

**Executive Summary – Enforcement Matter – Case No. 36425**  
**SWEA GARDENS ESTATES UTILITY, INC.**  
**RN101456457**  
**Docket No. 2012-0571-PWS-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

Indifference to legal duty based on violation of a previous order.

**Media:**

PWS

**Small Business:**

Yes

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

Swea Gardens Estates, 410 Noonday Lane, Harris County

**Type of Operation:**

Public water supply

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** August 31, 2012

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$3,742

**Amount Deferred for Expedited Settlement:** \$0

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$137

**Total Due to General Revenue:** \$3,605

Payment Plan: 35 payments of \$103 each

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - N/A

Site/RN - N/A

**Major Source:** No

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002

**Executive Summary – Enforcement Matter – Case No. 36425**  
**SWEA GARDENS ESTATES UTILITY, INC.**  
**RN101456457**  
**Docket No. 2012-0571-PWS-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** March 14, 2011 and December 29, 2011

**Date(s) of NOE(s):** February 23, 2012

***Violation Information***

1. Failed to provide a well production capacity of 1.5 gallons per minute (“gpm”) per connection [30 TEX. ADMIN. CODE § 290.45(b)(1)(A)(i), TEX. HEALTH & SAFETY CODE § 341.0315(c), and TCEQ Docket No. 2008-1375-PWS-E, Ordering Provision No. 2.a.i.].
2. Failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump house or natural ground surface [30 TEX. ADMIN. CODE § 290.41(c)(3)(B) and TCEQ Docket No. 2008-1375-PWS-E, Ordering Provision No. 2.a.ii.].
3. Failed to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the Facility's systems and equipment [30 TEX. ADMIN. CODE § 290.46(m)].
4. Failed to post a legible sign at the Facility's production, treatment, and storage facilities that contains the name of the Facility and emergency telephone numbers where a responsible official can be contacted [30 TEX. ADMIN. CODE § 290.46(t)].
5. Failed to inspect the interior surface of a pressure tank provided with an inspection port every five years [30 TEX. ADMIN. CODE § 290.46(m)(1)(B)].
6. Failed to calibrate the Facility's well meters at least once every three years [30 TEX. ADMIN. CODE § 290.46(s)(1)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

Respondent has implemented the following corrective measures at the site:

a. On April 18, 2011:

- i. Submitted photographic documentation demonstrating that the Facility sign was updated to include contact information for water system officials;
- ii. Submitted photographic documentation that the barbed wire on the fence was no longer sagging; and

**Executive Summary – Enforcement Matter – Case No. 36425**  
**SWEA GARDENS ESTATES UTILITY, INC.**  
**RN101456457**  
**Docket No. 2012-0571-PWS-E**

iii. Submitted documentation to demonstrate that the well meter has now been calibrated.

b. On November 29, 2011, submitted a copy of the pressure tank inspection report.

**Technical Requirements:**

The Order will require Respondent to:

a. Within 180 days:

i. Provide a well capacity of 1.5 gpm per connection at the Facility, and

ii. Install a well casing that extends a minimum of 18 inches above the elevation of the finished floor of the pump room or natural ground surface.

b. Within 195 days, submit written certification, receipts, and/or other records to demonstrate compliance with Ordering Provisions a.i. and a.ii.

c. Or, in lieu of Ordering Provisions a. and b.:

i. Within 180 days, file with the Commission an administratively complete application for a Petition to Discontinue Service or an administratively complete Sale Transfer Merger application;

ii. Respond completely and adequately, as determined by TCEQ, to all requests for additional information within 30 days of such requests, or by any other deadline specified in writing; and

iii. Within 30 days, file a signed contract, bill of sale, or other appropriate documents as evidence that the transaction has been made final and documentation that customer deposits have been transferred or refunded to the customer with interest.

d. Submit written certification demonstrating compliance.

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Hearing Date(s):** N/A

**Settlement Date:** N/A

**Executive Summary – Enforcement Matter – Case No. 36425**  
**SWEA GARDENS ESTATES UTILITY, INC.**  
**RN101456457**  
**Docket No. 2012-0571-PWS-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Michaelle Sherlock, Enforcement Division,  
Enforcement Team 2, MC R-13, (210) 403-4076; Debra Barber, Enforcement Division,  
MC 219, (512) 239-0412

**TCEQ SEP Coordinator:** N/A

**Respondent:** William J. Fowle, President, SWEA GARDENS ESTATES UTILITY,  
INC., 18206 Stockton Springs Drive, Spring, Texas 77379

**Respondent's Attorney:** Robert J. Inger, 5909 West Loop South, Suite 305, Bellaire,  
Texas 77401



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

<b>DATES</b>	<b>Assigned</b>	27-Feb-2012	<b>Screening</b>	12-Mar-2012	<b>EPA Due</b>	
	<b>PCW</b>	12-Mar-2012				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	SWEA GARDENS ESTATES UTILITY, INC.		
<b>Reg. Ent. Ref. No.</b>	RN101456457		
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Minor

## CASE INFORMATION

<b>Enf./Case ID No.</b>	36425	<b>No. of Violations</b>	6
<b>Docket No.</b>	2012-0571-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>	Michaelle Sherlock
		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$3,000**

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

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

**Compliance History** **25.0%** Enhancement **Subtotals 2, 3, & 7** **\$750**

Notes: Enhancement for one NOV with same/similar violations and one effective agreed order with denial of liability.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** **\$98**

**Economic Benefit** **0.0%** Enhancement\* **Subtotal 6** **\$0**

Total EB Amounts	\$1,640
Approx. Cost of Compliance	\$5,742

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$3,652**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **2.5%** **Adjustment** **\$90**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided costs associated with Violation Nos. 5 and 6.

**Final Penalty Amount** **\$3,742**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$3,742**

**DEFERRAL** **0.0%** Reduction **Adjustment** **\$0**

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

Notes: No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** **\$3,742**

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

### 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> )	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <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)** 25%

>> 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 one NOV with same/similar violations and one effective agreed order with denial of liability.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 25%

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2009

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaëlle Sherlock

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 290.45(b)(1)(A)(i), Tex. Health & Safety Code § 341.0315(c), and TCEQ Docket No. 2008-1375-PWS-E, Ordering Provision No. 2.a.i.

Violation Description Failed to provide a well production capacity of 1.5 gallons per minute ("gpm") per connection. Specifically, the water system is required to provide a well production capacity of 61.5 gpm for the 41 connections. However, at the time of the investigations, the water system provided a well production capacity of 40 gpm, which is a 35% deficiency.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential		X		

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0%

Matrix Notes Failure to provide adequate well production capacity may expose consumers to a significant amount of contaminants that would not exceed levels protective of human health.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 13 Number of violation days 1114

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

Violation Base Penalty \$1,300

Thirteen quarterly events are recommended, calculated from the effective date of TCEQ Docket No. 2008-1375-PWS-E, February 22, 2009, to the date of screening, March 12, 2012.

Good Faith Efforts to Comply

0.0% Reduction \$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 for this violation.

Violation Subtotal \$1,300

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,408

Violation Final Penalty Total \$1,665

This violation Final Assessed Penalty (adjusted for limits) \$1,665

# Economic Benefit Worksheet

**Respondent** SWEA GARDENS ESTATES UTILITY, INC.

**Case ID No.** 36425

**Reg. Ent. Reference No.** RN101456457

**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)	\$5,000	22-Feb-2009	1-Mar-2013	4.02	\$67	\$1,341	\$1,408
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

The delayed cost includes the estimated amount necessary to provide a well production capacity of 1.5 gpm per connection, calculated from the effective date of TCEQ Docket No. 2008-1375-PWS-E 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

\$5,000

**TOTAL**

\$1,408

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.41(c)(3)(B) and TCEQ Docket No. 2008-1375-PWS-E, Ordering Provision No. 2.a.ii.

Violation Description

Failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump house or natural ground surface. Specifically, at the time of the investigations, it was documented that the well casing measured 10 inches above the elevation of the finished floor.

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 provide a well casing that extends a minimum of 18 inches above the elevation of the finished floor of the pump house or natural ground surface may allow the well to be exposed to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 13

1114 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$1,300

Thirteen quarterly events are recommended, calculated from the effective date of TCEQ Docket No. 2008-1375-PWS-E, February 22, 2009, to the date of screening, March 12, 2012.

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 \$1,300

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$141

Violation Final Penalty Total \$1,665

This violation Final Assessed Penalty (adjusted for limits) \$1,665

## Economic Benefit Worksheet

**Respondent** SWEA GARDENS ESTATES UTILITY, INC.  
**Case ID No.** 36425  
**Reg. Ent. Reference No.** RN101456457  
**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
<small>No commas or \$</small>							

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$500	22-Feb-2009	1-Mar-2013	4.02	\$7	\$134	\$141
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

The delayed costs include the estimated amount necessary to extend the well casing to a minimum of 18 inches above the ground surface, calculated from the effective date of TCEQ Docket No. 2008-1375-PWS-E 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	\$500	<b>TOTAL</b>	\$141
----------------------------	-------	--------------	-------

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 3

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

Violation Description Failed to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the Facility's systems and equipment. Specifically, at the time of the investigation, it was documented that the barbed wire on the fence at the well site was sagging.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				5%
Potential			x	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

Failure to maintain the Facility in good working condition could cause customers of the Facility to be exposed to an insignificant amount of contaminants, which would not exceed levels that are protective of human health.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1 Number of violation days 35

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$12

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

Notes The Respondent achieved compliance on April 18, 2011.

Violation Subtotal \$38

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$52

This violation Final Assessed Penalty (adjusted for limits) \$52

## Economic Benefit Worksheet

**Respondent** SWEA GARDENS ESTATES UTILITY, INC.  
**Case ID No.** 36425  
**Reg. Ent. Reference No.** RN101456457  
**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)	\$70	14-Mar-2011	18-Apr-2011	0.10	\$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

The delayed cost includes the estimated amount to repair the fence (\$35/hour x 2 hours), calculated from the date of the investigation when the violation was first observed to the 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

\$70

**TOTAL**

\$0

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 4

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

Violation Description

Failed to post a legible sign at the Facility's production, treatment, and storage facilities that contains the name of the Facility and emergency telephone numbers where a responsible official can be contacted. Specifically, at the time of the investigation, it was documented that the sign on the fence at the well site did not have proper information for contacting water system officials.

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 5%

Matrix Notes

Between 30% and 70% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1

35 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$12

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent achieved compliance on April 18, 2011.

Violation Subtotal \$38

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$52

This violation Final Assessed Penalty (adjusted for limits) \$52

## Economic Benefit Worksheet

**Respondent** SWEA GARDENS ESTATES UTILITY, INC.  
**Case ID No.** 36425  
**Reg. Ent. Reference No.** RN101456457  
**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)	\$100	14-Mar-2011	18-Apr-2011	0.10	\$0	\$1	\$1
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

The delayed cost includes the estimated amount to provide emergency contact information on the Facility sign, calculated from the date of the investigation when the violation was first observed to the 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

\$100

**TOTAL**

\$1

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code § 290.46(m)(1)(B)

Violation Description

Failed to inspect the interior surface of a pressure tank provided with an inspection port every five years. Specifically, at the time of the investigation, the interior of the single pressure tank at the Facility had not been inspected in the previous five years.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Failure to inspect the interior of the pressure tank every five years could cause non-detection of defects and could expose customers of the Facility to a significant amount of contaminants, which would exceed levels that are protective of human health.

Adjustment \$750

\$250

Violation Events

Number of Violation Events 1

260 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent achieved compliance on November 29, 2011.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$53

Violation Final Penalty Total \$257

This violation Final Assessed Penalty (adjusted for limits) \$257

## Economic Benefit Worksheet

**Respondent** SWEA GARDENS ESTATES UTILITY, INC.

**Case ID No.** 36425

**Req. Ent. Reference No.** RN101456457

**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

### 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]	\$41	14-Mar-2006	14-Mar-2011	5.92	\$12	\$41	\$53
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to conduct a 5-year internal pressure tank inspection, calculated for the 5-year period prior to the date of the investigation when the violation was first documented.

Approx. Cost of Compliance \$41

**TOTAL** \$53

Screening Date 12-Mar-2012

Docket No. 2012-0571-PWS-E

PCW

Respondent SWEA GARDENS ESTATES UTILITY, INC.

Policy Revision 2 (September 2002)

Case ID No. 36425

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101456457

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code § 290.46(s)(1)

Violation Description Failed to calibrate the Facility's well meters at least once every three years. Specifically, at the time of the investigation, it was documented that the flow meter had not been calibrated in the previous three years.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR Harm Release Major Moderate Minor Actual Potential Percent 5%

>> Programmatic Matrix

Falsification Major Moderate Minor Percent 0%

Matrix Notes Failure to have the well meters properly calibrated could result in inaccurate water usage and production data, which could impact the treatment process. This could expose customers of the Facility to an insignificant amount of contaminants that would not exceed levels that are protective of human health.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1 Number of violation days 35

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

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$12

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

Notes The Respondent achieved compliance on April 18, 2011.

Violation Subtotal \$38

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$37

Violation Final Penalty Total \$52

This violation Final Assessed Penalty (adjusted for limits) \$52

## Economic Benefit Worksheet

**Respondent** SWEA GARDENS ESTATES UTILITY, INC.

**Case ID No.** 36425

**Req. Ent. Reference No.** RN101456457

**Media** Public Water Supply

**Violation No.** 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

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]	\$31	14-Mar-2008	14-Mar-2011	3.92	\$6	\$31	\$37
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to properly calibrate the well meter, calculated for the three years prior to the investigation date when the violation was first observed.

Approx. Cost of Compliance \$31

**TOTAL** \$37

# Compliance History Report

Customer/Respondent/Owner-Operator: CN600626402 SWEA GARDENS ESTATES UTILITY, Classification: Rating:  
INC.  
Regulated Entity: RN101456457 SWEA GARDENS ESTATES Classification: Site Rating:  
ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1010218  
Location: 410 NOONDAY LN, HARRIS COUNTY, TX  
TCEQ Region: REGION 12 - HOUSTON  
Date Compliance History Prepared: March 12, 2012  
Agency Decision Requiring Compliance History: Enforcement  
Compliance Period: March 12, 2007 to March 12, 2012  
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
Name: Michaelle Sherlock Phone: (210) 403-4076

## 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? NO
3. If YES, who is the current owner/operator? N/A
4. If YES, who was/were the prior owner(s)/operator(s)? N/A
5. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: N/A Repeat Violator: N/A

### Components (Multimedia) for the Site:

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

Effective Date: 02/22/2009 ADMINORDER 2008-1375-PWS-E  
Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(A)(i)  
5A THSC Chapter 341, SubChapter A 341.0315(c)  
Description: Failed to provide a well production capacity of 1.5 gallons per minute ("gpm") per connection.  
Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(B)  
Description: Failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump house or natural ground surface.

- 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 04/29/2008 (637393)  
2 11/24/2010 (878675)  
3 02/23/2012 (906754)

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

Date: 11/23/2010 (878675) CN600626402  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(A)(i)  
5A THSC Chapter 341, SubChapter A 341.0315(c)  
Description: Failed to provide a well production capacity of 1.5 gallons per minute ("gpm") per connection.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(B)

Description: Failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump house or natural ground surface.

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



2. During investigations conducted on March 14, 2011 and November 29, 2011, TCEQ staff documented that the water system is required to provide a well production capacity of 61.5 gallons per minute ("gpm") for the 41 connections. However, at the time of the investigations, the water system provided a well production capacity of 40 gpm, which is a 35% deficiency.
3. During investigations conducted on March 14, 2011 and November 29, 2011, TCEQ staff documented that the well casing measured 10 inches above the elevation of the finished floor.
4. During an investigation conducted on March 14, 2011, TCEQ staff documented that the barbed wire on the fence at the well site was sagging.
5. During an investigation conducted on March 14, 2011, TCEQ staff documented that the sign on the fence at the well site did not have proper information for contacting water system officials.
6. During an investigation conducted on March 14, 2011, TCEQ staff documented that the interior of the single pressure tank at the Facility had not been inspected in the previous five years.
7. During an investigation conducted on March 14, 2011, TCEQ staff documented that the flow meter had not been calibrated in the previous three years.
8. The Respondent received notice of the violations on February 28, 2012.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:
  - a. On April 18, 2011:
    - i. Submitted photographic documentation demonstrating that the Facility sign was updated to include contact information for water system officials;
    - ii. Submitted photographic documentation that the barbed wire on the fence was no longer sagging; and
    - iii. Submitted documentation to demonstrate that the well meter has now been calibrated.
  - b. On November 29, 2011, submitted a copy of the pressure tank inspection report.

## II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.

2. As evidenced by Findings of Fact No. 2, the Respondent failed to provide a well production capacity of 1.5 gpm per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(b)(1)(A)(i), TEX. HEALTH & SAFETY CODE § 341.0315(c), and TCEQ Docket No. 2008-1375-PWS-E, Ordering Provision No. 2.a.i.
3. As evidenced by Findings of Fact No. 3, the Respondent failed to extend the well casing a minimum of 18 inches above the elevation of the finished floor of the pump house or natural ground surface, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(3)(B) and TCEQ Docket No. 2008-1375-PWS-E, Ordering Provision No. 2.a.ii.
4. As evidenced by Findings of Fact No. 4, the Respondent failed to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the Facility's systems and equipment, in violation of 30 TEX. ADMIN. CODE § 290.46(m).
5. As evidenced by Findings of Fact No. 5, the Respondent failed to post a legible sign at the Facility's production, treatment, and storage facilities that contains the name of the Facility and emergency telephone numbers where a responsible official can be contacted, in violation of 30 TEX. ADMIN. CODE § 290.46(t).
6. As evidenced by Findings of Fact No. 6, the Respondent failed to inspect the interior surface of a pressure tank provided with an inspection port every five years, in violation of 30 TEX. ADMIN. CODE § 290.46(m)(1)(B).
7. As evidenced by Findings of Fact No. 7, the Respondent failed to calibrate the Facility's well meters at least once every three years, in violation of 30 TEX. ADMIN. CODE § 290.46(s)(1).
8. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health & Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
9. An administrative penalty in the amount of Three Thousand Seven Hundred Forty-Two Dollars (\$3,742) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The Respondent has paid One Hundred Thirty-Seven Dollars (\$137) of the administrative penalty. The remaining amount of Three Thousand Six Hundred Five Dollars (\$3,605) of the administrative penalty shall be payable in 35 monthly payments of One Hundred Three Dollars (\$103) each. The next monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until paid in full. If the Respondent fails to timely and satisfactorily comply with the payment requirements of this Agreed Order, the Executive Director may, at the Executive Director's option, accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. In addition, the failure of the Respondent to meet the payment schedule of this Agreed Order constitutes

the failure by the Respondent to timely and satisfactorily comply with all the terms of this Agreed Order.

### III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Three Thousand Seven Hundred Forty-Two Dollars (\$3,742) as set forth in Section II, Paragraph 9 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: SWEA GARDENS ESTATES UTILITY, INC., Docket No. 2012-0571-PWS-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
  - a. Either, within 180 days after the effective date of this Agreed Order:
    - i. Provide a well capacity of 1.5 gpm per connection at the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
    - ii. Install a well casing that extends a minimum of 18 inches above the elevation of the finished floor of the pump room or natural ground surface, in accordance with 30 TEX. ADMIN. CODE § 290.41.
  - b. Within 195 days after the effective date of this Agreed Order, submit written certification as described below in Ordering Provision No. 2.e., and include supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i. and 2.a.ii.
  - c. Or, in lieu of Ordering Provision Nos. 2.a. and 2.b.:
    - i. Within 180 days after the effective date of this Agreed Order, file with the Commission an administratively complete application for a Petition to Discontinue Service or an administratively complete Sale Transfer Merger

application, in accordance with 30 TEX. ADMIN. CODE § 291.115 and 30 TEX. ADMIN. CODE § 291.109;

- ii. Respond completely and adequately, as determined by TCEQ, to all requests for additional information within 30 days of such requests, or by any other deadline specified in writing; and
  - iii. Within 30 days after the actual effective date of the transaction, file a signed contract, bill of sale, or other appropriate documents as evidence that the transaction has been made final and documentation that customer deposits have been transferred or refunded to the customer with interest, in accordance with 30 TEX. ADMIN. CODE § 291.109.
- d. Submit written certification as described below in Ordering Provision No. 2.e., and include supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.c.i., 2.c.ii., and 2.c.iii.
- e. The certifications required by Ordering Provision Nos. 2.b. or 2.d. 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 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:

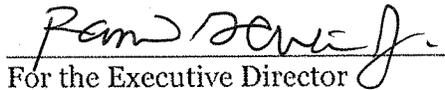
Water Section Manager  
Houston Regional Office  
Texas Commission on Environmental Quality  
5425 Polk Street, Suite H  
Houston, Texas 77023-1452

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. 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.
5. 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 the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
6. 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.
7. 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.
8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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

  
For the Executive Director

9/21/12  
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of SWEA GARDENS ESTATES UTILITY, INC. I am authorized to agree to the attached Agreed Order on behalf of SWEA GARDENS ESTATES UTILITY, INC., and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, SWEA GARDENS ESTATES UTILITY, INC. waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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

June 19, 2012  
Date

William J. Fowle  
Name (Printed or typed)  
Authorized Representative of  
SWEA GARDENS ESTATES UTILITY, INC.

President SWEA GARDENS  
Title ESTATES UTILITIES, INC.

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