

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 47521
Allen Watts d/b/a Lago Vista Water System
RN102676350
Docket No. 2013-1774-PWS-E

Order Type:

Default Order

Media:

Public Water System

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

1918 South State Highway 80, Luling, Guadalupe County

Type of Operation:

public water system

Other Significant Matters:

Additional Pending Enforcement Actions: Contempt of Default Judgment and Permanent Injunction No. GV-06-002335 (currently at the OAG)
Past-Due Penalties: \$5,273.58 (2002-0848-PWS-E; referred to the OAG)
Past-Due Fees: \$142.10 (Account No. 90940029)
Other: None
Interested Third-Parties: None

Texas Register Publication Date: July 4, 2014

Comments Received: None

Penalty Information

Total Penalty Assessed: \$5,258

Total Paid to General Revenue: \$0

Total Due to General Revenue: \$5,258

Compliance History Classifications:

Person/CN – Not Applicable
Site/RN – Not Applicable

Major Source: No

Statutory Limit Adjustment: \$61 upward adjustment (PCW 1)

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

Investigation Information

Complaint Date(s): N/A

Date(s) of Investigation: March 4, 2013; June 21, 2013; July 8, 2013

Date(s) of NOV(s): See Compliance History – 5 related NOVs

Date(s) of NOE(s): May 15, 2013; August 23, 2013; December 21, 2013

Violation Information

1. Failed to timely provide the results of annual nitrate sampling to the Executive Director [30 TEX. ADMIN. CODE § 290.106(e)].
2. Failed to collect raw groundwater source *Escherichia coli* ("*E-coli*") samples from all active sources within 24 hours of being notified of a distribution total coliform-positive result and failed to provide public notice of the failure to collect a raw groundwater source *E-coli* sample from each active source within 24 hours of being notified of a distribution total coliform-positive result [30 TEX. ADMIN. CODE §§ 290.109(c)(4)(B) and 290.122(c)(2)(A)].
3. Failed to timely provide the results of triennial Stage 1 disinfectant by-product sampling to the Executive Director [30 TEX. ADMIN. CODE § 290.113(e)].
4. Failed to submit Disinfectant Level Quarterly Operating Reports ("DLQORs") to the Executive Director each quarter by the tenth day of the month following the end of the quarter, and failed to provide public notices of the failure to submit DLQORs to the Executive Director [30 TEX. ADMIN. CODE § 290.110(e)(4)(A) and (f)(3) and 290.122(c)(2)(A)].
5. 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 Executive Director 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)].
6. Failed to provide public notice of the failure to provide the results of semi-annual lead and copper sampling to the Executive Director [30 TEX. ADMIN. CODE § 290.122(c)(2)(A)].
7. Failed to provide public notification regarding the exceedance of the maximum contaminant level for total coliform [30 TEX. ADMIN. CODE § 290.122(b)(2)(A)].
8. Failed to pay public health service fees, including late fees, for TCEQ Financial Administration Account No. 90940029 for Fiscal Year 2013 [TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(a)(6)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

1. Provided the results of annual nitrate sampling to the Executive Director for the 2012 monitoring period (Violation No. 1); and
2. Provided triennial Stage 1 disinfectant by-product monitoring results for the January 1, 2010 through December 31, 2012, monitoring period (Violation No. 3).

Technical Requirements:

1. Within 10 days:
 - a. Begin complying with applicable coliform monitoring requirements, by collecting one raw groundwater source *E-coli* sample from each groundwater source in use at the time the distribution coliform-positive sample was collected and by providing water that meets the provisions regarding microbial contaminants (Violation No. 2). This provision will be satisfied upon six consecutive months of compliant monitoring and reporting; and
 - b. Implement procedures to ensure that all future public notifications are provided in a timely manner to Facility customers and provide to Facility customers the following outstanding public notices: failure to collect a raw groundwater source *E-coli* sample from each active source within 24 hours of being notified of a distribution total coliform positive result, failure to submit DLQORs to the Executive Director, failure to provide the results of semiannual lead and copper sampling to the Executive Director, and failure to comply with the maximum contaminant level for total coliform (Violation Nos. 2, 4, 6, and 7).

EXECUTIVE SUMMARY – ENFORCEMENT MATTER – CASE NO. 47521
Allen Watts d/b/a Lago Vista Water System
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2. Within 30 days:
 - a. 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 (Violation No. 4);
 - b. Mail or timely deliver one copy of the CCR prepared using the compliance monitoring data for the year 2013 to each bill paying customer and make a good faith effort to deliver the CCR to non-bill paying customers (Violation No. 5); and
 - c. Submit payment for all outstanding fees, interest, and penalties for TCEQ Financial Administration Account No. 90940029 (Violation No. 8).
3. Within 45 days, submit to the Executive Director a copy of the CCR provided to customers of the Facility and the certification that the CCR was distributed to customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data (Violation No. 5).
4. 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 (Violation No. 4). This provision will be satisfied upon two consecutive quarters of compliant reporting.
5. Submit written certification to demonstrate compliance:
 - a. Within 45 days for Technical Requirements Nos. 1.b. and 2.a. through 2.c.;
 - b. Within 60 days for Technical Requirement No. 3;
 - c. Within 205 days for Technical Requirement No. 1.a.; and
 - d. Within 285 days for Technical Requirement No. 4.

Litigation Information

Date Petition(s) Filed: December 12, 2013
Date Green Card(s) Signed: December 26, 2013
Date Answer(s) Filed: N/A

Contact Information

TCEQ Attorneys: Joel Cordero, Litigation Division, (512) 239-3400
Lena Roberts, Litigation Division, (512) 239-3400
Aaron Tucker, Public Interest Counsel, (512) 239-6363
TCEQ Enforcement Coordinator: Epifanio Villarreal, Enforcement Division, (361) 825-3425
TCEQ Regional Contact: Lynn Bumguardner, San Antonio Regional Office, (210) 403-4050
Respondent Contact: Allen Watts, 1918 S. State Highway 80, Luling, Texas 78648-4004
Respondent's Attorney: N/A

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Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	20-May-2013			
	PCW	24-Apr-2014	Screening	29-Aug-2013	EPA Due 30-Sep-2010

RESPONDENT/FACILITY INFORMATION

Respondent	Allen Watts dba Lago Vista Water System				
Reg. Ent. Ref. No.	RN102676350				
Facility/Site Region	13-San Antonio	Major/Minor Source	Minor		

CASE INFORMATION

Enf./Case ID No.	47521	No. of Violations	7
Docket No.	2013-1774-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Epifanio Villarreal
		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	54.0%	Enhancement	Subtotals 2, 3, & 7	<input type="text" value="\$496"/>
Notes	Enhancement for five NOVs with same/similar violations, two dissimilar NOVs, and one default order.			
Culpability	No	0.0%	Enhancement	Subtotal 4 <input type="text" value="\$0"/>
Notes	The Respondent does not meet the culpability criteria.			
Good Faith Effort to Comply Total Adjustments			Subtotal 5	<input type="text" value="\$0"/>
Economic Benefit	0.0%	Enhancement*	Subtotal 6	<input type="text" value="\$0"/>
Total EB Amounts	<input type="text" value="\$432"/>	*Capped at the Total EB \$ Amount		
Approx. Cost of Compliance	<input type="text" value="\$799"/>			

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

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	Enhancement for the recovery of avoided costs associated with Violation Nos. 2, 4, 5, and 6		
	Final Penalty Amount	<input type="text" value="\$1,816"/>	

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.		
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PAYABLE PENALTY

Screening Date 29-Aug-2013

Docket No. 2013-1774-PWS-E

PCW

Respondent Allen Watts dba Lago Vista Water System

Policy Revision 3 (September 2011)

Case ID No. 47521

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102676350

Media [Statute] Public Water Supply

Enf. Coordinator Epifanio Villarreal

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>)	5	25%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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) 54%

>> 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 five NOVs with same/similar violations, two dissimilar NOVs, and one default order.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 54%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 54%

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Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 3 (September 2011)</i>
Case ID No.	47521			<i>PCW Revision August 3, 2011</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

Violation Number

Rule Cite(s)

30 Tex. Admin. Code § 290.106(e)

Violation Description

Failed to timely provide the results of annual nitrate sampling to the Executive Director for the 2012 monitoring period.

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 checked="" type="text" value="x"/>

Percent

Matrix Notes

At least 70% of the rule requirement was met.

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	<input checked="" type="text" value="x"/>
single event	<input type="text"/>	

Violation Base Penalty

One annual event is recommended.

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

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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
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)	\$339	31-Dec-2012	6-Jan-2014	1.02	\$1	\$23	\$24
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)	\$100	4-Mar-2013	1-Dec-2014	1.75	\$9	n/a	\$9

Notes for DELAYED costs

The delayed cost includes the estimated amount to pay any outstanding lab fees (\$314 for Stage 1 disinfectant by-products, and \$25 for nitrate), so that the lab will release all drinking water chemical analysis results. The date required is the last date of the first monitoring period for which results were not provided, and the final date is the date of compliance. The other delayed cost includes the estimated amount 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 date of the initial 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	\$439	TOTAL	\$33
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Screening Date 29-Aug-2013 **Docket No.** 2013-1774-PWS-E **PCW**
Respondent Allen Watts dba Lago Vista Water System *Policy Revision 3 (September 2011)*
Case ID No. 47521 *PCW Revision August 3, 2011*
Reg. Ent. Reference No. RN102676350
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

Violation Number

Rule Cite(s)

Violation Description
 Failed to collect raw groundwater source Escherichia coli samples from all active sources within 24 hours of being notified of a distribution total coliform-positive result during the months of September 2011, June 2012 and December 2012, and failed to provide public notice of the failure to collect a raw groundwater source Escherichia coli sample from each active source within 24 hours of being notified of a distribution total coliform-positive result for the months of September 2011 and June 2012.

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="15.0%"/>
	Potential	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

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

Matrix Notes
 Failure to perform raw groundwater source monitoring and provide public notice could result in persons served by the Facility being exposed to undetected contaminants, which would exceed levels protective of human health.

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"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input 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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Public Water Supply
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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

Notes for DELAYED costs

The delayed costs of compliance are captured in the economic benefit for Violation No. 3 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]	\$75	28-Sep-2011	21-Dec-2012	2.15	\$8	\$75	\$83
Other (as needed)	\$50	30-Sep-2011	30-Sep-2012	1.92	\$5	\$50	\$55

Notes for AVOIDED costs

The one-time avoided cost includes the estimated amount to conduct triggered source monitoring for the drinking water at the Facility (\$25 per sample x 3 samples), calculated for the 24-hour period after the coliform-positive results. The other avoided cost includes the estimated amount to provide public notification (\$25 per notice) of the failure to sample, calculated for the period when public notification was required.

Approx. Cost of Compliance

\$125

TOTAL

\$138

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Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 3 (September 2011)</i>
Case ID No.	47521			<i>PCW Revision August 3, 2011</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

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

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

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent <input type="text" value="1.0%"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="x"/>	

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" value="x"/>

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 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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Public Water Supply
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			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 for Violation No. 1 of the Revision 3 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]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

TOTAL

Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 3 (September 2011)</i>
Case ID No.	47521			<i>PCW Revision August 3, 2011</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

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

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 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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Violation No. Public Water Supply
 4

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				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 for Violation No. 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]	\$154	10-Oct-2011	10-Apr-2013	2.42	\$19	\$154	\$173
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs The avoided costs include the estimated amount to timely prepare and submit DLQORs (\$22 x 7 DLQORs), calculated from the date the first report was due to the date the last report was due.

Approx. Cost of Compliance	\$154	TOTAL	\$173
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Screening Date 29-Aug-2013 **Docket No.** 2013-1774-PWS-E **PCW**
Respondent Allen Watts dba Lago Vista Water System *Policy Revision 3 (September 2011)*
Case ID No. 47521 *PCW Revision August 3, 2011*
Reg. Ent. Reference No. RN102676350
Media [Statute] Public Water Supply
Enf. Coordinator Epifanio Villarreal

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code §§ 290.271(b) and 290.274(a) and (c)

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 Executive Director 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, 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 Executive Director for the year 2011.

Base Penalty \$1,000

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
		x			5.0%

Matrix Notes
 100% of the rule requirements were not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1 365 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty \$50

One annual event is recommended.

Good Faith Efforts to Comply 0.0% Reduction \$0

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

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

Violation Subtotal \$50

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

Estimated EB Amount \$62 **Violation Final Penalty Total** \$99

This violation Final Assessed Penalty (adjusted for limits) \$99

Economic Benefit Worksheet

Respondent Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Public Water Supply
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

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

Notes for DELAYED costs

Avoided Costs

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

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$56	1-Jul-2012	29-Aug-2013	2.08	\$6	\$56	\$62
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount necessary to produce copies of the 2011 CCR and mail or directly deliver the reports to customers of the water supply and provide a copy of required certification to the Executive Director (\$0.50 x 12 connections plus a flat fee of \$50) x 1 year), calculated from the date the CCR was due to the date of screening.

Approx. Cost of Compliance \$56

TOTAL \$62

Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 3 (September 2011)</i>
Case ID No.	47521			<i>PCW Revision August 3, 2011</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

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="0.0%"/>
	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 checked="" type="text" value="x"/>
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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Public Water Supply
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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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 for Violation No. 3 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]	\$25	1-Jul-2012	31-Dec-2012	1.42	\$2	\$25	\$27
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs The avoided cost includes the estimated amount to provide public notification of the failure provide the results of semi-annual lead and copper sampling to the Executive Director (\$25 per notice), calculated for the period in which the public notice was required.

Approx. Cost of Compliance	\$25	TOTAL	\$27
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Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 3 (September 2011)</i>
Case ID No.	47521			<i>PCW Revision August 3, 2011</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			
Violation Number	7			
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, including late fees, for TCEQ Financial Administration Account No. 90940029 for Fiscal Year 2013.			
		Base Penalty	\$1,000	

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				Percent 0.0%
Potential					

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0.0%
Matrix Notes					
					Adjustment \$1,000

\$0

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	<input type="text"/>
	single event	<input type="text"/>

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 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	X		(mark with x)
Notes	The Respondent does not meet the good faith criteria for this violation.		
		Violation Subtotal	\$0

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$0"/>	Violation Final Penalty Total <input type="text" value="\$0"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$0"/>	

Economic Benefit Worksheet

Respondent Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Violation No. Public Water Supply
 7

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



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	20-May-2013			
	PCW	29-Aug-2013	Screening	29-Aug-2013	EPA Due
					30-Sep-2010

RESPONDENT/FACILITY INFORMATION

Respondent	Allen Watts dba Lago Vista Water System		
Reg. Ent. Ref. No.	RN102676350		
Facility/Site Region	13-San Antonio	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	47521	No. of Violations	4
Docket No.	2013-1774-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Epifanio Villarreal
		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	\$1,800
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	54.0% Enhancement	Subtotals 2, 3, & 7	\$972
Notes	Enhancement for five NOVs with same/similar violations, two dissimilar NOVs, and one default order		
Culpability	No 0.0% Enhancement	Subtotal 4	\$0
Notes	The Respondent does not meet the culpability criteria.		
Good Faith Effort to Comply Total Adjustments		Subtotal 5	\$0
Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
Total EB Amounts	\$620	*Capped at the Total EB \$ Amount	
Approx. Cost of Compliance	\$771		
SUM OF SUBTOTALS 1-7		Final Subtotal	\$2,772

OTHER FACTORS AS JUSTICE MAY REQUIRE

22.0%

Adjustment

\$609

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Enhancement for the recovery of avoided costs associated with Violation Nos. 1, 2, 3 and 4.

Final Penalty Amount

\$3,381

STATUTORY LIMIT ADJUSTMENT**Final Assessed Penalty**

\$3,381

DEFERRAL

0.0%

Reduction

Adjustment

\$0

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

Notes

No deferral is recommended for Findings Orders.

PAYABLE PENALTY

\$3,381

Screening Date 29-Aug-2013 **Docket No.** 2013-1774-PWS-E

PCW

Respondent Allen Watts dba Lago Vista Water System

Policy Revision 2 (September 2002)

Case ID No. 47521

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN102676350

Media [Statute] Public Water Supply

Enf. Coordinator Epifanio Villarreal

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>)	5	25%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	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) 54%

>> **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 five NOVs with same/similar violations, two dissimilar NOVs, and one default order

Total Adjustment Percentage (Subtotals 2, 3, & 7) 54%

Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	47521			<i>PCW Revision October 30, 2008</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

Violation Number

Rule Cite(s)

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

Violation Description

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

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 requirements were 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

Twelve quarterly events are recommended.

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

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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$45	4-Mar-2013	1-Feb-2014	0.92	\$2	n/a	\$2
Training/Sampling	\$100	4-Mar-2013	1-Feb-2014	0.92	\$5	n/a	\$5
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 initial 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]	\$264	10-Oct-2008	10-Jul-2011	3.67	\$48	\$264	\$312
Other (as needed)	\$50	11-Oct-2010	10-Apr-2011	1.41	\$4	\$50	\$54

Notes for AVOIDED costs The avoided costs include the estimated amount to timely prepare and submit DLQORs (\$22 x 12 DLQORs) and provide public notification (\$25 per notification) of the failure to submit DLQORs, calculated for the time frame in which DLQORs were not submitted and public notice was not provided.

Approx. Cost of Compliance \$459

TOTAL \$373

Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	47521			<i>PCW Revision October 30, 2008</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

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 Executive Director 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, the Respondent did not mail or directly deliver the CCR to the Facility's customers nor did the Respondent submit the CCR or the required certification to the Executive Director for the years 2009 and 2010.

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

100% of the rule requirements were 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 type="text"/>
semiannual	<input type="text"/>
annual	<input checked="" type="text" value="x"/>
single event	<input type="text"/>

Violation Base Penalty

Two annual events are recommended.

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

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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
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]	\$112	1-Jul-2010	29-Aug-2013	4.08	\$23	\$112	\$135
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount necessary to produce copies of the CCRs and mail or directly deliver the reports to customers of the water supply and provide a copy of required certification to the Executive Director (\$0.50 x 12 connections plus a flat fee of \$50) x 2 years), calculated from the date the first CCR was due to the screening date.

Approx. Cost of Compliance \$112

TOTAL \$135

Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	47521			<i>PCW Revision October 30, 2008</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

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

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

>> **Programmatic Matrix**

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

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 checked="" type="text" value="x"/>

Violation Base Penalty

Good Faith Efforts to Comply Reduction

	0.0% 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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Violation No. Public Water Supply
 3

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$100	4-Mar-2013	1-Feb-2014	0.92	\$5	n/a	\$5

Notes for DELAYED costs The delayed cost includes the estimated amount to develop a protocol to ensure all necessary public notifications are provided in a timely manner. The date required is the initial record review date. 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]	\$75	29-Sep-2010	31-Jul-2011	1.75	\$7	\$75	\$82
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs The avoided cost includes the estimated amount to provide public notification of the failure to collect a raw groundwater source Escherichia coli sample from each active source within 24 hours of being notified of a distribution total coliform-positive result (\$25 per notice), calculated for the periods in which public notice was required.

Approx. Cost of Compliance \$175

TOTAL \$86

Screening Date	29-Aug-2013	Docket No.	2013-1774-PWS-E	PCW
Respondent	Allen Watts dba Lago Vista Water System			<i>Policy Revision 2 (September 2002)</i>
Case ID No.	47521			<i>PCW Revision October 30, 2008</i>
Reg. Ent. Reference No.	RN102676350			
Media [Statute]	Public Water Supply			
Enf. Coordinator	Epifanio Villarreal			

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 type="text"/>
single event	<input checked="" type="text" value="x"/>

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 Allen Watts dba Lago Vista Water System
Case ID No. 47521
Reg. Ent. Reference No. RN102676350
Media Public Water Supply
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				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 for Violation No. 2 of the Revision 3 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]	\$25	9-Nov-2010	9-Dec-2010	1.00	\$1	\$25	\$26
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs The avoided cost includes the estimated amount to provide public notification regarding the exceedance of the maximum contaminant level for total coliform (\$25 per notice), calculated for the timeframe in which public notification was required.

Approx. Cost of Compliance	\$25	TOTAL	\$26
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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 CN601358740, RN102676350, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

Customer, Respondent, or Owner/Operator: CN601358740, Allen Watts

Classification: NOT APPLICABLE

Rating: N/A

Regulated Entity: RN102676350, LAGO VISTA WATER SYSTEM

Classification: NOT APPLICABLE

Rating: N/A

Complexity Points: N/A

Repeat Violator: N/A

CH Group: 14 - Other

Location: 1918 S STATE HIGHWAY 80, GUADALUPE COUNTY, TEXAS

TCEQ Region: REGION 13 - SAN ANTONIO

ID Number(s): **PUBLIC WATER SYSTEM/SUPPLY**
WATER LICENSING

REGISTRATION 0940029
LICENSE 0940029

Compliance History Period: September 01, 2007 to August 31, 2012

Rating Year: 2012

Rating Date: 09/01/2012

Date Compliance History Report Prepared: August 29, 2013

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: August 29, 2008 to August 29, 2013

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

Name: EPI VILLARREAL

Phone: (361) 825-3425

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: 06/07/2009 ADMINORDER 2008-0977-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: Failure to mail or directly deliver one copy of the Consumer Confidence Report (CCR) to each bill paying customer by July 1st of each year. Specifically, the Respondent did not mail or directly deliver the CCRs to the water system's customers for the years 2000- 2006. Failed to submit a copy of the CCR and certification to the TCEQ that the CCR has been distributed to the customers of the water system. Specifically, the respondent did not submit the CCR or the required certification.

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: 10/11/2012 (1087353) CN601358740

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(F)
30 TAC Chapter 290, SubChapter F 290.109(e)

Description: TCR Increase MR Violation 07/2012 - Failure to collect and/or submit within the required timeline all of the 5 distribution samples following a coliform found month.

2 Date: 11/06/2012 (1087353) CN601358740

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(4)(B)
30 TAC Chapter 290, SubChapter F 290.109(e)

Description: GWR Triggered Source MR Violation 06/2012 - Failure to collect and/or report any triggered source monitoring sample(s) following a coliform found result for 1 source(s) within the required timeline.

- 3 Date: 12/06/2012 (1087353) CN601358740**
 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: JUL/2012 TCR Increase MR PN Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued during the time period that public notice was required for failing to conduct increased coliform monitoring for the month of 07/2012.
- 4 Date: 12/14/2012 (1087353) CN601358740**
 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: JUN/2012 GWR Triggered Source Monitoring PN Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued during the time period that public notice was required for failing to conduct triggered source monitoring for the month of 06/2012.
- 5 Date: 02/19/2013 (1087353) CN601358740**
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.117(c)(2)(A)(i)
 30 TAC Chapter 290, SubChapter F 290.117(i)(1)
 Description: PbCu IN MR 2nd 6M2012 - The system failed to monitor and/or report initial distribution lead and copper levels to the TCEQ for the six-month monitoring period from 07/01/2012 to 12/31/2012 within the required timeline.
- 6 Date: 02/27/2013 (1087353) CN601358740**
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(4)(B)
 30 TAC Chapter 290, SubChapter F 290.109(e)
 Description: GWR Triggered Source MR Violation 12/2012 - Failure to collect and/or report any triggered source monitoring sample(s) following a coliform found result for 1 source(s) within the required timeline.
- 7 Date: 05/31/2013 (1104410) CN601358740**
 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: PbCu IN MR PN 2nd 6M2012 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued during the time period that public notice was required for a distribution initial lead and copper monitoring and reporting violation for the six-month monitoring period from 07/01/2012 to 12/31/2012.

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
ALLEN WATTS D/B/A
LAGO VISTA WATER SYSTEM;
RN102676350**

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§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

DEFAULT ORDER

DOCKET NO. 2013-1774-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 and corrective action of the respondent. The respondent made the subject of this Order is Allen Watts d/b/a Lago Vista Water System ("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 1918 South State Highway 80 in Luling, Guadalupe County, Texas (Water System No. TX0940029) (the "Facility"). The Facility provides water for human consumption, has approximately 12 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 4, 2013 (Inv. No. 1), and July 8, 2013 (Inv. No. 2), the TCEQ Public Drinking Water Section documented that Respondent:
 - a. Failed to timely provide the results of annual nitrate sampling to the Executive Director for the 2012 monitoring period (Inv. No. 1);
 - b. Failed to collect raw groundwater source *Escherichia coli* ("*E-coli*") samples from all active sources within 24 hours of being notified of a distribution total coliform-positive result during the months of September 2011, June 2012, and December 2012, (Inv. No. 1) and failed to provide public notice of the failure to collect a raw groundwater source *E-coli* sample from each active source within 24 hours of being notified of a distribution total coliform-positive result for the months of September 2010, October 2010, April 2011, September 2011, and June 2012 (Inv. Nos. 1 and 2);
 - c. Failed to timely provide the results of triennial Stage 1 disinfectant by-product sampling to the Executive Director. Specifically, Respondent failed to provide Stage 1 disinfectant by-product monitoring results for the January 1, 2010 through December 31, 2012, monitoring period (Inv. No. 1);
 - d. Failed to submit Disinfectant Level Quarterly Operating Reports ("DLQORs") to the Executive Director each quarter by the tenth day of the month following the end of the quarter, and failed to provide public notices of the failure to submit DLQORs to the Executive Director. Specifically, Respondent failed to

- submit DLQORs from the third quarter of 2008 through the first quarter of 2013 (Inv. Nos. 1 and 2), and failed to provide public notice of the failure to submit DLQORs for the third and fourth quarters of 2010 (Inv. No. 2);
- e. 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 Executive Director 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 Executive Director for the years, 2009, 2010, and 2011 (Inv. Nos. 1 and 2);
 - f. Failed to provide public notice of the failure to provide the results of semi-annual lead and copper sampling to the Executive Director for the July 1, 2012, through December 31, 2012, monitoring period (Inv. No. 2); and
 - g. Failed to provide public notification regarding the exceedance of the maximum contaminant level for total coliform during the month of October 2010. Specifically, public notice was due December 9, 2010, but was not provided (Inv. No. 2).
3. During a record review conducted on June 21, 2013, the TCEQ Enforcement Division Drinking Water Section documented that Respondent failed to pay public health service fees, including late fees, for TCEQ Financial Administration Account No. 90940029 for Fiscal Year 2013.
 4. Respondent received notice of the violations in Finding of Fact No. 2 on or about May 20, 2013, and August 28, 2013. Respondent received notice of the violation in Finding of Fact No. 3 on or about December 26, 2013.
 5. The Executive Director recognizes that by January 31, 2014, Respondent implemented the following corrective measures:
 - a. Provided the results of annual nitrate sampling to the Executive Director for the 2012 monitoring period (Conclusion of Law No. 2); and
 - b. Provided triennial Stage 1 disinfectant by-product monitoring results for the January 1, 2010 through December 31, 2012, monitoring period (Conclusion of Law No. 4).
 6. 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 Allen Watts d/b/a Lago Vista Water System" (the "EDPRP") in the TCEQ Chief Clerk's office on December 12, 2013.
 7. By letter dated December 12, 2013, sent to Respondent's last known address via certified mail, return receipt requested, postage prepaid, the Executive Director served Respondent with notice of the EDPRP. According to USPS.com "Track & Confirm" delivery confirmation records, Respondent signed the certified mail "green card" on December 26, 2013.
 8. 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 TCEQ.
2. As evidenced by Finding of Fact No. 2.a., Respondent failed to timely provide the results of annual nitrate sampling to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.106(e).
3. As evidenced by Finding of Fact No. 2.b., Respondent failed to collect raw groundwater source *E-coli* samples from all active sources within 24 hours of being notified of a distribution total coliform-positive result, and failed to provide public notice of the failure to collect a raw groundwater source *E-coli* sample from each active source within 24 hours of being notified of a distribution total coliform-positive result, in violation of 30 TEX. ADMIN. CODE §§ 290.109(c)(4)(B) and 290.122(c)(2)(A).
4. As evidenced by Finding of Fact No. 2.c. Respondent failed to timely provide the results of triennial Stage 1 disinfectant by-product sampling to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.113(e).
5. As evidenced by Finding of Fact No. 2.d. Respondent failed to submit DLQORs to the Executive Director each quarter by the tenth day of the month following the end of the quarter, and failed to provide public notices of the failure to submit DLQORs 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).
6. As evidenced by Finding of Fact No. 2.e. 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 Executive Director by July 1 of each year, a copy of the annual CCR and certification that the CCR was 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).
7. As evidenced by Finding of Fact No. 2.f. Respondent failed to provide public notice of the failure to provide the results of semi-annual lead and copper sampling to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.122(c)(2)(A).
8. As evidenced by Finding of Fact No. 2.g. Respondent failed to provide public notification regarding the exceedance of the maximum contaminant level for total coliform, in violation of 30 TEX. ADMIN. CODE § 290.122(b)(2)(A).
9. As evidenced by Finding of Fact No. 3 Respondent failed to pay public health service fees, including late fees, in violation of TEX. WATER CODE § 5.702 and 30 TEX. ADMIN. CODE § 290.51(a)(6).
10. As evidenced by Findings of Fact Nos. 6 and 7, 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 (b)(1).
11. As evidenced by Finding of Fact No. 8, 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.
12. 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 TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.

13. An administrative penalty in the amount of five thousand two hundred fifty-eight dollars (\$5,258.00) 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.
14. 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 five thousand two hundred fifty-eight dollars (\$5,258.00) 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: Allen Watts d/b/a Lago Vista Water System; Docket No. 2013-1774-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. Respondent shall undertake the following technical requirements:
 - a. Within 10 days after the effective date of this Order, Respondent shall:
 - i. Begin complying with applicable coliform monitoring requirements, by collecting one raw groundwater source *E-coli* sample from each groundwater source in use at the time the distribution coliform-positive sample was collected and by providing water that meets the provisions regarding microbial contaminants, in accordance with 30 TEX. ADMIN. CODE § 290.109. This provision will be satisfied upon six consecutive months of compliant monitoring and reporting (Conclusion of Law No. 3); and
 - ii. Implement procedures to ensure that all future public notifications are provided in a timely manner to Facility customers and provide to Facility customers the following outstanding public notices: failure to comply with the maximum contaminant level for total coliform; failure to collect a raw groundwater source *E-coli* sample from each active source within 24 hours of being notified of a distribution total coliform positive result; failure to provide the results of semiannual lead and copper sampling to the Executive Director; and failure to submit DLQORs to the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.122 (Conclusions of Law Nos. 3, 5, 7, and 8).

- b. Within 30 days after the effective date of this Order, Respondent shall:
- i. 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 (Conclusion of Law No. 5);
 - ii. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the year 2013 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 (Conclusion of Law No. 6); and
 - iii. Submit payment for all outstanding fees, interest, and penalties for TCEQ Financial Administration Account No. 90940029 (Conclusion of Law No. 9). The payment shall be sent with the notation "Allen Watts d/b/a Lago Vista Water System, Financial Administration Account No. 90940029" to:

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

- c. Within 45 days after the effective date of this Order, Respondent shall:
- i. Submit written certification as described in Ordering Provision No. 3.h., below, to demonstrate compliance with Ordering Provisions Nos. 3.a.ii. and 3.b.i. through 3.b.iii.; and
 - ii. Submit to the Executive Director a copy of the CCR provided to customers of the Facility and the certification that the CCR was distributed to 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 (Conclusion of Law No. 6). 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

- d. Within 60 days after the effective date of this Order, Respondent shall submit written certification as described in Ordering Provision No. 3.h., below, to demonstrate compliance with Ordering Provision No. 3.c.ii.
- e. Within 90 days after the effective date of this 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 (Conclusion of Law No. 5). 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

- f. Within 205 days after the effective date of this Order, Respondent shall submit written certification as described in Ordering Provision No. 3.h., below, to demonstrate compliance with Ordering Provision No. 3.a.i.
- g. Within 285 days after the effective date of this Order, Respondent shall submit written certification, in accordance with Paragraph 3.h., below, to demonstrate compliance with Ordering Provision No. 3.e.
- h. 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:

Lynn Bumguardner, Water Section Manager
San Antonio Regional Office
Texas Commission on Environmental Quality
14250 Judson Rd
San Antonio TX 78233-4480

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

- 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. Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.

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

AFFIDAVIT OF JOEL CORDERO

STATE OF TEXAS

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COUNTY OF TRAVIS

§

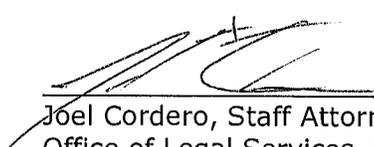
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"My name is Joel Cordero. I am of sound mind, capable of making this affidavit, and the facts stated in this affidavit are within my personal knowledge and are true and correct.

On behalf of the Executive Director of the Texas Commission on Environmental Quality, 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 Allen Watts d/b/a Lago Vista Water System" (the "EDPRP") was filed in the TCEQ Chief Clerk's office on December 12, 2013.

The EDPRP was mailed to Respondent's last known address on December 12, 2013, via certified mail, return receipt requested, postage prepaid. According to USPS.com "Track & Confirm" delivery confirmation records, Respondent signed the certified mail "green card" on December 26, 2013.

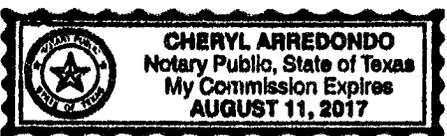
More than 20 days have elapsed since Respondent received notice of the EDPRP. Respondent failed to file an answer and failed to request a hearing."



Joel Cordero, Staff Attorney
Office of Legal Services, Litigation Division
Texas Commission on Environmental Quality

Before me, the undersigned authority, on this day personally appeared Joel Cordero, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration herein expressed.

Given under my hand and seal of office this 4th day of June, A.D. 2014.



Notary without Bond



Notary Signature