Executive Summary – Enforcement Matter – Case No. 50861
LAKESHORE UTILITY COMPANY
RN104966544
Docket No. 2015-1098-PWS-E

Order Type:
Findings Agreed Order
Findings Order Justification:
Three or more enforcement actions (NOVs, orders, etc.) over the prior five year period for the same violation(s).
Media:
PWS
Small Business:
Yes
Location(s) Where Violation(s) Occurred:
The Reserve, located near 15206 Maple Leaf Court near Tyler, Smith County
Type of Operation:
Public water supply
Other Significant Matters:
Additional Pending Enforcement Actions: No
Past-Due Penalties: No
Other: N/A
Interested Third-Parties: None
Texas Register Publication Date: April 22, 2016
Comments Received: No

Penalty Information

Total Penalty Assessed: $947
Amount Deferred for Expedited Settlement: $0
Amount Deferred for Financial Inability to Pay: $0
Total Paid to General Revenue: $947
Total Due to General Revenue: $0
Payment Plan: N/A
Supplemental Environmental Project ("SEP") Conditional Offset: $0
Name of SEP: N/A
Compliance History Classifications:
Person/CN - Unclassified
Site/RN - N/A
Major Source: No
Statutory Limit Adjustment: N/A
Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: May 4 through May 15, 2015
Date(s) of NOE(s): May 15, 2015

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Violation Information

1. Failed to submit a Disinfectant Level Quarterly Operating Report ("DLQOR") to the Executive Director ("ED") each quarter by the tenth day of the month following the end of the quarter and failed to provide public notification and submit a copy of the public notification to the ED regarding the failure to submit DLQORs [30 TEX. ADMIN. CODE §§ 290.110(e)(4)(A) and (f)(3) and 290.122(c)(2)(A) and (f)].

2. Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data [30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c)].

3. Failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter for total trihalomethanes ("TTHM") based on the locational running annual average and failed to provide public notification and submit a copy of the public notification to the ED regarding the TTHM MCL violation [30 TEX. ADMIN. CODE §§ 290.115(f)(1) and 290.122(b)(2)(A) and (f), and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

4. Failed to provide public notification and submit a copy of the public notification to the ED [30 TEX. ADMIN. CODE § 290.122(b)(2)(A) and (f)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days:

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;

ii. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to persons served by the Facility and a copy of the public notification is submitted to the ED;

iii. Provide public notification regarding the failure to submit DLQORs for the second and third quarters of 2014, for the third quarter of 2014 Stage 2 Disinfection Byproducts TTHM MCL violation, and for the second quarter of 2012 Stage 1 Disinfection Byproducts TTHM MCL violation, and provide a copy of each public notification to the ED; and

iv. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the most recent calendar year to each customer of the Facility.

b. Within 45 days:

i. Submit written certification to demonstrate compliance with a.; and

ii. Submit to the TCEQ a copy of the CCR provided to customers of the Facility and the certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data.

c. Within 75 days, submit written certification to demonstrate compliance with b.ii.

d. Within 90 days, begin submitting DLQORs to the ED each quarter by the tenth day of the month following the end of the quarter. This provision will be satisfied upon two consecutive quarters of compliant reporting.

e. Within 285 days, submit written certification to demonstrate compliance with d.

f. Within 365 days, return to compliance with the MCL for TTHM based on the locational running annual average.

g. Within 380 days, submit written certification to demonstrate compliance with f.

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Executive Summary – Enforcement Matter – Case No. 50861
LAKESHORE UTILITY COMPANY
RN104966544
Docket No. 2015-1098-PWS-E

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Michaelle Garza, Enforcement Division, Enforcement Team 2, MC R-13, (210) 403-4076; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548
TCEQ SEP Coordinator: N/A
Respondent: Tim Whatley, President, LAKESHORE UTILITY COMPANY, 106 East Corsicana Street, Athens, Texas 75751
Respondent's Attorney: N/A

Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014) — *PCW Revision March 26, 2014*

TCEQ

DATES

Assigned	16-Jul-2015				
PCW	16-Jul-2015	**Screening**	16-Jul-2015	**EPA Due**	31-Mar-2015

RESPONDENT/FACILITY INFORMATION

Respondent	LAKESHORE UTILITY COMPANY		
Reg. Ent. Ref. No.	RN104966544		
Facility/Site Region	5-Tyler	**Major/Minor Source**	Minor

CASE INFORMATION

Enf./Case ID No.	50861	**No. of Violations**	4
Docket No.	2015-1098-PWS-E	**Order Type**	Findings
Media Program(s)	Public Water Supply	**Government/Non-Profit**	No
Multi-Media		**Enf. Coordinator**	Michaelle Garza
		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*** **$450**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **65.0%** Enhancement — ***Subtotals 2, 3, & 7*** **$292**

Notes: Enhancement for nine NOVs with the same/similar violations and one agreed order containing a denial of liability.

Culpability No **0.0%** Enhancement — ***Subtotal 4*** **$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments — ***Subtotal 5*** **$0**

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

Total EB Amounts	$1,073
Estimated Cost of Compliance	$5,528

0.0% Enhancement*

**Capped at the Total EB $ Amount*

SUM OF SUBTOTALS 1-7 — ***Final Subtotal*** **$742**

OTHER FACTORS AS JUSTICE MAY REQUIRE **27.6%** — ***Adjustment*** **$205**

Reduces or enhances the Final Subtotal by the indicated percentage.

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

Final Penalty Amount **$947**

STATUTORY LIMIT ADJUSTMENT — ***Final Assessed Penalty*** **$947**

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 **$947**

Screening Date 16-Jul-2015 **Docket No.** 2015-1098-PWS-E **PCW**

Respondent LAKESHORE UTILITY COMPANY *Policy Revision 4 (April 2014)*

Case ID No. 50861 *PCW Revision March 26, 2014*

Reg. Ent. Reference No. RN104966544

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Garza

Compliance History Worksheet

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

Component	Number of...	*Enter Number Here*	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (*number of NOVs meeting criteria*)	9	45%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (*number of orders meeting criteria*)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (*number of judgments or consent decrees meeting criteria*)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (*number of counts*)	0	0%
Emissions	Chronic excessive emissions events (*number of events*)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were submitted)*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (*number of audits for which violations were disclosed*)	0	0%

		Please Enter Yes or No	
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 65%

>> Repeat Violator (Subtotal 3)

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

>> Compliance History Person Classification (Subtotal 7)

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

>> Compliance History Summary

Compliance History Notes

Enhancement for nine NOVs with the same/similar violations and one agreed order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 65%

>> Final Compliance History Adjustment

Final Adjustment Percentage ****capped at 100%*** 65%

Screening Date 16-Jul-2015 **Docket No.** 2015-1098-PWS-E **PCW**

Respondent LAKESHORE UTILITY COMPANY *Policy Revision 4 (April 2014)*

Case ID No. 50861 *PCW Revision March 26, 2014*

Reg. Ent. Reference No. RN104966544

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Garza

Violation Number	1
Rule Cite(s)	30 Tex. Admin. Code §§ 290.110(e)(4)(A) and (f)(3), and 290.122(c)(2)(A) and (f)
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 for the second, third, and fourth quarters of 2014 and failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to submit a DLQOR for the second and third quarters of 2014.

Base Penalty $1,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm: Major	Moderate	Minor
	Actual			
	Potential			

Percent 0.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

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

Adjustment $950

$50

Violation Events

Number of Violation Events: 3 — 274 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $150

Three single events are recommended.

Good Faith Efforts to Comply

0.0% Reduction $0

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

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

Violation Subtotal $150

Economic Benefit (EB) for this violation

Estimated EB Amount $86

Statutory Limit Test

Violation Final Penalty Total $316

This violation Final Assessed Penalty (adjusted for limits) $316

Economic Benefit Worksheet

Respondent LAKESHORE UTILITY COMPANY
Case ID No. 50861
Reg. Ent. Reference No. RN104966544
Media Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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-May-2015	1-Apr-2016	0.91	$2	n/a	$2
Training/Sampling	$100	4-May-2015	1-Apr-2016	0.91	$5	n/a	$5
Remediation/Disposal				0.00	$0	n/a	$0
Other Costs	$100	4-May-2015	1-Apr-2016	0.91	$5	n/a	$5
Other (as needed)	$50	10-Oct-2014	1-Apr-2016	1.48	$4	n/a	$4

Notes for DELAYED costs

The record keeping system and training/sampling delayed costs include the estimated amount to update the Facility's operational guidance and conduct employee training to ensure that the self-reporting requirements are properly accomplished, including the timely submittal of signed and certified DLQORs, calculated from the record review date to the estimated date of compliance.

The other delayed costs include the estimated amount to implement procedures to ensure that all necessary public notifications are provided, calculated from the date of the record review to the estimated date of compliance and the estimated amount to ensure that all delinquent public notifications ($25 per notification x two missed notifications) are provided to persons served by the Facility and a copy of the public notification is provided to the Executive Director, calculated from the due date of the earliest public notification 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]	$66	10-Jul-2014	10-Jan-2015	1.42	$5	$66	$71
Other (as needed)				0.00	$0	$0	$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to prepare and submit DLQORs ($22 per report x three missed reports), calculated from the date the report was due for the second quarter of 2014 to the date the report was due for the fourth quarter of 2014.

Approx. Cost of Compliance $361

TOTAL $86

Screening Date 16-Jul-2015 **Docket No.** 2015-1098-PWS-E **PCW**

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Respondent LAKESHORE UTILITY COMPANY

Case ID No. 50861

Reg. Ent. Reference No. RN104966544

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Garza

Violation Number	2
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 TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data for the years 2012 and 2013.

Base Penalty $1,000

>> Environmental, Property and Human Health Matrix

OR

Release	**Harm** Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

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

Adjustment $950

$50

Violation Events

Number of Violation Events: 2 — 730 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $100

Two single events are recommended.

Good Faith Efforts to Comply

0.0% Reduction $0

	Before NOE/NOV	NOE/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 $100

Economic Benefit (EB) for this violation

Estimated EB Amount $134

Statutory Limit Test

Violation Final Penalty Total $211

This violation Final Assessed Penalty (adjusted for limits) $211

Economic Benefit Worksheet

Respondent LAKESHORE UTILITY COMPANY
Case ID No. 50861
Reg. Ent. Reference No. RN104966544
Media Public Water Supply
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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]	$117	1-Jul-2013	16-Jul-2015	2.96	$17	$117	$134
Other (as needed)				0.00	$0	$0	$0
Notes for AVOIDED costs	The avoided cost includes the estimated amount to prepare and mail or directly deliver the 2012 and 2013 CCRs to the customers of the Facility and to TCEQ [(($0.50 x 117 connections) + $50) x two years], calculated from the due date of the 2012 CCR to the screening date.						

Approx. Cost of Compliance $117

TOTAL $134

Screening Date 16-Jul-2015 **Docket No.** 2015-1098-PWS-E **PCW**

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Respondent LAKESHORE UTILITY COMPANY

Case ID No. 50861

Reg. Ent. Reference No. RN104966544

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Garza

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 290.115(f)(1) and 290.122(b)(2)(A) and (f), and Tex. Health & Safety Code § 341.0315(c)

Violation Description Failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("TTHM") based on the locational running annual average and failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the TTHM MCL violation. Specifically, the locational running annual average concentrations of TTHM at Stage 2 Disinfection Byproducts ("DBP2") Site 1 were 0.102 milligrams per liter ("mg/L") for the third quarter of 2014, 0.108 mg/L for the fourth quarter of 2014, and 0.099 mg/L for the first quarter of 2015. Additionally, public notification for the third quarter of 2014 DBP2 TTHM MCL violation was due by October 30, 2014 but was not provided.

Base Penalty $1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual		x	
Potential			

Percent 15.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Exceeding the MCL for TTHM and failing to provide public notification has caused persons served by the Facility to be exposed to significant amounts of contaminants which do not exceed levels that are protective of human health.

Adjustment $850

$150

Violation Events

Number of Violation Events 1 — 214 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty $150

One annual event is recommended.

Good Faith Efforts to Comply

0.0% Reduction $0

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

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

Violation Subtotal $150

Economic Benefit (EB) for this violation

Estimated EB Amount $848

Statutory Limit Test

Violation Final Penalty Total $316

This violation Final Assessed Penalty (adjusted for limits) $316

Economic Benefit Worksheet

Respondent LAKESHORE UTILITY COMPANY
Case ID No. 50861
Reg. Ent. Reference No. RN104966544
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)	$5,000	30-Sep-2014	1-Mar-2017	2.42	$40	$806	$847
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)	$25	30-Oct-2014	1-Apr-2016	1.42	$2	n/a	$2

Notes for DELAYED costs

The delayed cost includes the estimated amount to implement an alternative form of disinfection, calculated from the last date of the first quarter of noncompliance to the estimated date of compliance.

The delayed cost related to public notification procedures is included in the economic benefit associated with violation no. 1. The other delayed cost includes the estimated amount to ensure that all delinquent public notifications ($25 per notification x one missed notification) are provided to persons served by the Facility and a copy of the public notification is provided to the Executive Director, calculated from the due date of the public notification 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 $5,025

TOTAL $848

Screening Date 16-Jul-2015 **Docket No.** 2015-1098-PWS-E **PCW**

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Respondent LAKESHORE UTILITY COMPANY

Case ID No. 50861

Reg. Ent. Reference No. RN104966544

Media [Statute] Public Water Supply

Enf. Coordinator Michaelle Garza

Violation Number	4
Rule Cite(s)	30 Tex. Admin. Code § 290.122(b)(2)(A) and (f)
Violation Description	Failed to provide public notification and submit a copy of the public notification to the Executive Director. Specifically, public notification for the second quarter of 2012 Stage 1 Disinfection Byproducts ("DBP1") TTHM MCL violation was due by November 19, 2012 but was not provided.

Base Penalty $1,000

>> Environmental, Property and Human Health Matrix

		Harm		
OR	**Release**	Major	Moderate	Minor
	Actual			
	Potential			

Percent 0.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

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

Adjustment $950

$50

Violation Events

Number of Violation Events: 1 — 73 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $50

One single event is recommended.

Good Faith Efforts to Comply

0.0% **Reduction** $0

	Before NOE/NOV	NOE/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

Estimated EB Amount $4

Statutory Limit Test

Violation Final Penalty Total $105

This violation Final Assessed Penalty (adjusted for limits) $105

Economic Benefit Worksheet

Respondent LAKESHORE UTILITY COMPANY
Case ID No. 50861
Reg. Ent. Reference No. RN104966544
Media Public Water Supply
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description (No commas or $)	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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)	$25	19-Nov-2012	1-Apr-2016	3.37	$4	n/a	$4

Notes for DELAYED costs

The delayed cost related to public notification procedures is included in the economic benefit associated with violation no. 1. The other delayed cost includes the estimated amount to ensure that all delinquent public notifications ($25 per notification x one missed notification) are provided to persons served by the Facility and a copy of the public notification is provided to the Executive Director, calculated from the due date of the public notification 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 $25

TOTAL $4

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 CN601356306, RN104966544, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN601356306, LAKESHORE UTILITY COMPANY **Classification:** UNCLASSIFIED **Rating:** -----

Regulated Entity: RN104966544, THE RESERVE **Classification:** NOT APPLICABLE **Rating:** N/A

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

CH Group: 14 - Other

Location: NEAR 15206 MAPLE LEAF COURT NEAR TYLER, SMITH COUNTY, TEXAS

TCEQ Region: REGION 05 - TYLER

ID Number(s):
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 2120107

Compliance History Period: September 01, 2009 to August 31, 2014 **Rating Year:** 2014 **Rating Date:** 09/01/2014

Date Compliance History Report Prepared: July 16, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 16, 2010 to July 16, 2015

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

Name: Michaelle Garza **Phone:** (210) 403-4076

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: 06/01/2013 ADMINORDER 2012-2522-PWS-E (1660 Order-Agreed Order With Denial)

Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: TTHM MCL 1Q2012 - The system violated the maximum contaminant level for trihalomethanes during the 1st quarter of 2012.

Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)

Description: TTHM MCL 2Q2012 - The system violated the maximum contaminant level for trihalomethanes during the 2nd quarter of 2012.

Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)(A)

Description: DLQOR MR PN 2Q2011 - The system failed to submit a Public Notice to its customers and/or failed to certify the delivery of a Public Notice to the TCEQ for a disinfectant monitoring and reporting violation during the 2nd quarter of 2011.

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: 09/30/2014 (1197903) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM LRAA MCL 3Q2014 - During the 3rd quarter of 2014 the system violated the maximum contaminant level for trihalomethanes with a LRAA of .102 mg/L at 15424 Sunrise Lake CT (DBP2-01).

2 Date: 10/23/2014 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(e)(5)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 2Q2014 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the second quarter of 2014 within the required timeline.

3 Date: 11/10/2014 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.122(b)(3)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)
Description: TTHM DBP2 MCL PN 3Q2014 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a violation of the maximum contaminant level for trihalomethanes during the third quarter of 2014.

4 Date: 01/14/2015 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(e)(5)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 3Q2014 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the third quarter of 2014 within the required timeline.

5 Date: 01/27/2015 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM LRAA MCL 4Q2014 - During the fourth quarter of 2014 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.108 mg/L at 15424 Sunrise Lake Ct (DBP2-01).

6 Date: 02/05/2015 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)
Description: DLQOR MR PN 2Q2014 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a disinfectant monitoring and reporting violation during the second quarter of 2014.

7 Date: 04/08/2015 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(e)(5)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 4Q2014 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the fourth quarter of 2014 within the

required timeline.

8 Date: 04/29/2015 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM LRAA MCL 1Q2015 - During the first quarter of 2015 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.099 mg/L at 15424 Sunrise Lake Ct (DBP2--01).

9 Date: 04/30/2015 (1252180) CN601356306
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)
Description: DLQOR MR PN 3Q2014 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a disinfectant monitoring and reporting violation during the third quarter of 2014.

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

Respondent: CN601356306, Lakeshore Utility Company
Regulated Entity: RN104966544, THE RESERVE

Component Appendices

Appendix A
All NOVs Issued During Component Period 7/16/2010 and 7/16/2015

1 Date: 12/07/2010 (879153) CN601356306
Classification: Minor
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(1)(F)
Description: Failure to provide for commission review an approved sanitary control easement, ordinance, deed or exception letter.
Classification: Minor
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.43(c)(1)
Description: Failure to protect a storage tank vent opening with an adequate corrosion resistant screen.
Classification: Minor
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(d)(1)
Description: Failure to collect and document daily disinfectant residual tests representative of the distribution system.
Classification: Minor
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)
Description: Failure to maintain operating records according to standards.
Classification: Minor
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.121(a)
Description: Failure to develop and maintain an up to date system monitoring plan.

2 Date: 06/04/2012 (1042132) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: TTHM MCL 1Q2012 - The system violated the maximum contaminant level for trihalomethanes during the 1st quarter of 2012.

3 Date: 08/21/2012 (1042132) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: TTHM MCL 2Q2012 - The system violated the maximum contaminant level for trihalomethanes during the 2nd quarter of 2012.

4 Date: 03/05/2013 (1197903) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.122(b)(3)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)
Description: TTHM DBP1 MCL PN 2Q2012 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a violation of the maximum contaminant level for trihalomethanes during the 2nd quarter of 2012.

5* Date: 11/14/2013 (1197903) CN601356306

Classification: Moderate

Self Report? NO For Informational Purposes Only

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: CCR 2012 - The system failed to provide the Consumer Confidence Report (CCR) for 2012 to its bill-paying customers and/or the TCEQ by July 1st of the following year.

6* Date: 12/19/2013 (1138156) CN601356306

Classification: Minor

Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.41(c)(1)(F)

Description: Failure to provide for commission review an approved sanitary control easement, ordinance, deed or exception letter.

7 Date: 09/30/2014 (1197903) CN601356306

Classification: Moderate

Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)

Description: TTHM LRAA MCL 3Q2014 - During the 3rd quarter of 2014 the system violated the maximum contaminant level for trihalomethanes with a LRAA of .102 mg/L at

15424 Sunrise Lake CT (DBP2-01).

8 Date: 10/23/2014 (1252180) CN601356306

Classification: Moderate

Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(e)(5)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)

Description: DLQOR MR 2Q2014 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the second quarter of 2014 within the required timeline.

9 Date: 11/10/2014 (1252180) CN601356306

Classification: Moderate

Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter F 290.122(b)(3)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)

Description: TTHM DBP2 MCL PN 3Q2014 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a violation of the maximum contaminant level for trihalomethanes during the third quarter of 2014.

10 Date: 01/14/2015 (1252180) CN601356306

Classification: Moderate

Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(e)(5)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)

Description: DLQOR MR 3Q2014 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the third quarter of 2014 within the required timeline.

11 Date: 01/27/2015 (1252180) CN601356306

Classification: Moderate

Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)

Description: TTHM LRAA MCL 4Q2014 - During the fourth quarter of 2014 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.108 mg/L

at 15424 Sunrise Lake Ct (DBP2-01).

12 Date: 02/05/2015 (1252180) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)
Description: DLQOR MR PN 2Q2014 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a disinfectant monitoring and reporting violation during the second quarter of 2014.

13 Date: 04/08/2015 (1252180) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.110(e)(4)(A)
30 TAC Chapter 290, SubChapter F 290.110(e)(5)
30 TAC Chapter 290, SubChapter F 290.110(f)(2)
30 TAC Chapter 290, SubChapter F 290.110(f)(3)
Description: DLQOR MR 4Q2014 - The system failed to monitor and/or report distribution disinfectant residuals to the TCEQ for the fourth quarter of 2014 within the required timeline.

14 Date: 04/29/2015 (1252180) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM LRAA MCL 1Q2015 - During the first quarter of 2015 the system violated the maximum contaminant level for trihalomethanes with a LRAA of 0.099 mg/L at 15424 Sunrise Lake Ct (DBP2--01).

15 Date: 04/30/2015 (1252180) CN601356306
Classification: Moderate
Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)(2)(A)

30 TAC Chapter 290, SubChapter F 290.122(f)
Description: DLQOR MR PN 3Q2014 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a disinfectant monitoring and reporting violation during the third quarter of 2014.

* NOVs applicable for the Compliance History rating period 9/1/2009 to 8/31/2014

Appendix B
All Investigations Conducted During Component Period July 16, 2010 and July 16, 2015

(879153)
Item 1 December 02, 2010** For Informational Purposes Only

(1042132)
Item 2 October 30, 2012** For Informational Purposes Only

(1042377)
Item 3 November 09, 2012** For Informational Purposes Only

(1138156)
Item 4 December 20, 2013** For Informational Purposes Only

(1146543)
Item 5 February 24, 2014** For Informational Purposes Only

(1197903)

Item 6	October 06, 2014	For Informational Purposes Only
		(1198139)
Item 7	October 10, 2014	For Informational Purposes Only
		(1252180)
Item 8	May 12, 2015	For Informational Purposes Only
		(1252294)
Item 9	May 15, 2015	For Informational Purposes Only

* No violations documented during this investigation
**Investigation applicable for the Compliance History Rating period between 09/01/2009 and 08/31/2014.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN ENFORCEMENT ACTION CONCERNING LAKESHORE UTILITY COMPANY RN104966544	**§ § § § §**	**BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2015-1098-PWS-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding LAKESHORE UTILITY COMPANY (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

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

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

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

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply facility located near 15206 Maple Leaf Court near Tyler, Smith County, Texas (the "Facility") that has approximately 17 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted from May 4, 2015 through May 15, 2015, TCEQ staff documented that the Respondent did not 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 for the second, third, and fourth quarters of 2014 and did not provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to submit DLQORs for the second and third quarters of 2014.

3. During a record review conducted from May 4, 2015 through May 15, 2015, TCEQ staff documented that the Respondent did not mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and did not submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data for the years 2012 and 2013.

4. During a record review conducted from May 4, 2015 through May 15, 2015, TCEQ staff documented that the locational running annual average concentrations of total trihalomethanes ("TTHM") at Stage 2 Disinfection Byproducts ("DBP2") Site 1 were 0.102 milligrams per liter ("mg/L") for the third quarter of 2014, 0.108 mg/L for the fourth quarter of 2014, and 0.099 mg/L for the first quarter of 2015. Additionally, public notification for the third quarter of 2014 DBP2 TTHM maxiumum contaminant level ("MCL") violation was due by October 30, 2014 but was not provided.

5. During a record review conducted from May 4, 2015 through May 15, 2015, TCEQ staff documented that public notification for the second quarter of 2012 Stage 1 Disinfection Byproducts ("DBP1") TTHM MCL violation was due by November 19, 2012 but was not provided.

6. The Respondent received notice of the violations on or about May 20, 2015.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.

2. As evidenced by Findings of Fact No. 2, the Respondent failed to submit a DLQOR to the Executive Director each quarter by the tenth day of the month following the end of the quarter and failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to submit DLQORs, in violation of 30 TEX. ADMIN. CODE §§ 290.110(e)(4)(A) and (f)(3) and 290.122(c)(2)(A) and (f).

3. As evidenced by Findings of Fact No. 3, the Respondent failed to mail or directly deliver one copy of the CCR to each bill paying customer by July 1 of each year and failed to

submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data, in violation of 30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c).

4. As evidenced by Findings of Fact No. 4, the Respondent failed to comply with the MCL of 0.080 mg/L for TTHM based on the locational running annual average and failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the TTHM MCL violation, in violation of 30 TEX. ADMIN. CODE §§ 290.115(f)(1) and 290.122(b)(2)(A) and (f), and TEX. HEALTH & SAFETY CODE § 341.0315(c).

5. As evidenced by Findings of Fact No. 5, the Respondent failed to provide public notification and submit a copy of the public notification to the Executive Director, in violation of 30 TEX. ADMIN. CODE § 290.122(b)(2)(A) and (f).

6. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.

7. An administrative penalty in the amount of Nine Hundred Forty-Seven Dollars ($947) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The Respondent has paid the Nine Hundred Forty-Seven Dollar ($947) administrative penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Nine Hundred Forty-Seven Dollars ($947) as set forth in Section II, Paragraph 7 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: LAKESHORE UTILITY COMPANY, Docket No. 2015-1098-PWS-E" 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

2. The Respondent shall undertake the following technical requirements:

a. Within 30 days after the effective date of this Agreed Order:

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, in accordance with 30 TEX. ADMIN. CODE § 290.110;

ii. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to persons served by the Facility and a copy of the public notification is submitted to the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.122;

iii. Provide public notification regarding the failure to submit DLQORs for the second and third quarters of 2014, for the third quarter of 2014 DBP2 TTHM MCL violation, and for the second quarter of 2012 DBP1 TTHM MCL violation, and provide a copy of each public notification to the Executive Director, in accordance with 30 TEX. ADMIN. CODE § 290.122; and

iv. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the most recent calendar year to each customer of the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.274.

b. Within 45 days after the effective date of this Agreed Order:

i. Submit written certification as described in Ordering Provision No. 2.g. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i. through 2.a.iv.; and

ii. Submit to the TCEQ a copy of the CCR provided to customers of the Facility and the certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data, in accordance with 30 TEX. ADMIN. CODE § 290.274. The copy of the CCR and certification shall be mailed to:

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

c. Within 75 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.g. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.b.ii.

d. Within 90 days after the effective date of this Agreed Order, begin submitting DLQORs to the Executive Director each quarter by the tenth day of the month following the end of the quarter, in accordance with 30 TEX. ADMIN. CODE § 290.110. This provision will be satisfied upon two consecutive quarters of compliant reporting. DLQORs shall be submitted to:

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

e. Within 285 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.g. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.d.

f. Within 365 days after the effective date of this Agreed Order, return to compliance with the MCL for TTHM based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115.

g. Within 380 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.f. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

The certification shall be submitted to:

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

with a copy to:

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

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.

4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

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

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

7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission,

including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

_____
For the Commission

Pam Mavis
For the Executive Director

7/21/16
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of LAKESHORE UTILITY COMPANY. I am authorized to agree to the attached Agreed Order on behalf of LAKESHORE UTILITY COMPANY, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, LAKESHORE UTILITY COMPANY waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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

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

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

_____
Signature

10-26-15
Date

Tim Whatley
Name (Printed or typed)
Authorized Representative of
LAKESHORE UTILITY COMPANY

President
Title

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