

Executive Summary – Enforcement Matter – Case No. 43941
Walter E. Nix, Jr. dba Centerline Water Supply Corporation
RN101439776
Docket No. 2012-0766-PWS-E

Order Type:

Findings Agreed Order

Findings Order Justification:

Three or more enforcement actions (NOVs, orders, etc.) over the prior five year period for the same violation(s).

Media:

PWS

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Centerline WSC, located approximately four miles north of Lyons on Farm-to-Market Road 60, Burleson 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: November 30, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$3,798

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$123

Total Due to General Revenue: \$3,675

Payment Plan: 35 payments of \$105 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 and September 2011

**Executive Summary – Enforcement Matter – Case No. 43941
Walter E. Nix, Jr. dba Centerline Water Supply Corporation
RN101439776
Docket No. 2012-0766-PWS-E**

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: January 9, 2012

Date(s) of NOE(s): January 17, 2012

Violation Information

1. Failed to submit a Disinfectant Level Quarterly Operating Report ("DLQOR") to the Executive Director ("ED") each quarter by the tenth day of the month following the end of each quarter and failed to provide public notice of the failure to submit a DLQOR to the ED [30 TEX. ADMIN. CODE §§ 290.110(e)(4)(A) and (f)(3), and 290.122(c)(2)(A)].
2. Failed to provide public notifications regarding the failure to conduct routine coliform monitoring and regarding the failure to conduct raw groundwater source sampling [30 TEX. ADMIN. CODE § 290.122(c)(2)(A)].
3. Failed to collect at least five routine distribution coliform samples the month following a total coliform-positive result and failed to provide public notification of the failure to collect five distribution samples [30 TEX. ADMIN. CODE §§ 290.109(c)(2)(F) and 290.122(c)(2)(A)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require Respondent to:

a. Within 30 days:

- i. Begin complying with applicable coliform monitoring requirements by collecting routine coliform distribution samples, repeat coliform samples, and increased distribution coliform samples. This provision will be satisfied upon six consecutive months of compliant monitoring and reporting at the Facility;
- ii. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to persons served by the Facility; and
- iii. Update the Facility's operational guidance and conduct employee training to ensure that self-reporting requirements are properly accomplished, including the timely submittal of signed and certified DLQORs.

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RN101439776
Docket No. 2012-0766-PWS-E**

- b. Within 45 days, submit written certification to demonstrate compliance with Ordering Provisions a.ii. and a.iii.
- c. Within 90 days, begin submitting DLQORs to the ED each quarter by the tenth day of the month following the end of the quarter. This provision will be satisfied upon two consecutive quarters of compliant reporting.
- d. Within 195 days, 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

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: Walter E. Nix, Jr., President, Centerline Water Supply Corporation, P.O. Box 486, Snook, Texas 77878-0486
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ
DATES

Assigned	10-Apr-2012	Screening	10-Apr-2012	EPA Due	31-Dec-2008
PCW	10-Apr-2012				

RESPONDENT/FACILITY INFORMATION

Respondent	Walter E. Nix, Jr. dba Centerline Water Supply Corporation		
Reg. Ent. Ref. No.	RN101439776		
Facility/Site Region	9-Waco	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	43941	No. of Violations	2
Docket No.	2012-0766-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Michaelle Sherlock
		EC's Team	Enforcement Team 2

Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000
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Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability Enhancement **Subtotal 4**

Notes

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

Economic Benefit Enhancement* **Subtotal 6**

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

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 43941

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101439776

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>)	8	40%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<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) 44%

>> **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 eight NOVs with same/similar violations and two NOVs with dissimilar violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 44%

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 43941

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101439776

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 290.110(e)(4)(A) and (f)(3), and 290.122(c)(2)(A)

Violation Description Failed to submit a Disinfectant Level Quarterly Operating Report ("DLQOR") to the Executive Director each quarter by the tenth day of the month following the end of each quarter and failed to provide public notice of the failure to submit a DLQOR to the Executive Director. Specifically, the Respondent failed to submit DLQORs from the second quarter of 2007 through the second quarter of 2011 and failed to provide public notice of the failure to submit DLQORs for the fourth quarter of 2008 through the second quarter of 2009, the third quarter of 2010, and the fourth quarter of 2010.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	x			10%

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

Adjustment \$900

\$100

Violation Events

Number of Violation Events 17 1522 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

mark only one with an x

Violation Base Penalty \$1,700

Seventeen quarterly events are 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 \$1,700

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$626

Violation Final Penalty Total \$3,059

This violation Final Assessed Penalty (adjusted for limits) \$3,059

Economic Benefit Worksheet

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation
Case ID No. 43941
Reg. Ent. Reference No. RN101439776
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
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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	\$45	9-Jan-2012	1-Oct-2012	0.73	\$2	n/a	\$2
Training/Sampling	\$100	9-Jan-2012	1-Oct-2012	0.73	\$4	n/a	\$4
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 to update the Facility's operational guidance and conduct employee training to ensure that all DLQORs are submitted to the TCEQ in a timely manner and to ensure all necessary public notifications are provided in a timely manner, calculated from the record review 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]	\$382	10-Jul-2007	10-Jul-2011	4.92	\$94	\$382	\$476
Other (as needed)	\$125	1-Jan-2009	31-Mar-2011	3.16	\$20	\$125	\$145

Notes for AVOIDED costs

The avoided costs include the estimated amount to timely prepare and submit DLQORs (\$22.50 x 17 DLQORs, rounded down) and provide public notification (\$25 x 5 notices) of the failure to submit DLQORs, calculated for the time frame in which DLQORs were not submitted and public notices were not provided.

Approx. Cost of Compliance

\$652

TOTAL

\$626

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Policy Revision 2 (September 2002)

Case ID No. 43941

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101439776

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 290.122(c)(2)(A)

Violation Description Failed to provide public notification regarding the failure to conduct routine coliform monitoring during the month of December 2010.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

Programmatic Matrix table with columns: Falsification, Major, Moderate, Minor, Percent (10%). Matrix Notes: 100% of the rule requirement was not met.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 90

Frequency selection table with options: daily, weekly, monthly, quarterly, semiannual, annual, single event (marked with x).

Violation Base Penalty \$100

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction \$0

Good Faith Efforts table with columns: Extraordinary, Ordinary, N/A, Before NOV, NOV to EDRP/Settlement Offer.

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 \$26

Violation Final Penalty Total \$180

This violation Final Assessed Penalty (adjusted for limits) \$180

Economic Benefit Worksheet

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Case ID No. 43941

Reg. Ent. Reference No. RN101439776

Media Public Water Supply

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

The delayed costs are captured in Violation No. 1.

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]	\$25	1-Jan-2011	31-Mar-2011	1.16	\$1	\$25
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to provide public notification (\$25) of the failure to sample, calculated for the period when public notification was not provided.

Approx. Cost of Compliance

\$25

TOTAL

\$26

Penalty Calculation Worksheet (PCW)
 Policy Revision 3 (September 2011) PCW Revision August 3, 2011

TCFQ	DATES	Assigned PCW	10-Apr-2012	Screening	10-Apr-2012	EPA Due	31-Dec-2008
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RESPONDENT/FACILITY INFORMATION	
Respondent	Walter E. Nix, Jr. dba Centerline Water Supply Corporation
Reg. Ent. Ref. No.	RN101439776
Facility/Site Region	9-Waco
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	43941	No. of Violations	3
Docket No.	2012-0766-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Michaelle Sherlock
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes: Enhancement for eight NOVs with same/similar violations and two NOVs with dissimilar violations.

Culpability Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

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

Economic Benefit Enhancement* **Subtotal 6**

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

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided costs associated with violation nos. 1, 2, and 3.

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes: No deferral is recommended for Findings Orders.

PAYABLE PENALTY

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Walter E. Nix, Jr. dba Centerline Water Supply

Respondent Corporation

Policy Revision 3 (September 2011)

Case ID No. 43941

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101439776

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>)	8	40%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<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) 44%

>> **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 eight NOVs with same/similar violations and two NOVs with dissimilar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 44%

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 44%

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Policy Revision 3 (September 2011)

Case ID No. 43941

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101439776

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 290.110(e)(4)(A) and (f)(3)

Violation Description

Failed to submit a Disinfectant Level Quarterly Operating Report ("DLQOR") to the Executive Director each quarter by the tenth day of the month following the end of each quarter. Specifically, the Respondent did not submit a DLQOR for the third quarter of 2011.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	X		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1

92 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$50

One quarterly 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 \$50

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$22

Violation Final Penalty Total \$112

This violation Final Assessed Penalty (adjusted for limits) \$112

Economic Benefit Worksheet

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation
Case ID No. 43941
Reg. Ent. Reference No. RN101439776
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

The economic benefit is captured in Violation No. 1 of the penalty calculation worksheet revision No. 2.

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]	\$22	10-Oct-2011	10-Oct-2011	0.00	\$0	\$22	\$22
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided costs include the estimated amount to timely prepare and submit a DLQOR (\$22.50, rounded down), calculated for the date that the DLQOR should have been submitted.

Approx. Cost of Compliance

\$22

TOTAL

\$22

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Policy Revision 3 (September 2011)

Case ID No. 43941

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101439776

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 290.109(c)(2)(F) and 290.122(c)(2)(A)

Violation Description

Failed to collect at least five routine distribution coliform samples the month following a total coliform-positive result and failed to provide public notification of the failure to collect five distribution samples during the month of September 2011.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Failure to collect increased monitoring coliform samples and provide public notification could result in persons served by the Facility being exposed to significant amounts of undetected contaminants, which would exceed levels protective of human health.

Adjustment \$850

\$150

Violation Events

Number of Violation Events 1

30 Number of violation days

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

Violation Base Penalty \$150

One monthly 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 \$150

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$151

Violation Final Penalty Total \$335

This violation Final Assessed Penalty (adjusted for limits) \$335

Economic Benefit Worksheet

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation
Case ID No. 43941
Reg. Ent. Reference No. RN101439776
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

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

The economic benefit is captured in Violation No. 1 of the penalty calculation worksheet revision No. 2.

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]	\$125	1-Sep-2011	30-Sep-2011	0.00	\$0	\$125	\$125
Other (as needed)	\$25	1-Oct-2011	31-Dec-2011	1.17	\$1	\$25	\$26

Notes for AVOIDED costs

The avoided costs include the estimated amount to collect increased distribution coliform samples the month following a coliform-positive sample result (\$25 x 5 samples) and provide public notification (\$25 per notification) of the failure to sample, calculated for the month sampling was not conducted and the period when public notification should have been provided.

Approx. Cost of Compliance

\$150

TOTAL

\$151

Screening Date 10-Apr-2012

Docket No. 2012-0766-PWS-E

PCW

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation

Policy Revision 3 (September 2011)

Case ID No. 43941

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101439776

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Sherlock

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 290.122(c)(2)(A)

Violation Description

Failed to provide public notification regarding the failure to conduct raw groundwater source sampling during the month of August 2011.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	X		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1

61 Number of violation days

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

0.0% Reduction

\$0

	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 \$50

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$26

Violation Final Penalty Total \$112

This violation Final Assessed Penalty (adjusted for limits) \$112

Economic Benefit Worksheet

Respondent Walter E. Nix, Jr. dba Centerline Water Supply Corporation
Case ID No. 43941
Reg. Ent. Reference No. RN101439776
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				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 economic benefit is captured in Violation No. 1 of the penalty calculation worksheet revision No. 2.

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)	\$25	1-Sep-2011	30-Nov-2011	1.16	\$1	\$25	\$26

Notes for AVOIDED costs

The avoided cost includes the estimated amount to provide public notification (\$25) of the failure to sample, calculated for the period when public notification should have been provided.

Approx. Cost of Compliance

\$25

TOTAL

\$26

Compliance History Report

Customer/Respondent/Owner-Operator: CN601992126 NIX, WALTER E JR Classification: Rating:
Regulated Entity: RN101439776 CENTERLINE WSC Classification: Site Rating:
ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0260012
Location: FOUR MILES NORTH OF LYONS ON FM 60, BURLESON COUNTY, TEXAS
TCEQ Region: REGION 09 - WACO
Date Compliance History Prepared: April 10, 2012
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: April 10, 2007 to April 10, 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.
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	06/05/2008	(654731)
2	08/06/2008	(688332)
3	10/27/2008	(704653)
4	03/11/2009	(710175)
5	06/15/2011	(933287)
6	08/31/2011	(948681)
7	01/13/2012	(976396)
8	06/15/2011	(980678)
9	10/01/2009	(980822)
10	07/21/2009	(980827)
11	03/27/2009	(980831)
12	07/19/2007	(980841)
13	07/19/2007	(980845)
14	01/27/2012	(980874)

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

Date: 07/19/2007 (980845) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 4Q2006 - This system failed to monitor and/or failed to report

distribution disinfectant residuals to the TCEQ for the fourth quarter of 2006.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 4Q2006 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the fourth quarter of 2006.

Date: 07/19/2007 (980841) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)

Description: DLQOR MR 1Q2007 - This system failed to monitor and/or failed to report distribution disinfectant residuals to the TCEQ for the first quarter of 2007.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 1Q2007 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the first quarter of 2007.

Date: 06/09/2008 (654731) CN601992126
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(3)(N)

Description: Failure to provide a flow measuring device for Well 1 and Well 2.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.43(d)(3)

Description: Failure to provide a filter on the air injection line to prevent compressor lubricants and other contaminants from entering the pressure tank.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.42(e)(5)

Description: Failure to completely cover the hypochlorination solution container to prevent contamination.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(c)(5)(A)

Description: Failure to monitor the disinfectant residual at various locations throughout the distribution system at least once every seven days.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(2)

Description: Failure to provide an accurate and up-to-date map of the distribution system.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)(1)
30 TAC Chapter 290, SubChapter D 290.46(m)(1)(A)

Description: Failure to conduct annual tank inspections for the system's ground storage tank and pressure tank.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(j)

Description: Failure to conduct customer service inspections prior to providing continuous water service to new construction or remodeled residential service connections.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)

Description: Failure to provide water system records that needed to be reviewed at the time of the investigation.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(l)

Description: Failure to provide a complete plant operations manual.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(r)

Description: Failure to provide the minimum required pressure throughout the distribution system.

Date: 03/27/2009 (980831) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 4Q2008 - This system failed to monitor and/or failed to report distribution disinfectant residuals to the TCEQ for the fourth quarter of 2008.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 4Q2008 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the fourth quarter of 2008.

Date: 07/21/2009 (980827) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 1Q2009 - This system failed to monitor and/or failed to report distribution disinfectant residuals to the TCEQ for the first quarter of 2009.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 1Q2009 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the first quarter of 2009.

Date: 10/01/2009 (980822) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 2Q2009 - This system failed to monitor and/or failed to report distribution disinfectant residuals to the TCEQ for the second quarter of 2009.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 2Q2009 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the second quarter of 2009.

Date: 06/15/2011 (933287) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 3Q2010 - This system failed to monitor and/or failed to report distribution disinfectant residuals to the TCEQ for the third quarter of 2010.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 3Q2010 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the third quarter of 2010.

Date: 06/15/2011 (980678) CN601992126
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 4Q2010 - This system failed to monitor and/or failed to report distribution disinfectant residuals to the TCEQ for the fourth quarter of 2010.
Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter F 290.110(f)(10)
30 TAC Chapter 290, SubChapter F 290.122(c)(1)(B)
Description: DLQOR MR PN 4Q2010 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the fourth quarter of 2010.

Date: 09/01/2011 (948681) CN601992126

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(j)
Description: Failure to conduct customer service inspections prior to providing continuous water service to new construction or remodeled residential service connections.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)
Description: Failure to provide water system records that needed to be reviewed at the time of the investigation.

Date: 11/17/2011 (976396) CN601992126

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(F)
Description: TCR Increase Monitoring Violation 09/2011 - Failure to collect all of the 5 distribution samples following a coliform found month.

- 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	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	
WALTER E. NIX, JR. DBA	§	TEXAS COMMISSION ON
CENTERLINE WATER SUPPLY	§	
CORPORATION	§	
RN101439776	§	ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2012-0766-PWS-E

At its _____ agenda, the Texas Commission on Environmental Quality (“the Commission” or “TCEQ”) considered this agreement of the parties, resolving an enforcement action regarding Walter E. Nix, Jr. dba Centerline Water Supply Corporation (“the Respondent”) under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that he has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

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

I. FINDINGS OF FACT

1. The Respondent operates a public water supply approximately four miles north of Lyons on Farm-to-Market Road 60 in Burleson County, Texas (the "Facility") that has approximately 35 service connections and serves at least 25 people per day for at least 60 days per year.
2. During a record review conducted on January 9, 2012, TCEQ staff documented that the Respondent did not submit Disinfectant Level Quarterly Operating Reports ("DLQORs") from the second quarter of 2007 through the third quarter of 2011 and failed to provide public notice of the failure to submit DLQORs for the fourth quarter of 2008 through the second quarter of 2009, the third quarter of 2010, and the fourth quarter of 2010.
3. During a record review conducted on January 9, 2012, TCEQ staff documented that the Respondent did not provide public notification regarding the failure to conduct routine coliform monitoring during the month of December 2010 and the failure to conduct raw groundwater source sampling during the month of August 2011.
4. During a record review conducted on January 9, 2012, TCEQ staff documented that the Respondent did not collect at least five routine distribution coliform samples the month following a total coliform-positive result and failed to provide public notification of the failure to collect five distribution samples during the month of September 2011.
5. The Respondent received notice of the violations on January 31, 2012.

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 submit a DLQOR to the Executive Director each quarter by the tenth day of the month following the end of each quarter and failed to provide public notice of the failure to submit a DLQOR to the Executive Director, in violation of 30 TEX. ADMIN. CODE §§ 290.110(e)(4)(A) and (f)(3), and 290.122(c)(2)(A).
3. As evidenced by Findings of Fact No. 3, the Respondent failed to provide public notifications regarding the failure to conduct routine coliform monitoring and regarding the failure to conduct raw groundwater source sampling, in violation of 30 TEX. ADMIN. CODE § 290.122(c)(2)(A).
4. As evidenced by Findings of Fact No. 4, the Respondent failed to collect at least five routine distribution coliform samples the month following a total coliform-positive result and failed to provide public notification of the failure to collect five distribution samples, in violation of 30 TEX. ADMIN. CODE §§ 290.109(c)(2)(F) and 290.122(c)(2)(A).

5. 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 and 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.
6. An administrative penalty in the amount of Three Thousand Seven Hundred Ninety-Eight Dollars (\$3,798) 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 Twenty-Three Dollars (\$123) of the administrative penalty. The remaining amount of Three Thousand Six Hundred Seventy-Five Dollars (\$3,675) of the administrative penalty shall be payable in 35 monthly payments of One Hundred Five Dollars (\$105) 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 Ninety-Eight Dollars (\$3,798) as set forth in Section II, Paragraph 6 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: Walter E. Nix, Jr. dba Centerline Water Supply Corporation, Docket No. 2012-0766-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. The Respondent shall undertake the following technical requirements:

- a. Within 30 days after the effective date of this Agreed Order:
 - i. Begin complying with applicable coliform monitoring requirements by collecting routine coliform distribution samples, repeat coliform samples, and increased distribution coliform samples, in accordance with 30 TEX. ADMIN. CODE § 290.109. This provision will be satisfied upon six consecutive months of compliant monitoring and reporting at the Facility;
 - ii. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to persons served by the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.122; and
 - iii. Update the Facility's operational guidance and conduct employee training to ensure that self-reporting requirements are properly accomplished, including the timely submittal of signed and certified DLQORs, in accordance with 30 TEX. ADMIN. CODE § 290.110.
- b. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.d., below, to demonstrate compliance with Ordering Provision Nos. 2.a.ii. and 2.a.iii.
- c. Within 90 days after the effective date of this Agreed Order, begin submitting DLQORs to the Executive Director each quarter by the tenth day of the month following the end of the quarter, in accordance with 30 TEX. ADMIN. CODE § 290.110. This provision will be satisfied upon two consecutive quarters of compliant reporting. DLQORs shall be submitted to:

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

- d. Within 195 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i. and 2.c. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

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

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

Pam Rowan
For the Executive Director

2/6/17
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Walter E. Nix, Jr. dba Centerline Water Supply Corporation. I am authorized to agree to the attached Agreed Order on behalf of Walter E. Nix, Jr. dba Centerline Water Supply Corporation, 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, Walter E. Nix, Jr. dba Centerline Water Supply Corporation 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]
Signature

10-03-12
Date

WALTER E. NIX, JR
Name (Printed or typed)
Authorized Representative of
Walter E. Nix, Jr. dba Centerline Water Supply Corporation

PRESIDENT
Title

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.