Executive Summary – Enforcement Matter – Case No. 44442
Trophy Club Municipal Utility District No. 1
RN101520286
Docket No. 2012-1367-MWD-E

Order Type:
1660 Agreed Order
Findings Order Justification:
N/A
Media:
MWD
Small Business:
No
Location(s) Where Violation(s) Occurred:
Trophy Club MUD, located at 1499 Indian Creek Drive, approximately 0.9 mile north of the intersection of State Highway 114 and Trophy Club Drive, and approximately 2.5 miles east of the intersection of U.S. Highway 377 and State Highway 114, Denton County
Type of Operation:
Wastewater treatment plant
Other Significant Matters:
Additional Pending Enforcement Actions: No
Past-Due Penalties: No
Other: N/A
Interested Third-Parties: None
Texas Register Publication Date: March 15, 2013
Comments Received: No

Penalty Information

Total Penalty Assessed: $50,500
Amount Deferred for Expedited Settlement: $10,100
Amount Deferred for Financial Inability to Pay: $0
Total Paid to General Revenue: $0
Total Due to General Revenue: $0
Payment Plan: N/A
SEP Conditional Offset: $40,400
Name of SEP: Texas Association of Resource Conservation and Development Areas, Inc. - Household Hazardous Waste Clean-Up
Compliance History Classifications:
Person/CN - Average
Site/RN - Average
Major Source: Yes
Statutory Limit Adjustment: N/A
Applicable Penalty Policy: September 2002 and September 2011

Executive Summary – Enforcement Matter – Case No. 44442
Trophy Club Municipal Utility District No. 1
RN101520286
Docket No. 2012-1367-MWD-E

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: May 25, 2012
Date(s) of NOE(s): June 12, 2012

Violation Information

1. Failed to comply with the permitted effluent limitations for 5-day carbonacceous biochemical oxygen demand, *E. coli*, dissolved oxygen, pH, and total suspended solids [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011593001 Effluent Limitations and Monitoring Requirements Nos. 1, 3, and 6].

2. Failed to collect and analyze samples for the required parameter at the minimum frequency specified in the permit. Specifically, samples were not collected and analyzed for total copper for the monitoring periods ending December 31, 2011; January 31, 2012; and February 29, 2012 [30 TEX. ADMIN. CODE §§ 305.125(1) and 319.5(b), and TPDES Permit No. WQ0011593001 Monitoring and Reporting Requirements No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

1. The Order will require Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)

2. The Order will also require Respondent to:

a. Within 30 days, update the Facility's operational guidance and conduct employee training to ensure that all reporting, sampling, and analysis requirements are met;

b. Within 45 days, submit written certification demonstrating compliance with Ordering Provision a.; and

c. Within 90 days, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0011593001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations.

Executive Summary – Enforcement Matter – Case No. 44442
Trophy Club Municipal Utility District No. 1
RN101520286
Docket No. 2012-1367-MWD-E

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: Jennifer Graves, Enforcement Division, Enforcement Team 1, MC R-15, (956) 430-6023; Debra Barber, Enforcement Division, MC 219, (512) 239-0412
TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565
Respondent: Nick Sanders, President, Trophy Club Municipal Utility District No. 1, 100 Municipal Drive, Trophy Club, Texas 76262
Jennifer McKnight, District Manager, Trophy Club Municipal Utility District No. 1, 100 Municipal Drive, Trophy Club, Texas 76262
Respondent's Attorney: N/A

Attachment A
Docket Number: 2012-1367-MWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Trophy Club Municipal Utility District No. 1**
Payable Penalty Amount:	**Forty Thousand Four Hundred Dollars ($40,400)**
SEP Amount:	**Forty Thousand Four Hundred Dollars ($40,400)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D") - Household Hazardous Waste Clean-Up**
Location of SEP:	**Denton County**

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

Respondent shall contribute the SEP amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide local residents with a means of properly disposing household hazardous wastes such as paint, thinners, pesticides, oil and gas, corrosive cleaners, and fertilizers in one day collection events. SEP monies will be used to pay for the associated labor, materials, and disposal costs. Citizens will not be charged disposal fees. The project is administered in accordance with TCEQ guidance on household hazardous waste and in compliance with federal, state, and local environmental laws and regulations. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. If RC&D is unable to spend the total SEP Offset Amount on this project, upon approval of the Executive Director, the remaining SEP Offset Amount may be applied to another approved RC&D project.

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a means of properly disposing household hazardous waste which might otherwise be disposed of in storm drains, the sewage system, or other means detrimental to the environment.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Recipient. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
Attention: Ken Awtrey
P.O. Box 635067
Nacogdoches, Texas 75961

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Recipient. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002) — *PCW Revision October 30, 2008*

TCEQ

DATES **Assigned** 18-Jun-2012 **PCW** 28-Jun-2012 **Screening** 28-Jun-2012 **EPA Due** 5-Sep-2012

RESPONDENT/FACILITY INFORMATION

Respondent	Trophy Club Municipal Utility District No. 1
Reg. Ent. Ref. No.	RN101520286
Facility/Site Region	4-Dallas/Fort Worth
Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	44442	**No. of Violations**	1
Docket No.	2012-1367-MWD-E	**Order Type**	1660
Media Program(s)	Water Quality	**Government/Non-Profit**	Yes
Multi-Media		**Enf. Coordinator**	Jennifer Graves
		EC's Team	Enforcement Team 1

Admin. Penalty $ Limit Minimum $0 **Maximum** $10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — ***Subtotal 1*** **$5,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **100.0%** Enhancement — ***Subtotals 2, 3, & 7*** **$5,000**

Notes: Enhancement for 18 months of self-reported effluent violations and two NOVs with same/similar violations.

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*** **$0**

Economic Benefit — ***Subtotal 6*** **$0**

Total EB Amounts $1,459
Approx. Cost of Compliance $10,000

0.0% Enhancement*
**Capped at the Total EB $ Amount*

SUM OF SUBTOTALS 1-7 — ***Final Subtotal*** **$10,000**

OTHER FACTORS AS JUSTICE MAY REQUIRE **0.0%** — ***Adjustment*** **$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **$10,000**

STATUTORY LIMIT ADJUSTMENT — ***Final Assessed Penalty*** **$10,000**

DEFERRAL **20.0%** Reduction — ***Adjustment*** **-$2,000**

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **$8,000**

Screening Date 28-Jun-2012 **Docket No.** 2012-1367-MWD-E **PCW**

Respondent Trophy Club Municipal Utility District No. 1

Policy Revision 2 (September 2002)

Case ID No. 44442

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101520286

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

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 (*number of NOVs meeting criteria*)	20	100%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (*number of judgements or consent decrees meeting criteria*)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (*number of counts*)	0	0%
Emissions	Chronic excessive emissions events (*number of events*)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were submitted)*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

		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) 100%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for 18 months of self-reported effluent violations and two NOVs with same/similar violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 100%

Screening Date 28-Jun-2012 **Docket No.** 2012-1367-MWD-E **PCW**

Respondent Trophy Club Municipal Utility District No. 1 *Policy Revision 2 (September 2002)*

Case ID No. 44442 *PCW Revision October 30, 2008*

Reg. Ent. Reference No. RN101520286

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

Violation Number 1

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011593001 Effluent Limitations and Monitoring Requirements No. 1

Violation Description Failed to comply with the permitted effluent limitations, as documented during a record review on May 25, 2012, and shown in the attached violation table.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

	Harm		
Release	Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes: A simplified model was used to evaluate carbonaceous biochemical oxygen demand to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment $7,500

$2,500

Violation Events

Number of Violation Events: 2 — 91 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $5,000

Two quarterly events are recommended for the quarters containing the months of March, April, June, and August 2011.

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 $5,000

Economic Benefit (EB) for this violation

Estimated EB Amount $1,459

Statutory Limit Test

Violation Final Penalty Total $10,000

This violation Final Assessed Penalty (adjusted for limits) $10,000

Economic Benefit Worksheet

Respondent Trophy Club Municipal Utility District No. 1
Case ID No. 44442
Reg. Ent. Reference No. RN101520286
Media Water Quality
Violation No. 1

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	$10,000	31-Mar-2011	30-Apr-2013	2.08	$69	$1,390	$1,459
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	Estimated cost to conduct an evaluation of the wastewater treatment system to determine the cause of noncompliance and implement corrective actions. Date required is the initial month of noncompliance. Final date is the expected 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 $10,000

TOTAL $1,459

Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011) — *PCW Revision August 3, 2011*

TCEQ

DATES **Assigned** 18-Jun-2012 **PCW** 28-Jun-2012 **Screening** 28-Jun-2012 **EPA Due** 5-Sep-2012

RESPONDENT/FACILITY INFORMATION

Respondent Trophy Club Municipal Utility District No. 1
Reg. Ent. Ref. No. RN101520286
Facility/Site Region 4-Dallas/Fort Worth **Major/Minor Source** Major

CASE INFORMATION

Enf./Case ID No. 44442 **No. of Violations** 3
Docket No. 2012-1367-MWD-E **Order Type** 1660
Media Program(s) Water Quality **Government/Non-Profit** Yes
Multi-Media **Enf. Coordinator** Jennifer Graves
EC's Team Enforcement Team 1

Admin. Penalty $ Limit Minimum $0 **Maximum** $25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) ***Subtotal 1*** **$20,250**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **100.0%** Enhancement ***Subtotals 2, 3, & 7*** **$20,250**

Notes: Enhancement for 18 months of self-reported effluent violations and two NOVs with same/similar violations.

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*** **$0**

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

Total EB Amounts $170
Approx. Cost of Compliance $400

**Capped at the Total EB $ Amount*

SUM OF SUBTOTALS 1-7 ***Final Subtotal*** **$40,500**

OTHER FACTORS AS JUSTICE MAY REQUIRE **0.0%** ***Adjustment***

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **$40,500**

STATUTORY LIMIT ADJUSTMENT ***Final Assessed Penalty*** **$40,500**

DEFERRAL **20.0%** Reduction ***Adjustment*** **-$8,100**

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **$32,400**

Screening Date 28-Jun-2012 **Docket No.** 2012-1367-MWD-E **PCW**

Respondent Trophy Club Municipal Utility District No. 1

Policy Revision 3 (September 2011)

Case ID No. 44442

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN101520286

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

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 (*number of NOVs meeting criteria*)	20	100%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (*number of judgements or consent decrees meeting criteria*)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (*number of counts*)	0	0%
Emissions	Chronic excessive emissions events (*number of events*)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were submitted)*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

		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) 100%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for 18 months of self-reported effluent violations and two NOVs with same/similar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 100%

>> Final Compliance History Adjustment

Final Adjustment Percentage ****capped at 100%*** 100%

Screening Date 28-Jun-2012 **Docket No.** 2012-1367-MWD-E **PCW**

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Respondent Trophy Club Municipal Utility District No. 1

Case ID No. 44442

Reg. Ent. Reference No. RN101520286

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

Violation Number 1

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011593001 Effluent Limitations and Monitoring Requirements Nos. 1, 3, and 6

Violation Description Failed to comply with the permitted effluent limitations, as documented during a record review conducted on May 25, 2012, and shown in the attached violation table.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

OR	Harm			
Release	Major	Moderate	Minor	
Actual			x	
Potential				

Percent 15.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: A simplified model was used to evaluate carbonaceous biochemical oxygen demand to determine whether the discharged amounts of pollutants exceeded levels protective of human health or the environment. *Escherichia coli*, dissolved oxygen, and pH were also considered. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment $21,250

$3,750

Violation Events

Number of Violation Events: 2 — 151 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $7,500

Two quarterly events are recommended for the quarters containing the months of October 2011, November 2011, December 2011, and January 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 $7,500

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $15,000

This violation Final Assessed Penalty (adjusted for limits) $15,000

Economic Benefit Worksheet

Respondent Trophy Club Municipal Utility District No. 1
Case ID No. 44442
Reg. Ent. Reference No. RN101520286
Media Water Quality
Violation No. 1

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	See Economic Benefit for Violation No. 1 on accompanying Penalty Calculation Worksheet.						
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 $0

TOTAL $0

Screening Date 28-Jun-2012 **Docket No.** 2012-1367-MWD-E **PCW**

Respondent Trophy Club Municipal Utility District No. 1 *Policy Revision 3 (September 2011)*

Case ID No. 44442 *PCW Revision August 3, 2011*

Reg. Ent. Reference No. RN101520286

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

Violation Number 2

Rule Cite(s) Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0011593001 Effluent Limitations and Monitoring Requirements Nos. 1 and 6

Violation Description Failed to comply with the permitted effluent limitations, as documented during a record review conducted on May 25, 2012, and shown in the attached violation table.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm: Major	Moderate	Minor
	Actual		x	
	Potential			

Percent 30.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment $17,500

$7,500

Violation Events

Number of Violation Events: 1 — 29 Number of violation days

mark only one with an x

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty $7,500

One monthly event is recommended for the month of February 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 $7,500

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total $15,000

This violation Final Assessed Penalty (adjusted for limits) $15,000

Economic Benefit Worksheet

Respondent Trophy Club Municipal Utility District No. 1
Case ID No. 44442
Reg. Ent. Reference No. RN101520286
Media Water Quality
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	See Economic Benefit for Violation No. 1 on accompanying Penalty Calculation Worksheet.						
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 $0

TOTAL $0

EFFLUENT VIOLATION TABLE						
Trophy Club Municipal Utility District No. 1						
TPDES Permit No. WQ0011593001						
Docket No. 2012-1367-MWD-E						
Months	$CBOD_5$ Daily Avg. Conc.	*E. coli* Daily Max.	DO Monthly Min. Conc.	pH Min.	TSS Daily Avg. Conc.	TSS Daily Max. Conc.
	Limit = 5 mg/L	Limit = 394 CPU/100 ml	Limit = 6 mg/L	Limit = 6 SU	Limit = 12 mg/L	Limit = 40 mg/L
March 2011	5.08	N/A	c	c	c	c
April 2011	5.73	N/A	c	c	c	c
June 2011	5.43	N/A	c	c	c	c
August 2011	5.16	N/A	c	c	c	c
October 2011	5.50	N/A	c	c	c	c
November 2011	5.69	N/A	c	c	c	c
December 2011	5.44	572.1	c	c	c	c
January 2012	5.90	c	5.34	5.79	c	c
February 2012	c	1,011.0	5.49	c	33.81	95

CBOD5 = 5-day carbonaceous biochemical oxygen demand
E. coli = *Escherichia coli*
DO = dissolved oxygen
TSS = total suspended solids
Avg. = Average
Conc. = Concentration
N/A = not-applicable
Max. = Maximum
Min. = Minimum
mg/L = milligrams per liter
CPU/100 ml = colonies per 100 milliliters
SU = standard units
c = compliant

Screening Date 28-Jun-2012 **Docket No.** 2012-1367-MWD-E **PCW**

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Respondent Trophy Club Municipal Utility District No. 1

Case ID No. 44442

Reg. Ent. Reference No. RN101520286

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and 319.5(b), and TPDES Permit No. WQ0011593001 Monitoring and Reporting Requirements No. 1

Violation Description Failed to collect and analyze samples for the required parameter at the minimum frequency specified in the permit, as documented during a record review conducted on May 25, 2012. Specifically, samples were not collected and analyzed for total copper for the monitoring periods ending December 31, 2011; January 31, 2012; and February 29, 2012.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

OR	Harm: Release	Major	Moderate	Minor
	Actual			
	Potential			x

Percent 7.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment $23,250

$1,750

Violation Events

Number of Violation Events: 3

91 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $5,250

Three single events are recommended for the months of December 2011, January 2012, and February 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 $5,250

Economic Benefit (EB) for this violation

Estimated EB Amount $170

Statutory Limit Test

Violation Final Penalty Total $10,500

This violation Final Assessed Penalty (adjusted for limits) $10,500

Economic Benefit Worksheet

Respondent Trophy Club Municipal Utility District No. 1
Case ID No. 44442
Reg. Ent. Reference No. RN101520286
Media Water Quality
Violation No. 3

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	$250	25-May-2012	30-Apr-2013	0.93	$12	n/a	$12
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 estimated cost to update operational guidance and conduct employee training to ensure that all reporting, sampling, and analysis requirements are met. Date required is the investigation date. Final date is the expected 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]	$150	20-Jan-2012	20-Mar-2012	1.08	$8	$150	$158
Other (as needed)				0.00	$0	$0	$0
Notes for AVOIDED costs	Estimated cost to collect, analyze and report the total copper sample for the monitoring periods (3 months x $50 = $150). Date required is the date the first parameter analysis was due. Final date is the last date parameter analysis sampling results were due.						

Approx. Cost of Compliance $400

TOTAL $170

Compliance History Report

Customer/Respondent/Owner-Operator: CN600678536 Trophy Club Municipal Utility District 1 Classification: AVERAGE Rating: 0.52

Regulated Entity: RN101520286 TROPHY CLUB MUD Classification: AVERAGE Site Rating: 0.52

ID Number(s):

WASTEWATER	PERMIT	WQ0011593001
WASTEWATER	EPA ID	TX0055735
WASTEWATER LICENSING	LICENSE	WQ0011593001

Location: 1499 INDIAN CREEK DR, APPROX 0.9 M N OF THE INTX OF STATE HWY 114 AND TROPHY CLUB DR, AND APPROX 2.5 M E OF THE INTX OF U.S. HWY 377 AND STATE HWY 114 IN DENTON CO, TX

TCEQ Region: REGION 04 - DFW METROPLEX

Date Compliance History Prepared: June 20, 2012

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: June 20, 2007 to June 20, 2012

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

Name: Jennifer Graves Phone: (956) 430-6023

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: 9/1/2011 Repeat Violator: NO

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 06/12/2012 (1008282)

2 05/24/2012 (1010742)

3 04/23/2012 (1010743)

4 05/24/2012 (1010744)

5 06/21/2007 (582214)

6 10/04/2007 (596298)

7 08/29/2007 (608316)

8 08/29/2007 (608317)

9 09/20/2007 (608318)

10 10/22/2007 (608319)

11 12/10/2008 (709380)

12 03/16/2009 (737904)

13 02/21/2008 (810170)

14 02/17/2009 (810171)

15 02/18/2010 (810172)

16 03/16/2009 (810173)

17 03/17/2008 (810174)

18 04/23/2008 (810175)

19 04/17/2009 (810176)

20 05/15/2008 (810177)

21 05/19/2009 (810178)

22 06/13/2008 (810179)

23 06/11/2009 (810180)

24 07/21/2008 (810181)

25 07/27/2009 (810182)

26 08/19/2008 (810183)

27 08/13/2009 (810184)

28 01/22/2009 (810185)

29 09/17/2009 (810186)

30 10/16/2008 (810187)

31 10/16/2009 (810188)

32 11/21/2007 (810189)

33 11/20/2008 (810190)

34 11/18/2009 (810191)

35 12/11/2007 (810192)

36 12/17/2008 (810193)

37 12/17/2009 (810194)

38 01/17/2008 (810195)

39 01/22/2009 (810196)

40 01/20/2010 (810197)

41 03/19/2010 (832805)

42 04/21/2010 (832806)

43 05/17/2010 (832807)

44 06/13/2010 (846876)

45 07/22/2010 (861375)

46 08/17/2010 (867604)

47 11/15/2010 (871984)

48 09/16/2010 (874590)

49 12/10/2010 (881363)

50 11/10/2010 (882157)

51 11/22/2010 (896989)

52 12/21/2010 (896990)

53 01/20/2011 (902911)

54 02/22/2011 (909778)

55 03/21/2011 (917004)

56 04/19/2011 (927093)

57 05/23/2011 (938707)

58 06/22/2011 (946079)

59 07/22/2011 (953338)

60 08/16/2011 (959976)

61 09/23/2011 (966028)

62 10/21/2011 (972055)

63 11/22/2011 (978218)

64 03/21/2012 (998657)

65 03/16/2012 (998658)

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

Date: 08/31/2007 (608318) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 02/29/2008 (810174) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 03/31/2008 (810175) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 07/31/2008 (810183) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 12/09/2008 (709380) CN600678536

Self Report? NO Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
2D TWC Chapter 26, SubChapter A 26.121(a)(1)
2D TWC Chapter 26, SubChapter A 26.121(a)(3)
2D TWC Chapter 26, SubChapter A 26.121(b)
2D TWC Chapter 26, SubChapter A 26.121(c)
2D TWC Chapter 26, SubChapter A 26.121(d)
2D TWC Chapter 26, SubChapter A 26.121(e)
30 TAC Chapter 305, SubChapter F 305.125(4)
30 TAC Chapter 305, SubChapter F 305.125(5)
TWC Chapter 26 26.121
TWC Chapter 26 26.121(a)(2)
WQ11593-001 PERMIT

Description: Failure to prevent unauthorized discharges from the collection system.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
WQ11593-001 PERMIT

Description: Failure to comply with effluent permit limits for CBOD and TSS.

Date: 02/28/2010 (832805) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 03/31/2010 (832806) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 05/31/2010 (846876) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 06/30/2010 (861375) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 11/15/2010 (871984) CN600678536

Self Report? NO Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
2D TWC Chapter 26, SubChapter A 26.121(a)(1)
2D TWC Chapter 26, SubChapter A 26.121(a)(3)
2D TWC Chapter 26, SubChapter A 26.121(b)
2D TWC Chapter 26, SubChapter A 26.121(c)
2D TWC Chapter 26, SubChapter A 26.121(d)
2D TWC Chapter 26, SubChapter A 26.121(e)
30 TAC Chapter 305, SubChapter F 305.125(4)
30 TAC Chapter 305, SubChapter F 305.125(5)
TWC Chapter 26 26.121
TWC Chapter 26 26.121(a)(2)

Description: Failure to prevent unathorized discharges of wastewater.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
WQ0011593-001 PERMIT

Description: Failure to comply with CBOD5 effluent permit limits.

Date: 03/31/2011 (927093) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 04/30/2011 (938707) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 06/30/2011 (953338) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 08/31/2011 (966028) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 10/31/2011 (978218) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 11/30/2011 (1010744) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 12/31/2011 (998658) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 01/31/2012 (998657) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 02/29/2012 (1010742) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

Date: 03/31/2012 (1010743) CN600678536

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

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

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN ENFORCEMENT ACTION CONCERNING TROPHY CLUB MUNICIPAL UTILITY DISTRICT NO. 1 RN101520286	**§ § § § § §**	**BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2012-1367-MWD-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Trophy Club Municipal Utility District No. 1 ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a wastewater treatment plant located at 1499 Indian Creek Drive, approximately 0.9 mile north of the intersection of State Highway 114 and Trophy Club Drive, and approximately 2.5 miles east of the intersection of United States Highway 377 and State Highway 114 in Denton County, Texas (the "Facility").

2. The Respondent has discharged municipal waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.

3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.

4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about June 17, 2012.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Fifty Thousand Five Hundred Dollars ($50,500) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Forty Thousand Four Hundred Dollars ($40,400) of the administrative penalty shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP") and Ten Thousand One Hundred Dollars ($10,100) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.

8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).

9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have:

1. Failed to comply with the permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0011593001 Effluent Limitations and Monitoring Requirements Nos. 1, 3, and 6, as documented during a record review conducted on May 25, 2012, and shown in the table below:

EFFLUENT VIOLATION TABLE						
Months	$CBOD_5$ Daily Avg. Conc.	*E. coli* Daily Max.	DO Monthly Min. Conc.	pH Min.	TSS Daily Avg. Conc.	TSS Daily Max. Conc.
	Limit = 5 mg/L	Limit = 394 CPU/100 ml	Limit = 6 mg/L	Limit = 6 SU	Limit = 12 mg/L	Limit = 40 mg/L
March 2011	5.08	N/A	c	c	c	c
April 2011	5.73	N/A	c	c	c	c
June 2011	5.43	N/A	c	c	c	c
August 2011	5.16	N/A	c	c	c	c
October 2011	5.50	N/A	c	c	c	c
November 2011	5.69	N/A	c	c	c	c
December 2011	5.44	572.1	c	c	c	c
January 2012	5.90	c	5.34	5.79	c	c
February 2012	c	1,011.0	5.49	c	33.81	95

CBOD5 = 5-day carbonaceous biochemical oxygen demand
E. coli = *Escherichia coli*
DO = dissolved oxygen
TSS = total suspended solids
Avg. = Average
Conc. = Concentration
N/A = not-applicable
Max. = Maximum
Min. = Minimum
mg/L = milligrams per liter
CPU/100 ml = colonies per 100 milliliters
SU = standard units
c = compliant

2. Failed to collect and analyze samples for the required parameter at the minimum frequency specified in the permit, in violation of 30 TEX. ADMIN. CODE §§ 305.125(1) and 319.5(b), and TPDES Permit No. WQ0011593001 Monitoring and Reporting Requirements No. 1, as documented during a record review conducted on May 25, 2012. Specifically, samples were not collected and analyzed for total copper for the monitoring periods ending December 31, 2011; January 31, 2012; and February 29, 2012.

III. DENIALS

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

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Trophy Club Municipal Utility District No. 1, Docket No. 2012-1367-MWD-E" to:

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

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Forty Thousand Four Hundred Dollars ($40,400) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. It is further ordered that the Respondent shall undertake the following technical requirements:

   a. Within 30 days after the effective date of this Agreed Order, update the Facility's operational guidance and conduct employee training to ensure that all reporting, sampling, and analysis requirements are met, in accordance with TPDES Permit No. WQ0011593001 Monitoring and Reporting Requirements No. 1.;

   b. Within 45 days after the effective date of this Agreed Order, submit written certification of compliance with Ordering Provision No. 3.a, in accordance with Ordering Provision No. 3.d;

   c. Within 90 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0011593001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. The certification shall be submitted in accordance with Ordering Provision No. 3.d; and

   d. The certifications of compliance required by Ordering Provision Nos. 3.b and 3.c shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

> "I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

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

with a copy to:

Water Section, Manager
Dallas/Fort Worth Regional Office
Texas Commission on Environmental Quality
2309 Gravel Drive
Fort Worth, Texas 76118-6951

4. 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.

5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

6. 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.

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. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

For the Executive Director

3/29/13
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

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

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

Signature

2-5-13
Date

Jennifer McKnight
Name (Printed or typed)
Authorized Representative of
Trophy Club Municipal Utility District No. 1

District Manager
Title

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

Attachment A
Docket Number: 2012-1367-MWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Trophy Club Municipal Utility District No. 1**
Payable Penalty Amount:	**Forty Thousand Four Hundred Dollars ($40,400)**
SEP Amount:	**Forty Thousand Four Hundred Dollars ($40,400)**
Type of SEP:	**Pre-approved**
Third-Party Recipient:	**Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D") - Household Hazardous Waste Clean-Up**
Location of SEP:	**Denton County**

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

Respondent shall contribute the SEP amount to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide local residents with a means of properly disposing household hazardous wastes such as paint, thinners, pesticides, oil and gas, corrosive cleaners, and fertilizers in one day collection events. SEP monies will be used to pay for the associated labor, materials, and disposal costs. Citizens will not be charged disposal fees. The project is administered in accordance with TCEQ guidance on household hazardous waste and in compliance with federal, state, and local environmental laws and regulations. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. If RC&D is unable to spend the total SEP Offset Amount on this project, upon approval of the Executive Director, the remaining SEP Offset Amount may be applied to another approved RC&D project.

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a means of properly disposing household hazardous waste which might otherwise be disposed of in storm drains, the sewage system, or other means detrimental to the environment.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Recipient. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
Attention: Ken Awtrey
P.O. Box 635067
Nacogdoches, Texas 75961

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Recipient. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.