

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 46626  
Red Rock Water Supply Corporation  
RN101451193  
Docket No. 2013-0718-PWS-E

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

Three or more enforcement actions over the prior five year period for the same violations.

**Media:**

PWS

**Small Business:**

N/A

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

1718 Bridle Bit Road, Flower Mound, Denton County

**Type of Operation:**

public water supply

**Other Significant Matters:**

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

**Texas Register Publication Date:** September 27, 2013

**Comments Received:** None

**Penalty Information**

**Total Penalty Assessed:** \$1,105

**Total Paid to General Revenue:** \$1,105

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

**SEP Conditional Offset:** N/A

**Compliance History Classifications:**

Person/CN – N/A  
Site/RN – N/A

**Major Source:** No

**Statutory Limit Adjustment:** None

**Applicable Penalty Policy:** September 2002 (PCW 1); September 2011 (PCW 2)

**Red Rock Water Supply Corporation**

RN101451193

Docket No. 2013-0718-PWS-E

**Investigation Information**

**Complaint Date(s):** N/A  
**Date(s) of Investigation:** February 25, 2013; April 8, 2013  
**Date(s) of NOV(s):** December 14, 2012  
**Date(s) of NOE(s):** March 28, 2013; May 2, 2013

**Violation Information**

1. 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 the quarter and failed to provide public notice of the failure to submit a DLQOR to the Executive Director [30 TEX. ADMIN. CODE §§ 290.110(e)(4)(A) and (f)(3) and 290.122(c)(2)(A)].
2. Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data [30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c)].
3. Failed to provide the results of annual nitrate/nitrite sampling, Stage 1 Disinfection By-Products and Stage 2 Disinfection By-Products to the Executive Director [30 TEX. ADMIN. CODE §§ 290.106(e), 290.113(e) and 290.115(e)].
4. Failed to pay public health service fees, including late fees [TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(a)(6)].

**Corrective Actions/Technical Requirements****Corrective Action(s) Completed:**

None

**Technical Requirements:**

1. Within 30 days:
  - a. Ensure that all delinquent drinking water chemical analysis results are reported to the Executive Director or demonstrate that a compliance schedule has been established;
  - b. Implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that future drinking water chemical sample results are released by the Facility's laboratories and reported to the Executive Director within ten days of the Executive Director's request or of their receipt by the Facility, whichever is later;
  - c. Update the Facility's operational guidance and conduct employee training to ensure that self-reporting requirements are properly accomplished, including the timely submission of signed and certified DLQORs;
  - d. Submit payment for all outstanding fees, including any associated penalties and interest, for TCEQ Financial Administration Account No. 90610113;
  - e. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to the customers of the Facility;
  - f. Submit to the Commission a copy of the CCR provided to customers of the Facility for the year 2012 and the certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data; and

**Red Rock Water Supply Corporation**

**RN101451193**

**Docket No. 2013-0718-PWS-E**

- g. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for 2012 to each bill paying customer and make a good faith effort to deliver the CCR to non-bill paying customers.
2. Within 45 days, submit written certification demonstrating compliance for Technical Requirements 1.a through 1.f.
3. Within 90 days, begin submitting DLQORs to the Executive Director 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.
4. Within 285 days, submit certification demonstrating compliance for Technical Requirement 3.

**Litigation Information**

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

**Settlement Date:** August 21, 2013

**Contact Information**

**TCEQ Attorneys:** Jennifer Cook, Litigation Division, (512) 239-3400  
Lena Roberts, Litigation Division, (512) 239-3400  
Blas Coy, Public Interest Counsel, (512) 239-6363

**TCEQ Enforcement Coordinator:** Jason Fraley, Enforcement Division, (512) 239-2552

**TCEQ Regional Contact:** Jeff Tate, Dallas/Fort Worth Regional Office, (817) 588-5875

**Respondent Contact:** Tony Cucinotta, President, Red Rock Water Supply Corporation, P.O. Box 270103, Flower Mound, Texas 75027-0103

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

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# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

|              |                 |             |                  |            |                |             |
|--------------|-----------------|-------------|------------------|------------|----------------|-------------|
| <b>DATES</b> | <b>Assigned</b> | 1-Apr-2013  | <b>Screening</b> | 8-Apr-2013 | <b>EPA Due</b> | 30-Jun-2012 |
|              | <b>PCW</b>      | 26-Apr-2013 |                  |            |                |             |

## RESPONDENT/FACILITY INFORMATION

|                             |                                   |                           |       |
|-----------------------------|-----------------------------------|---------------------------|-------|
| <b>Respondent</b>           | Red Rock Water Supply Corporation |                           |       |
| <b>Reg. Ent. Ref. No.</b>   | RN101451193                       |                           |       |
| <b>Facility/Site Region</b> | 4-Dallas/Fort Worth               | <b>Major/Minor Source</b> | Minor |

## CASE INFORMATION

|  |                     |                              |                    |
|--|---------------------|------------------------------|--------------------|
| <b>Enf./Case ID No.</b>                | 46626               | <b>No. of Violations</b>     | 2                  |
| <b>Docket No.</b>                      | 2013-0718-PWS-E     | <b>Order Type</b>            | Findings           |
| <b>Media Program(s)</b>                | Public Water Supply | <b>Government/Non-Profit</b> | Yes                |
| <b>Multi-Media</b>                     |                     | <b>Enf. Coordinator</b>      | Stephen Thompson   |
|  |                     | <b>EC's Team</b>             | Enforcement Team 3 |
| <b>Admin. Penalty \$ Limit Minimum</b> | \$50                | <b>Maximum</b>               | \$1,000            |

## Penalty Calculation Section

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

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

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

**Compliance History** **30.0%** Enhancement **Subtotals 2, 3, & 7**

Notes: Enhancement for one NOV with same/similar violations and one order without denial of liability.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

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

**Economic Benefit** **0.0%** 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** **0.0%** **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty**

**DEFERRAL** **0.0%** Reduction **Adjustment**

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

Notes:

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY**

**Screening Date** 8-Apr-2013

**Docket No.** 2013-0718-PWS-E

**PCW**

**Respondent** Red Rock Water Supply Corporation

Policy Revision 2 (September 2002)

**Case ID No.** 46626

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN101451193

**Media [Statute]** Public Water Supply

**Enf. Coordinator** Stephen Thompson

### Compliance History Worksheet

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

| Component                     | Number of...   | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs                          | Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )  | 1                 | 5%      |
|                               | Other written NOVs   | 0                 | 0%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )  | 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 | 1                 | 25%     |
| 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)** 30%

>> **Repeat Violator (Subtotal 3)**

N/A

**Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

N/A

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for one NOV with same/similar violations and one order without denial of liability.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 30%

|                                |                                   |                   |                 |   |
|--------------------------------|-----------------------------------|-------------------|-----------------|---|
| <b>Screening Date</b>          | 8-Apr-2013                        | <b>Docket No.</b> | 2013-0718-PWS-E | <b>PCW</b>                                |
| <b>Respondent</b>              | Red Rock Water Supply Corporation |                   |                 | <i>Policy Revision 2 (September 2002)</i> |
| <b>Case ID No.</b>             | 46626                             |                   |                 | <i>PCW Revision October 30, 2008</i>      |
| <b>Reg. Ent. Reference No.</b> | RN101451193                       |                   |                 |   |
| <b>Media [Statute]</b>         | Public Water Supply               |                   |                 |   |
| <b>Enf. Coordinator</b>        | Stephen Thompson                  |                   |                 |   |

**Violation Number**

**Rule Cite(s)**

**Violation Description**

**Base Penalty**

>> **Environmental, Property and Human Health Matrix**

| OR | Release   | Harm                 |                      |                      | Percent                         |
|----|-----------|----------------------|----------------------|----------------------|---------------------------------|
|    |           | Major                | Moderate             | Minor                |                                 |
|    | Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text" value="0%"/> |
|    | Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> |                                 |

>> **Programmatic Matrix**

|  | Falsification        | Major                                     | Moderate             | Minor                | Percent                          |
|--|----------------------|---|----------------------|----------------------|----------------------------------|
|  | <input type="text"/> | <input checked="" type="text" value="x"/> | <input type="text"/> | <input type="text"/> | <input type="text" value="10%"/> |

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

|                                |              |   |
|--------------------------------|--------------|---|
| <i>mark only one with an x</i> | daily        | <input type="text"/>                      |
|                                | weekly       | <input type="text"/>                      |
|                                | monthly      | <input type="text"/>                      |
|                                | quarterly    | <input checked="" type="text" value="x"/> |
|                                | semiannual   | <input type="text"/>                      |
|                                | annual       | <input type="text"/>                      |
|                                | single event | <input type="text"/>                      |

**Violation Base Penalty**

**Good Faith Efforts to Comply**

Reduction

|               | Before NOV                                | NOV to EDPRP/Settlement Offer |
|---------------|---|-------------------------------|
| Extraordinary | <input type="text"/>                      | <input type="text"/>          |
| Ordinary      | <input type="text"/>                      | <input type="text"/>          |
| N/A           | <input checked="" type="text" value="x"/> | (mark with x)                 |

**Notes**

**Violation Subtotal**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Red Rock Water Supply Corporation  
**Case ID No.** 46626  
**Reg. Ent. Reference No.** RN101451193  
**Media Violation No.** Public Water Supply  
 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    | \$45  | 25-Feb-2013 | 1-Nov-2013 | 0.68 | \$2 | n/a | \$2 |
| Training/Sampling        | \$100 | 25-Feb-2013 | 1-Nov-2013 | 0.68 | \$3 | n/a | \$3 |
| 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, 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]    | \$22 | 10-Jul-2011 | 10-Oct-2011 | 1.17 | \$1 | \$22 | \$23 |
| Other (as needed)             | \$25 | 1-Jul-2011  | 30-Sep-2011 | 1.17 | \$1 | \$25 | \$26 |

Notes for AVOIDED costs

The avoided costs include the estimated amount to prepare and submit the missing DLQORs (\$22.50 per report) and provide public notice, calculated from the day the report was due for the second quarter of 2011 to the day the subsequent report was due and for the period in which public notice was required to be posted.

Approx. Cost of Compliance \$192

**TOTAL** \$55

|                                |                                   |                   |                 |   |
|--------------------------------|-----------------------------------|-------------------|-----------------|---|
| <b>Screening Date</b>          | 8-Apr-2013                        | <b>Docket No.</b> | 2013-0718-PWS-E | <b>PCW</b>                                |
| <b>Respondent</b>              | Red Rock Water Supply Corporation |                   |                 | <i>Policy Revision 2 (September 2002)</i> |
| <b>Case ID No.</b>             | 46626                             |                   |                 | <i>PCW Revision October 30, 2008</i>      |
| <b>Reg. Ent. Reference No.</b> | RN101451193                       |                   |                 |   |
| <b>Media [Statute]</b>         | Public Water Supply               |                   |                 |   |
| <b>Enf. Coordinator</b>        | Stephen Thompson                  |                   |                 |   |

**Violation Number**

**Rule Cite(s)**

**Violation Description**

**Base Penalty**

**>> Environmental, Property and Human Health Matrix**

| OR | Release   | Harm                 |                      |                      | Percent                         |
|----|-----------|----------------------|----------------------|----------------------|---------------------------------|
|    |           | Major                | Moderate             | Minor                |                                 |
|    | Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text" value="0%"/> |
|    | Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> |                                 |

**>> Programmatic Matrix**

|  | Falsification        | Major                                     | Moderate             | Minor                | Percent                          |
|--|----------------------|---|----------------------|----------------------|----------------------------------|
|  | <input type="text"/> | <input checked="" type="text" value="x"/> | <input type="text"/> | <input type="text"/> | <input type="text" value="10%"/> |

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

*mark only one with an x*

|              |   |
|--------------|---|
| daily        | <input type="text"/>                      |
| weekly       | <input type="text"/>                      |
| monthly      | <input type="text"/>                      |
| quarterly    | <input type="text"/>                      |
| semiannual   | <input type="text"/>                      |
| annual       | <input checked="" type="text" value="x"/> |
| single event | <input type="text"/>                      |

**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

|               | Before NOV                                | NOV to EDPRP/Settlement Offer |
|---------------|---|-------------------------------|
| Extraordinary | <input type="text"/>                      | <input type="text"/>          |
| Ordinary      | <input type="text"/>                      | <input type="text"/>          |
| N/A           | <input checked="" type="text" value="x"/> | (mark with x)                 |

**Notes**

**Violation Subtotal**

**Economic Benefit (EB) for this violation**  **Statutory Limit Test**

**Estimated EB Amount**  **Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Red Rock Water Supply Corporation  
**Case ID No.** 46626  
**Reg. Ent. Reference No.** RN101451193  
**Media Violation No.** Public Water Supply  
 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

**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   |
| <b>ONE-TIME avoided costs [3]</b> | \$149 | 1-Jul-2010 | 8-Apr-2013 | 3.69 | \$27 | \$149 | \$176 |
| Other (as needed)                 |       |            |            | 0.00 | \$0  | \$0   | \$0   |

Notes for AVOIDED costs

The avoided costs include the estimated amount to prepare and mail or directly deliver the 2009 and 2010 CCRs to the customers of the Facility and to the TCEQ (([\$0.50 x 49 connections] + 50) x 2 years), calculated from the date the the first CCR was due to the screening date.

Approx. Cost of Compliance \$149

**TOTAL** \$176



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

|       |          |             |           |            |         |             |
|-------|----------|-------------|-----------|------------|---------|-------------|
| DATES | Assigned | 1-Apr-2013  | Screening | 8-Apr-2013 | EPA Due | 30-Jun-2012 |
|       | PCW      | 26-Apr-2013 |           |            |         |             |

**RESPONDENT/FACILITY INFORMATION**

|                      |                                   |                    |       |
|----------------------|-----------------------------------|--------------------|-------|
| Respondent           | Red Rock Water Supply Corporation |                    |       |
| Reg. Ent. Ref. No.   | RN101451193                       |                    |       |
| Facility/Site Region | 4-Dallas/Fort Worth               | Major/Minor Source | Minor |

**CASE INFORMATION**

|                                 |                     |                       |                    |
|---------------------------------|---------------------|-----------------------|--------------------|
| Enf./Case ID No.                | 46626               | No. of Violations     | 4                  |
| Docket No.                      | 2013-0718-PWS-E     | Order Type            | Findings           |
| Media Program(s)                | Public Water Supply | Government/Non-Profit | Yes                |
| Multi-Media                     |                     | Enf. Coordinator      | Stephen Thompson   |
|                                 |                     | EC's Team             | Enforcement Team 3 |
| 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.

|  |   |                                   |              |
|--|---|-----------------------------------|--------------|
| <b>Compliance History</b>                            | <b>30.0%</b> Enhancement  | <b>Subtotals 2, 3, &amp; 7</b>    | <b>\$165</b> |
| Notes  | Enhancement for one NOV with same/similar violations and one order without denial of liability. |                                   |              |
| <b>Culpability</b>                                   | <b>No</b> <b>0.0%</b> Enhancement   | <b>Subtotal 4</b>                 | <b>\$0</b>   |
| Notes  | The Respondent does not meet the culpability criteria.  |                                   |              |
| <b>Good Faith Effort to Comply Total Adjustments</b> |   | <b>Subtotal 5</b>                 | <b>\$0</b>   |
| <b>Economic Benefit</b>                              | <b>0.0%</b> Enhancement*  | <b>Subtotal 6</b>                 | <b>\$0</b>   |
| Total EB Amounts                                     | <input type="text" value="\$263"/>  | *Capped at the Total EB \$ Amount |              |
| Approx. Cost of Compliance                           | <input type="text" value="\$988"/>  |                                   |              |

**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

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY**

**Screening Date** 8-Apr-2013

**Docket No.** 2013-0718-PWS-E

**PCW**

**Respondent** Red Rock Water Supply Corporation

Policy Revision 3 (September 2011)

**Case ID No.** 46626

PCW Revision August 3, 2011

**Reg. Ent. Reference No.** RN101451193

**Media [Statute]** Public Water Supply

**Enf. Coordinator** Stephen Thompson

### Compliance History Worksheet

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

| Component                     | Number of...   | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs                          | Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )  | 1                 | 5%      |
|                               | Other written NOVs   | 0                 | 0%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )  | 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 | 1                 | 25%     |
| 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)** 30%

>> **Repeat Violator (Subtotal 3)**

N/A

**Adjustment Percentage (Subtotal 3)** 0%

>> **Compliance History Person Classification (Subtotal 7)**

N/A

**Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for one NOV with same/similar violations and one order without denial of liability.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 30%

>> **Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 30%

|                                |                                   |   |                 |            |
|--------------------------------|-----------------------------------|---|-----------------|------------|
| <b>Screening Date</b>          | 8-Apr-2013                        | <b>Docket No.</b>                         | 2013-0718-PWS-E | <b>PCW</b> |
| <b>Respondent</b>              | Red Rock Water Supply Corporation | <i>Policy Revision 3 (September 2011)</i> |                 |            |
| <b>Case ID No.</b>             | 46626                             | <i>PCW Revision August 3, 2011</i>        |                 |            |
| <b>Reg. Ent. Reference No.</b> | RN101451193                       |   |                 |            |
| <b>Media [Statute]</b>         | Public Water Supply               |   |                 |            |
| <b>Enf. Coordinator</b>        | Stephen Thompson                  |   |                 |            |

**Violation Number**

**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 the quarter. Specifically, the Respondent failed to submit DLQORs for the third quarter of 2011 through the fourth quarter of 2012.

**Base Penalty**

>> **Environmental, Property and Human Health Matrix**

OR

| Release   | Harm                 |                      |                      |
|-----------|----------------------|----------------------|----------------------|
|           | Major                | Moderate             | Minor                |
| Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> |

**Percent**

>> **Programmatic Matrix**

| Falsification        | Major                                     | Moderate             | Minor                |
|----------------------|---|----------------------|----------------------|
| <input type="text"/> | <input checked="" type="text" value="x"/> | <input type="text"/> | <input type="text"/> |

**Percent**

**Matrix Notes**

100% of the rule requirement was not met.

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

*mark only one with an x*

|              |   |
|--------------|---|
| daily        | <input type="text"/>                      |
| weekly       | <input type="text"/>                      |
| monthly      | <input type="text"/>                      |
| quarterly    | <input checked="" type="text" value="x"/> |
| semiannual   | <input type="text"/>                      |
| annual       | <input type="text"/>                      |
| single event | <input type="text"/>                      |

**Violation Base Penalty**

Six quarterly events are recommended.

**Good Faith Efforts to Comply**

Reduction

|          | Before NOV                                | NOV to EDPRP/Settlement Offer |
|----------|---|-------------------------------|
|          | Extraordinary                             | <input type="text"/>          |
| Ordinary | <input type="text"/>                      | <input type="text"/>          |
| N/A      | <input checked="" type="text" value="x"/> | (mark with x)                 |

**Notes**

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

**Violation Subtotal**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Red Rock Water Supply Corporation  
**Case ID No.** 46626  
**Reg. Ent. Reference No.** RN101451193  
**Media Violation No.** Public Water Supply  
 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 delayed costs are captured on violation no. 1 of PCW Revision 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]    | \$135 | 10-Oct-2011 | 10-Jan-2013 | 2.17 | \$15 | \$135 | \$150 |
| Other (as needed)             |       |             |             | 0.00 | \$0  | \$0   | \$0   |

Notes for AVOIDED costs

The avoided costs include the estimated amount to prepare and submit the missing DLQORs (\$22.50 per report), calculated from the day the report was due for the third quarter of 2011 to the day the report was due for the fourth quarter of 2012.

Approx. Cost of Compliance \$135

**TOTAL** \$150

|                                |                                   |                   |                 |   |
|--------------------------------|-----------------------------------|-------------------|-----------------|---|
| <b>Screening Date</b>          | 8-Apr-2013                        | <b>Docket No.</b> | 2013-0718-PWS-E | <b>PCW</b>                                |
| <b>Respondent</b>              | Red Rock Water Supply Corporation |                   |                 | <i>Policy Revision 3 (September 2011)</i> |
| <b>Case ID No.</b>             | 46626                             |                   |                 | <i>PCW Revision August 3, 2011</i>        |
| <b>Reg. Ent. Reference No.</b> | RN101451193                       |                   |                 |   |
| <b>Media [Statute]</b>         | Public Water Supply               |                   |                 |   |
| <b>Enf. Coordinator</b>        | Stephen Thompson                  |                   |                 |   |

**Violation Number**

**Rule Cite(s)**

**Violation Description**

Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the information in the CCR is correct and consistent with compliance monitoring data. Specifically, the Respondent did not mail or directly deliver the CCRs to the Facility's customers nor did the Respondent submit the CCR or the required certification to the TCEQ for the year 2011.

**Base Penalty**

**>> Environmental, Property and Human Health Matrix**

OR

| Release   | Harm                 |                      |                      | Percent                           |
|-----------|----------------------|----------------------|----------------------|-----------------------------------|
|           | Major                | Moderate             | Minor                |                                   |
| Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text" value="0.0%"/> |
| Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> |                                   |

**>> Programmatic Matrix**

| Falsification        | Major                                     | Moderate             | Minor                | Percent                           |
|----------------------|---|----------------------|----------------------|-----------------------------------|
| <input type="text"/> | <input checked="" type="text" value="x"/> | <input type="text"/> | <input type="text"/> | <input type="text" value="5.0%"/> |

Matrix Notes

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

*mark only one with an x*

|              |   |
|--------------|---|
| daily        | <input type="text"/>                      |
| weekly       | <input type="text"/>                      |
| monthly      | <input type="text"/>                      |
| quarterly    | <input type="text"/>                      |
| semiannual   | <input type="text"/>                      |
| annual       | <input checked="" type="text" value="x"/> |
| single event | <input type="text"/>                      |

**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

|               | Before NOV                                | NOV to EDPRP/Settlement Offer |
|---------------|---|-------------------------------|
| Extraordinary | <input type="text"/>                      | <input type="text"/>          |
| Ordinary      | <input type="text"/>                      | <input type="text"/>          |
| N/A           | <input checked="" type="text" value="x"/> | (mark with x)                 |

Notes

**Violation Subtotal**

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

Estimated EB Amount  **Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Red Rock Water Supply Corporation  
**Case ID No.** 46626  
**Reg. Ent. Reference No.** RN101451193  
**Media Violation No.** Public Water Supply  
 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

**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]    | \$75 | 1-Jul-2012 | 8-Apr-2013 | 1.69 | \$6 | \$75 | \$81 |
| Other (as needed)             |      |            |            | 0.00 | \$0 | \$0  | \$0  |

Notes for AVOIDED costs

The avoided costs include the estimated amount to prepare and mail or directly deliver the 2011 CCR to the customers of the Facility and to the TCEQ (([\$0.50 x 49 connections] + 50) x 1 year), calculated from the date the the CCR was due to the screening date.

Approx. Cost of Compliance \$75

**TOTAL** \$81

|                                |                                   |                   |                 |   |
|--------------------------------|-----------------------------------|-------------------|-----------------|---|
| <b>Screening Date</b>          | 8-Apr-2013                        | <b>Docket No.</b> | 2013-0718-PWS-E | <b>PCW</b>                                |
| <b>Respondent</b>              | Red Rock Water Supply Corporation |                   |                 | <i>Policy Revision 3 (September 2011)</i> |
| <b>Case ID No.</b>             | 46626                             |                   |                 | <i>PCW Revision August 3, 2011</i>        |
| <b>Reg. Ent. Reference No.</b> | RN101451193                       |                   |                 |   |
| <b>Media [Statute]</b>         | Public Water Supply               |                   |                 |   |
| <b>Enf. Coordinator</b>        | Stephen Thompson                  |                   |                 |   |

**Violation Number**

**Rule Cite(s)**

**Violation Description**

**Base Penalty**

**>> Environmental, Property and Human Health Matrix**

|           |           | Harm                 |                      |                      |  |
|-----------|-----------|----------------------|----------------------|----------------------|--|
|           |           | Major                | Moderate             | Minor                |  |
| <b>OR</b> | Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> | <b>Percent</b> <input type="text" value="0.0%"/> |
|           | Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> |  |

**>> Programmatic Matrix**

|  | Falsification        | Major | Moderate             | Minor                |  |
|--|----------------------|-------|----------------------|----------------------|--|
|  | <input type="text"/> | x     | <input type="text"/> | <input type="text"/> | <b>Percent</b> <input type="text" value="5.0%"/> |

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

|                                |                      |                      |
|--------------------------------|----------------------|----------------------|
| <i>mark only one with an x</i> | daily                | <input type="text"/> |
|                                | weekly               | <input type="text"/> |
|                                | monthly              | <input type="text"/> |
|                                | quarterly            | <input type="text"/> |
|                                | semiannual           | <input type="text"/> |
|                                | annual               | x                    |
| single event                   | <input type="text"/> |                      |

**Violation Base Penalty**

**Good Faith Efforts to Comply**

Reduction

|               | Before NOV           | NOV to EDPRP/Settlement Offer |
|---------------|----------------------|-------------------------------|
| Extraordinary | <input type="text"/> | <input type="text"/>          |
| Ordinary      | <input type="text"/> | <input type="text"/>          |
| N/A           | x                    | (mark with x)                 |

**Notes**

**Violation Subtotal**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

## Economic Benefit Worksheet

**Respondent** Red Rock Water Supply Corporation  
**Case ID No.** 46626  
**Reg. Ent. Reference No.** RN101451193  
**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        | \$678 | 31-Dec-2012 | 1-Nov-2013 | 0.84 | \$28 | n/a | \$28 |
| Remediation/Disposal     |       |             |            | 0.00 | \$0  | n/a | \$0  |
| Permit Costs             |       |             |            | 0.00 | \$0  | n/a | \$0  |
| Other (as needed)        | \$100 | 28-Feb-2013 | 1-Nov-2013 | 0.67 | \$3  | n/a | \$3  |

**Notes for DELAYED costs**

The delayed costs include the estimated amount to pay any outstanding lab fees so that the lab will release the nitrate/nitrite and disinfection by-product results and to implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that future drinking water chemical sample results are released by the Facility's laboratories and reported to the Executive Director, calculated from the final date of the monitoring period to the estimated date of compliance and from the date of the record review to the estimated date of compliance.

### Avoided Costs

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

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

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$778

**TOTAL** \$32

**Screening Date** 8-Apr-2013 **Docket No.** 2013-0718-PWS-E **PCW**  
**Respondent** Red Rock Water Supply Corporation *Policy Revision 3 (September 2011)*  
**Case ID No.** 46626 *PCW Revision August 3, 2011*  
**Reg. Ent. Reference No.** RN101451193  
**Media [Statute]** Public Water Supply  
**Enf. Coordinator** Stephen Thompson

**Violation Number**

**Rule Cite(s)**

**Violation Description**

**Base Penalty**

>> **Environmental, Property and Human Health Matrix**

OR

| Release   | Harm                 |                      |                      |
|-----------|----------------------|----------------------|----------------------|
|           | Major                | Moderate             | Minor                |
| Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> |

**Percent**

>> **Programmatic Matrix**

| Falsification        | Major                | Moderate             | Minor                |
|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

**Percent**

Matrix Notes

**Adjustment**

**Violation Events**

Number of Violation Events

Number of violation days

*mark only one with an x*

|              |                      |
|--------------|----------------------|
| daily        | <input type="text"/> |
| weekly       | <input type="text"/> |
| monthly      | <input type="text"/> |
| quarterly    | <input type="text"/> |
| semiannual   | <input type="text"/> |
| annual       | <input type="text"/> |
| single event | <input type="text"/> |

**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

|               | Reduction            |                               |
|---------------|----------------------|-------------------------------|
|               | Before NOV           | NOV to EDPRP/Settlement Offer |
| Extraordinary | <input type="text"/> | <input type="text"/>          |
| Ordinary      | <input type="text"/> | <input type="text"/>          |
| N/A           | <input type="text"/> | (mark with x)                 |

Notes

**Violation Subtotal**

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

# Economic Benefit Worksheet

**Respondent** Red Rock Water Supply Corporation  
**Case ID No.** 46626  
**Reg. Ent. Reference No.** RN101451193  
**Media Violation No.** Public Water Supply  
 4

| 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

N/A

### Avoided Costs

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

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

Notes for AVOIDED costs

N/A

Approx. Cost of Compliance

**TOTAL**

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



# Compliance History Report

**PUBLISHED** Compliance History Report for CN600635577, RN101451193, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

**Customer, Respondent, or Owner/Operator:** CN600635577, Red Rock Water Supply Corporation **Classification:** NOT APPLICABLE **Rating:** N/A

**Regulated Entity:** RN101451193, RED ROCK WSC **Classification:** NOT APPLICABLE **Rating:** N/A

**Complexity Points:** N/A **Repeat Violator:** N/A

**CH Group:** 14 - Other

**Location:** 1718 BRIDLE BIT RD, DENTON COUNTY, TX

**TCEQ Region:** REGION 04 - DFW METROPLEX

**ID Number(s):**

**PUBLIC WATER SYSTEM/SUPPLY REGISTRATION** 0610113

**WATER LICENSING LICENSE** 0610113

**Compliance History Period:** September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

**Date Compliance History Report Prepared:** April 08, 2013

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** April 08, 2008 to April 08, 2013

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Stephen Thompson

**Phone:** (512) 239-2558

**Site and Owner/Operator History:**

- 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 for #2, who is the current owner/operator? N/A
- 4) If YES for #2, 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

**Components (Multimedia) for the Site Are Listed in Sections A - J**

**A. Final Orders, court judgments, and consent decrees:**

1 **Effective Date:** 07/29/2009 **ADMINORDER** 2008-0836-PWS-E **(Findings Order-Default)**

**Classification:** Moderate

**Citation:** 30 TAC Chapter 290, SubChapter H 290.271(b)  
30 TAC Chapter 290, SubChapter H 290.274(a)  
30 TAC Chapter 290, SubChapter H 290.274(c)

**Description:** Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit a copy of the annual CCR and certification that the CCR has been distributed to the customers of the water system and that the information in the CCR is correct and consistent with compliance monitoring data to the TCEQ by July 1 of each year.

**Classification:** Minor

**Citation:** 2A TWC Chapter 5, SubChapter A 5.702  
30 TAC Chapter 290, SubChapter E 290.51(a)(6)

**Description:** Failed to pay all annual and late Public Health Service fees for TCEQ Financial Administration Account No. 90610113 for Fiscal Years 2002 through 2008.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

**D. The approval dates of investigations (CCEDS Inv. Track. No.):**

N/A

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 **Date:** 12/14/2012 **(1074196)** **CN600635577**

**Self Report?** NO **Classification:** Moderate

**Citation:** 30 TAC Chapter 290, SubChapter F 290.122(c)(2)(A)  
30 TAC Chapter 290, SubChapter F 290.122(f)

**Description:** DLQOR 2Q2011 MR PN Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a disinfectant monitoring and reporting violation during the 2nd quarter of 2011.

**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  
RED ROCK WATER SUPPLY  
CORPORATION;  
RN101451193**

§  
§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER**

**DOCKET NO. 2013-0718-PWS-E**

At its \_\_\_\_\_ agenda meeting, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties (the "Agreed Order"), resolving an enforcement action regarding Red Rock Water Supply Corporation ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341 and TEX. WATER CODE ch. 5. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent presented this Agreed Order to the Commission.

Respondent understands that it 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, Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Agreed Order represents the complete and fully-integrated agreement 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 Respondent.

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

### **FINDINGS OF FACT**

1. Respondent owns and operates a public water system located at 1718 Bridle Bit Road in Flower Mound, Denton County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 49 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(66).
2. During a record review conducted on February 25, 2013, a TCEQ Central Office investigator documented that Respondent:
  - a. 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 the quarter and failed to provide public notice of the failure to submit a DLQOR to the Executive Director. Specifically, Respondent failed to submit DLQORs for the second quarter of 2011 through the fourth quarter of 2012 and failed to provide public notice of the failure to submit the DLQOR for the second quarter of 2011;
  - b. Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to

the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data. Specifically, Respondent did not mail or directly deliver the CCRs to the Facility's customers nor did the Respondent submit the CCR or the required certification to the TCEQ for the years 2009, 2010, and 2011; and

- c. Failed to provide the results of annual nitrate/nitrite sampling, Stage 1 Disinfection By-Products and Stage 2 Disinfection By-Products to the Executive Director. Specifically, Respondent failed to provide to the Executive Director the results of annual nitrate/nitrite sampling for the 2011 and 2012 monitoring periods, Stage 1 Disinfection By-Products for the 2011 monitoring period, and Stage 2 Disinfection By-Products for the 2012 monitoring period.
3. During a record review conducted on April 8, 2013, a TCEQ Central Office investigator documented that Respondent failed to pay public health service ("PHS") fees, including late fees, for TCEQ Financial Administration Account No. 90610113 for Fiscal Years 2002 through 2013.
  4. Respondent received notice of the violations alleged in Findings of Fact Nos. 2.a. through 2.c. on or about April 2, 2013. Respondent received notice of the violation alleged in Finding of Fact No. 3 on or about May 7, 2013.

#### CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341, TEX. WATER CODE ch. 5, and the rules of the Commission.
2. As evidenced by Finding of Fact No. 2.a., Respondent failed to submit a DLQOR to the Executive Director each quarter by the tenth day of the month following the end of the 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 Finding of Fact No. 2.b., Respondent failed to mail or directly deliver one copy of the CCR to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data, in violation of 30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c).
4. As evidenced by Finding of Fact No. 2.c., Respondent failed to provide the results of annual nitrate/nitrite sampling, Stage 1 Disinfection By-Products and Stage 2 Disinfection By-Products to the Executive Director, in violation of 30 TEX. ADMIN. CODE §§ 290.106(e), 290.113(e) and 290.115(e).
5. As evidenced by Finding of Fact No. 3, Respondent failed to pay PHS fees, including late fees, in violation of TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(a)(6).
6. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against Respondent for violations of state statutes within the Commission's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.

7. An administrative penalty in the amount of one thousand one hundred five dollars (\$1,105.00) 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. Respondent paid one thousand one hundred five dollars (\$1,105.00) of the administrative penalty.

### **ORDERING PROVISIONS**

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

1. Respondent is assessed an administrative penalty as set forth in Conclusion of Law No. 7, above, for violations of state statutes and rules of the TCEQ. The payment of this administrative penalty and Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the matters set forth by this Agreed Order in this action. The Commission shall not be constrained in any manner from considering or requiring corrective actions or penalties for violations which are not raised here.
2. Respondent shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, Respondent shall:
    - i. Ensure that all delinquent drinking water chemical analysis results are reported to the Executive Director or demonstrate that a compliance schedule has been established, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants), 290.113 (Stage 1 Disinfection Byproducts), and 290.115 (Stage 2 Disinfection By-products);
    - ii. Implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that future drinking water chemical sample results are released by the Facility's laboratories and reported to the Executive Director within ten days of the Executive Director's request or of their receipt by the Facility, whichever is later, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants), 290.113 (Stage 1 Disinfection By-products), and 290.115 (Stage 2 Disinfection By-products);
    - iii. Update the Facility's operational guidance and conduct employee training to ensure that self-reporting requirements are properly accomplished, including the timely submission of signed and certified DLQORs, as required by 30 TEX. ADMIN. CODE § 290.110;
    - iv. Submit payment for all outstanding fees, including any associated penalties and interest for TCEQ Financial Administration Account No. 90610113, with the notation, "Re: Red Rock Water Supply Corporation, TCEQ Financial Account No. 90610113" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 10388  
Austin, Texas 78711-3088
    - v. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to the customers of the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.122;
    - vi. Submit to the Commission a copy of the CCR provided to customers of the Facility for the year 2012 and the certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data, as required by

30 TEX. ADMIN. CODE § 290.274. The copy of the CCR and certification shall be mailed to:

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

and

- vii. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for 2012 to each bill paying customer and make a good faith effort to deliver the CCR to non-bill paying customers, as required by 30 TEX. ADMIN. CODE § 290.274.
- b. Within 45 days after the effective date of this Agreed Order, Respondent shall submit written certification in accordance with Ordering Provision No. 2.e., below, to demonstrate compliance with Ordering Provisions Nos. 2.a.i through 2.a.vi.
- c. Within 90 days after the effective date of this Agreed Order, Respondent shall 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 285 days after the effective date of this Agreed Order, Respondent shall submit written certification in accordance with Ordering Provision No. 2.e., below, to demonstrate compliance with Ordering Provision No. 2.c.
- e. The certifications required by these Ordering Provisions shall be accompanied by detailed supporting documentation, including photographs, receipts, and/or other records, shall be notarized by a State of Texas Notary Public, and shall include the following certification language:

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

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

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

and:

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

3. All relief not expressly granted in this Agreed Order is denied.
4. The provisions of this Agreed Order shall apply to and be binding upon Respondent. Respondent is ordered to give notice of this Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. 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 Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
8. 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.
9. 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.
10. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand delivery of this Agreed Order to Respondent, or three days after the date on which the Commission mails notice of this Agreed Order to Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

**SIGNATURE PAGE**

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

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

  
\_\_\_\_\_  
For the Executive Director

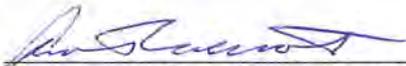
*December 16, 2013*  
~~*August 21, 2013*~~  
\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of Red Rock Water Supply Corporation, 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 in this Agreed 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;
- 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, I understand that any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature - Tony Cucinotta, President  
Red Rock Water Supply Corporation

*AUGUST 21, 2013*  
\_\_\_\_\_  
Date