

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 44066
INTERCONTINENTAL WATER SUPPLY CORPORATION
RN102698651
Docket No. 2012-0906-PWS-E

Order Type:

Default Order

Media:

PWS

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

13935 Smith Road, Trailer 140, Humble, Harris County

Type of Operation:

public water supply

Other Significant Matters:

Additional Pending Enforcement Actions: None
Past-Due Penalties: \$2,152.19 (2006-0098-PWS-E; returned uncollectable)
Past-Due Fees: \$1,357.29 (Acct. No. 91010827)
Other: None
Interested Third-Parties: None

Texas Register Publication Date: February 14, 2014

Comments Received: None

Penalty Information

Total Penalty Assessed: \$1,988

Total Paid to General Revenue: \$0

Total Due to General Revenue: \$1,988

Compliance History Classifications:

Person/CN – N/A

Site/RN – N/A

Major Source: No

Statutory Limit Adjustment: None

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

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 44066
INTERCONTINENTAL WATER SUPPLY CORPORATION
RN102698651
Docket No. 2012-0906-PWS-E

Investigation Information

Complaint Date(s): N/A
Date(s) of Investigation: March 19, 2012; April 30, 2012
Date(s) of NOV(s): See Compliance History - 8 related NOVs
Date(s) of NOE(s): March 29, 2012

Violation Information

1. Failed to collect routine monitoring samples for coliform analysis, and failed to provide public notification of the failures [TEX. HEALTH & SAFETY CODE § 341.033(d) and 30 TEX. ADMIN. CODE §§ 290.109(c)(2)(A)(ii) and 290.122(c)(2)(A)].
2. Failed to pay Public Health Service fees for TCEQ Financial Administration Account No. 91010827 [TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(a)(6)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

Respondent no longer owns or operates the Facility as of April 3, 2012.

Technical Requirements:

Within 30 days, submit payment for all outstanding PHS fees, including interest and late fees.

Litigation Information

Date Petition(s) Filed: July 25, 2013; August 22, 2013
Date Green Card(s) Signed: Unclaimed; Unclaimed
Date Answer(s) Filed: N/A

Contact Information

TCEQ Attorneys: Tammy Mitchell, Litigation Division, (512) 239-3400
Lena Roberts, Litigation Division, (512) 239-3400
Garrett Arthur, Public Interest Counsel, (512) 239-6363
TCEQ Enforcement Coordinator: Katy Montgomery, Enforcement Division, (512) 239-2602
TCEQ Regional Contact: Steve Smtih, Houston Regional Office, (713) 767-3500
Respondent: Michael Henderson, President, INTERCONTINENTAL WATER SUPPLY CORPORATION,
13935 Smith Road, Number 143 B, Humble, Texas 77396
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	16-Apr-2012	Screening	30-Apr-2012	EPA Due	30-Jun-2012
	PCW	20-Jun-2012				

RESPONDENT/FACILITY INFORMATION

Respondent	INTERCONTINENTAL WATER SUPPLY CORPORATION		
Reg. Ent. Ref. No.	RN102698651		
Facility/Site Region	12-Houston	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	44066	No. of Violations	1
Docket No.	2012-0906-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	Yes
Multi-Media		Enf. Coordinator	Katy Schumann
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability Enhancement **Subtotal 4**

Notes

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

Economic Benefit Enhancement* **Subtotal 6**

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

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 30-Apr-2012 **Docket No.** 2012-0906-PWS-E
Respondent INTERCONTINENTAL WATER SUPPLY CORPORATI
Case ID No. 44066
Reg. Ent. Reference No. RN102698651
Media [Statute] Public Water Supply
Enf. Coordinator Katy Schumann

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	8	40%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 42%

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

N/A

Adjustment Percentage (Subtotal 3) 0%

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

N/A

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

Enhancement for eight NOVs with same/similar violations and one NOV with a dissimilar violation.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 42%

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 42%

Screening Date	30-Apr-2012	Docket No.	2012-0906-PWS-E	PCW
Respondent	INTERCONTINENTAL WATER SUPPLY CORPORATION			<i>Policy Revision 3 (September 2011)</i>
Case ID No.	44066			<i>PCW Revision August 3, 2011</i>
Reg. Ent. Reference No.	RN102698651			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Katy Schumann			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

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

OR	Harm				Percent <input type="text" value="15.0%"/>
	Release	Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	Potential	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent <input type="text" value="0.0%"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

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" value="x"/>
	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

		Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>	<input type="text"/>
N/A	<input 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 INTERCONTINENTAL WATER SUPPLY CORPORATION
Case ID No. 44066
Reg. Ent. Reference No. RN102698651
Media Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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

Notes for DELAYED costs

The delayed costs of compliance are captured in the economic benefit calculation for Violation 1 of the Revision 2 PCW.

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	1-Sep-2011	29-Feb-2012	1.41	\$11	\$150	\$161
Other (as needed)	\$75	1-Oct-2011	29-Feb-2012	1.33	\$5	\$75	\$80

Notes for AVOIDED costs

The avoided costs include the estimated amount to collect a total of six routine water samples (\$25 per sample) and provide public notice for the failure to sample (\$25 per notice), calculated for the months in which no samples were collected and during the period that a public notice was required.

Approx. Cost of Compliance

\$225

TOTAL

\$241



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	16-Apr-2012			
	PCW	20-Jun-2012	Screening	30-Apr-2012	EPA Due 30-Jun-2012

RESPONDENT/FACILITY INFORMATION

Respondent	INTERCONTINENTAL WATER SUPPLY CORPORATION	
Reg. Ent. Ref. No.	RN102698651	
Facility/Site Region	12-Houston	Major/Minor Source Minor

CASE INFORMATION

Enf./Case ID No.	44066	No. of Violations	2
Docket No.	2012-0906-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	Yes
Multi-Media		Enf. Coordinator	Katy Schumann
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability Enhancement **Subtotal 4**

Notes

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

Economic Benefit Enhancement* **Subtotal 6**

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

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date	30-Apr-2012	Docket No.	2012-0906-PWS-E	PCW
Respondent	INTERCONTINENTAL WATER SUPPLY CORPORATION			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	44066			<i>PCW Revision October 30, 2008</i>
Reg. Ent. Reference No.	RN102698651			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Katy Schumann			

Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	8	40%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
<i>Please Enter Yes or No</i>			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 42%

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

N/A **Adjustment Percentage (Subtotal 3)** 0%

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

N/A **Adjustment Percentage (Subtotal 7)** 0%

>> **Compliance History Summary**

Compliance History Notes

Enhancement for eight NOVs with same/similar violations and one NOV with a dissimilar violation.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 42%

Screening Date	30-Apr-2012	Docket No.	2012-0906-PWS-E	PCW
Respondent	INTERCONTINENTAL WATER SUPPLY CORPORATION			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	44066			<i>PCW Revision October 30, 2008</i>
Reg. Ent. Reference No.	RN102698651			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Katy Schumann			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

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

OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Potential	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>
				Percent <input type="text" value="25%"/>

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="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" value="x"/>
	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

		Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>	<input type="text"/>
N/A	<input 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 INTERCONTINENTAL WATER SUPPLY CORPORATION
Case ID No. 44066
Reg. Ent. Reference No. RN102698651
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
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$100	19-Mar-2012	31-Dec-2012	0.79	\$0	\$5	\$6
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs: The delayed cost includes the estimated amount to implement training on procedures necessary to ensure that all public notifications are provided in a timely manner to the customers of the Facility. The date required is the date of the record review. The final date is 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]	\$50	1-Jul-2011	31-Aug-2011	1.08	\$3	\$50	\$53
Other (as needed)	\$50	1-Aug-2011	30-Nov-2011	1.25	\$3	\$50	\$53

Notes for AVOIDED costs: The avoided costs include the estimated amount to collect a total of two routine water samples (\$25 per sample) and provide public notice for the failure to sample (\$25 per notice), calculated for the months in which no samples were collected and during the period that a public notice was required.

Approx. Cost of Compliance \$200

TOTAL \$111

Screening Date 30-Apr-2012 **Docket No.** 2012-0906-PWS-E **PCW**
Respondent INTERCONTINENTAL WATER SUPPLY CORPORATION *Policy Revision 2 (September 2002)*
Case ID No. 44066 *PCW Revision October 30, 2008*
Reg. Ent. Reference No. RN102698651
Media [Statute] Public Water Supply
Enf. Coordinator Katy Schumann

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 290.51(a)(6) and Tex. Water Code § 5.702

Violation Description

Failed to pay Public Health Service fees for TCEQ Financial Administration Account No. 91010827 for Fiscal Years 2007 through 2012.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Adjustment \$1,000

\$0

Violation Events

Number of Violation Events

Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$0

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

Good Faith Efforts to Comply

0.0% Reduction

\$0

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

Notes

Violation Subtotal \$0

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$0

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

Economic Benefit Worksheet

Respondent INTERCONTINENTAL WATER SUPPLY CORPORATION
Case ID No. 44066
Reg. Ent. Reference No. RN102698651
Media Public Water Supply
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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

Compliance History Report

Customer/Respondent/Owner-Operator: CN601368780 INTERCONTINENTAL WATER SUPPLY CORPORATION Classification: Rating:
 Regulated Entity: RN102698651 INTERCONTINENTAL WSC Classification: Site Rating:
 ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1010827
 Location: 13935 SMITH ROAD TRAILER 140, HUMBLE, HARRIS COUNTY, TEXAS
 TCEQ Region: REGION 12 - HOUSTON
 Date Compliance History Prepared: April 30, 2012
 Agency Decision Requiring Compliance History: Enforcement
 Compliance Period: April 30, 2007 to April 30, 2012
 TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
 Name: Katy Schumann Phone: (512) 239-2602

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? NO
3. If YES, who is the current owner/operator? N/A
4. If YES, who was/were the prior owner(s)/operator(s)? N/A
5. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: N/A Repeat Violator: N/A

Components (Multimedia) for the Site:

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	05/13/2011	(828848)	12	08/07/2010	(844708)	23	08/13/2010	(844899)
2	08/05/2010	(844539)	13	08/07/2010	(844721)	24	08/09/2010	(844973)
3	08/07/2010	(844584)	14	08/07/2010	(844724)	25	08/09/2010	(844981)
4	08/07/2010	(844591)	15	08/07/2010	(844736)	26	11/19/2010	(878363)
5	08/07/2010	(844602)	16	08/07/2010	(844746)	27	01/11/2011	(887501)
6	08/07/2010	(844616)	17	08/07/2010	(844756)	28	05/17/2011	(915910)
7	08/07/2010	(844632)	18	08/07/2010	(844770)	29	02/27/2012	(988589)
8	08/07/2010	(844648)	19	08/07/2010	(844781)	30	03/23/2012	(989167)
9	08/07/2010	(844669)	20	08/07/2010	(844785)	31	03/23/2012	(989246)
10	08/07/2010	(844684)	21	08/07/2010	(844791)	32	04/10/2012	(989300)
11	08/07/2010	(844689)	22	08/07/2010	(844798)	33	03/23/2012	(995050)
						34	03/23/2012	(995079)

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

Date: 11/19/2010 (878363) CN601368780

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter D 290.39(o)(1)
 Description: Failure to submit an Emergency Preparedness Plan by the required deadline.

Date: 09/09/2011 (988589) CN601368780

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(5)
 30 TAC Chapter 290, SubChapter F 290.109(f)(7)
 Description: TCR Routine Monitoring Violation 07/2011 - Failure to collect any routine monitoring sample(s).

Date: 10/07/2011 (989167) CN601368780

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(5)
 30 TAC Chapter 290, SubChapter F 290.109(f)(7)
 Description: TCR Routine Monitoring Violation 08/2011 - Failure to collect any routine monitoring sample(s).

Date: 11/17/2011 (989246) CN601368780

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(5)
 30 TAC Chapter 290, SubChapter F 290.109(f)(7)
 Description: TCR Routine Monitoring Violation 09/2011 - Failure to collect any routine monitoring sample(s).

Date: 01/25/2012 (989167) CN601368780

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)
 30 TAC Chapter 290, SubChapter F 290.122(f)
 Description: Aug/2011 TCR Routine Monitoring 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 failing to conduct coliform monitoring for the month of 08/2011.

Date: 02/16/2012 (989246) CN601368780

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)
 30 TAC Chapter 290, SubChapter F 290.122(f)
 Description: Sep/2011 TCR Routine Monitoring 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 failing to conduct coliform monitoring for the month of 09/2011.

Date: 02/29/2012 (995050) CN601368780

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(5)
30 TAC Chapter 290, SubChapter F 290.109(f)(7)

Description: TCR Routine Monitoring Violation 10/2011 - Failure to collect any routine monitoring sample(s).

Date: 03/15/2012 (995079) CN601368780

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.109(f)(5)
30 TAC Chapter 290, SubChapter F 290.109(f)(7)

Description: TCR Routine Monitoring Violation 12/2011 - Failure to collect any routine monitoring sample(s).

Date: 03/15/2012 (995050) CN601368780

Self Report? NO

Classification: Moderate

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

Description: Oct/2011 TCR Routine Monitoring 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 failing to conduct coliform monitoring for the month of 10/2011.

- 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
INTERCONTINENTAL WATER
SUPPLY CORPORATION;
RN102698651**

§
§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

DEFAULT ORDER

DOCKET NO. 2012-0906-PWS-E

At its _____ agenda meeting, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered the Executive Director's Preliminary Report and Petition, filed pursuant to TEX. WATER CODE ch. 5, TEX. HEALTH & SAFETY CODE ch. 341, and the rules of the TCEQ, which requests appropriate relief, including the imposition of an administrative penalty. The respondent made the subject of this Order is INTERCONTINENTAL WATER SUPPLY CORPORATION ("Respondent").

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

FINDINGS OF FACT

1. Respondent owned and operated a public water system located at 13935 Smith Road, Trailer 140 in Humble, Harris County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 30 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 record reviews conducted on March 19, 2012, and April 30, 2012, TCEQ staff documented that Respondent:
 - a. Failed to collect routine monitoring samples for coliform analysis for the months of July 2011 through February 2012, and failed to provide public notification of the failures; and
 - b. Failed to pay Public Health Service fees for TCEQ Financial Administration Account No. 91010827 for Fiscal Years 2007 through 2012.
3. Respondent received notice of the violation in Finding of Fact No. 2.a. on or about April 3, 2012. Respondent received notice of the violation in Finding of Fact No. 2.b. on or about April 30, 2012.
4. The Executive Director recognizes that Respondent no longer owns or operates the Facility as of April 3, 2012.
5. The Executive Director filed the "Executive Director's Preliminary Report and Petition Recommending that the Texas Commission on Environmental Quality Enter an Enforcement Order Assessing an Administrative Penalty Against and Requiring Certain Actions of INTERCONTINENTAL WATER SUPPLY CORPORATION" (the "EDPRP") in the TCEQ Chief Clerk's office on July 25, 2013.
6. The EDPRP was mailed to Respondent's last known address on July 25, 2013, via certified mail, return receipt requested, postage prepaid. The United States Postal Service returned the EDPRP sent by certified mail as "unclaimed."

7. The Executive Director re-filed the EDPRP in the TCEQ Chief Clerk's office on August 22, 2013.
8. By letter dated August 22, 2013, sent to Respondent's last known address via certified mail, return receipt requested, and via first class mail, postage prepaid, the Executive Director served Respondent with notice of the EDPRP. The United States Postal Service returned the EDPRP sent by certified mail as "unclaimed." The first class mail has not been returned, indicating that Respondent received notice of the EDPRP.
9. More than 20 days have elapsed since Respondent received notice of the EDPRP. Respondent failed to file an answer and failed to request a hearing.

CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE ch. 5, TEX. HEALTH & SAFETY CODE ch. 341, and the rules of the Commission.
2. As evidenced by Finding of Fact No. 2.a., Respondent failed to collect routine monitoring samples for coliform analysis and failed to provide public notification of the failures, in violation of TEX. HEALTH & SAFETY CODE § 341.033(d) and 30 TEX. ADMIN. CODE §§ 290.109(c)(2)(A)(ii) and 290.122(c)(2)(A).
3. As evidenced by Finding of Fact No. 2.b., Respondent failed to pay Public Health Service fees for TCEQ Financial Administration Account No. 91010827 for Fiscal Years 2007 through 2012, in violation of TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE §§ 290.51(a)(6).
4. As evidenced by Findings of Fact Nos. 5 through 8, the Executive Director timely served Respondent with proper notice of the EDPRP, as required by TEX. HEALTH & SAFETY CODE § 341.049 and 30 TEX. ADMIN. CODE § 70.104(c)(2).
5. As evidenced by Finding of Fact No. 9, Respondent failed to file a timely answer as required by TEX. HEALTH & SAFETY CODE § 341.049 and 30 TEX. ADMIN. CODE § 70.105. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049 and 30 TEX. ADMIN. CODE § 70.106, the Commission may enter a Default Order against Respondent and assess the penalty recommended by the Executive Director.
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 nine hundred eighty-eight dollars (\$1,988.00) is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049.
8. TEX. WATER CODE §§ 5.102 and 7.002 authorize the Commission to issue orders and make determinations necessary to effectuate the purposes of the statutes within its jurisdiction.

ORDERING PROVISIONS

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

1. Respondent is assessed an administrative penalty in the amount of one thousand nine hundred eighty-eight dollars (\$1,988.00) for violations of state statutes and rules of the TCEQ. The payment of this administrative penalty and Respondent's

compliance with all the terms and conditions set forth in this Order completely resolve the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations which are not raised here.

2. The administrative penalty assessed by this Order shall be paid within 30 days after the effective date of this Order. All checks submitted to pay the penalty imposed by this Order shall be made out to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: INTERCONTINENTAL WATER SUPPLY CORPORATION; Docket No. 2012-0906-PWS-E" to:

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

3. Within 30 days after the effective date of this Order, Respondent shall submit payment for all outstanding fees, interest and late fees for TCEQ Financial Administration Account No. 91010827, as required by 30 TEX. ADMIN. CODE § 290.51. The payment shall be sent to the address in Ordering Provision No. 2, above.
4. All relief not expressly granted in this Order is denied.
5. The provisions of this Order shall apply to and be binding upon Respondent.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by Respondent shall be made in writing to the Executive Director. Extensions are not effective until Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to Respondent if the Executive Director determines that Respondent has not complied with one or more of the terms or conditions in this Order.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Chief Clerk shall provide a copy of this Order to each of the parties. By law, the effective date of this Order shall be the date the Order is final, as provided by 30 TEX. ADMIN. CODE § 70.106(d) and TEX. GOV'T CODE § 2001.144.

S I G N A T U R E P A G E

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

