

**Executive Summary – Enforcement Matter – Case No. 51900**  
**G-M Water Supply Corporation**  
**RN101261691**  
**Docket No. 2016-0242-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:**

No

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

G M WSC, 405 State Highway 87 North, Hemphill, Sabine 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:** June 3, 2016

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$1,620

**Amount Deferred for Expedited Settlement:** \$0

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$1,620

**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 - N/A

Site/RN - N/A

**Major Source:** Yes

**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:** January 11 through January 22, 2016

**Date(s) of NOE(s):** January 22, 2016

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***Violation Information***

1. Failed to comply with the maximum contaminant level (“MCL”) of 0.080 milligrams per liter for total trihalomethanes based on the locational running annual average [30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].
2. Failed to comply with the MCL of 0.060 milligrams per liter for haloacetic acids based on the locational running annual average [30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

The Order will require the Respondent to:

- a. Within 365 days:
  - i. Return to compliance with the MCL for total trihalomethanes based on the locational running annual average; and
  - ii. Return to compliance with the MCL for haloacetic acids based on the locational running annual average.
- b. Within 380 days, submit written certification to demonstrate compliance with a.

***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. 51900**  
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***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** David Carney, Enforcement Division,  
Enforcement Team 4, MC 149, (512) 239-2583; Michael Parrish, Enforcement Division,  
MC 219, (512) 239-2548

**TCEQ SEP Coordinator:** N/A

**Respondent:** Jerry Pickard, General Manager, G-M Water Supply Corporation, P.O.  
Box 727, Hemphill, Texas 75948

Joe Kelley, President, G-M Water Supply Corporation, P.O. Box 727, Hemphill, Texas  
75948

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





# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

<b>DATES</b>	<b>Assigned</b>	25-Jan-2016	<b>Screening</b>	17-Feb-2016	<b>EPA Due</b>	31-Mar-2016
	<b>PCW</b>	18-Feb-2016				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	G-M Water Supply Corporation
<b>Reg. Ent. Ref. No.</b>	RN101261691
<b>Facility/Site Region</b>	10-Beaumont
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	51900	<b>No. of Violations</b>	2
<b>Docket No.</b>	2016-0242-PWS-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	Yes
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	David Carney
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$1,200**

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

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

**Compliance History** **35.0%** Adjustment **Subtotals 2, 3, & 7** **\$420**

Notes: Enhancement for three NOVs with same/similar violations and one agreed order with 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** **0.0%** Enhancement\* **Subtotal 6** **\$0**

Total EB Amounts	\$747
Estimated Cost of Compliance	\$5,000

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$1,620**

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

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

**Final Penalty Amount** **\$1,620**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$1,620**

**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** **\$1,620**

**Screening Date** 17-Feb-2016

**Docket No.** 2016-0242-PWS-E

**PCW**

**Respondent** G-M Water Supply Corporation

*Policy Revision 4 (April 2014)*

**Case ID No.** 51900

*PCW Revision March 26, 2014*

**Reg. Ent. Reference No.** RN101261691

**Media [Statute]** Public Water Supply

**Enf. Coordinator** David Carney

### 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> )	3	15%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	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 ( <i>number of judgments 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)** 35%

>> **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 three NOVs with same/similar violations and one agreed order with denial of liability.

**Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)** 35%

>> **Final Compliance History Adjustment**

**Final Adjustment Percentage \*capped at 100%** 35%

Screening Date 17-Feb-2016

Docket No. 2016-0242-PWS-E

PCW

Respondent G-M Water Supply Corporation

Policy Revision 4 (April 2014)

Case ID No. 51900

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101261691

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 1

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

Violation Description

Failed to comply with the maximum contaminant level of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("TTHM"), based on the locational running annual average. Specifically, the locational running annual average concentrations of TTHM for Stage 2 Disinfection Byproducts ("DBP2") at Site 1 were 0.093 mg/L for the third quarter of 2015 and 0.082 mg/L for the fourth quarter of 2015; and the locational running annual average concentrations of TTHM for DBP2 at Site 4 were 0.099 mg/L for the third quarter of 2015 and 0.096 mg/L for the fourth quarter of 2015.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

As a result of the exceedances, persons served by the Facility have been exposed to significant amounts of contaminants which do not exceed levels that are protective of human health.

Adjustment \$700

\$300

Violation Events

Number of Violation Events 2

183 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	X
single event	

Violation Base Penalty \$600

Two annual events are recommended, one for each sample site.

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 \$600

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$747

Violation Final Penalty Total \$810

This violation Final Assessed Penalty (adjusted for limits) \$810

## Economic Benefit Worksheet

**Respondent** G-M Water Supply Corporation  
**Case ID No.** 51900  
**Reg. Ent. Reference No.** RN101261691  
**Media** Public Water Supply  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

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

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$5,000	30-Jun-2015	17-Aug-2017	2.13	\$36	\$711	\$747
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount necessary to implement an alternative method of disinfection, calculated from the last day of the first quarter of noncompliance 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

\$5,000

**TOTAL**

\$747

Scheduling Date 17-Feb-2016

Docket No. 2016-0242-FWS-E

PCW

Respondent G-M Water Supply Corporation

Policy Revision 4 (April 2014)

Case ID No. 51900

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101261691

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 2

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

Violation Description

Failed to comply with the maximum contaminant level of 0.060 mg/L for haloacetic acids ("HAA5"), based on the locational running annual average. Specifically, the locational running annual average concentrations of HAA5 for DBP2 at Site 1 were 0.070 mg/L for the second quarter of 2015, 0.094 mg/L for the third quarter of 2015, and 0.092 mg/L for the fourth quarter of 2015; and the locational running annual average concentrations of HAA5 for DBP2 at Site 4 were 0.068 mg/L for the second quarter of 2015, 0.067 mg/L for the third quarter of 2015, and 0.067 mg/L for the fourth quarter of 2015.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

As a result of the exceedances, persons served by the Facility have been exposed to significant amounts of contaminants which do not exceed levels that are protective of human health.

Adjustment \$700

\$300

Violation Events

Number of Violation Events 2

274 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	X
single event	

mark only one with an x

Violation Base Penalty \$600

Two annual events are recommended, one for each sample site.

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 \$600

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$810

This violation Final Assessed Penalty (adjusted for limits) \$810

## Economic Benefit Worksheet

**Respondent** G-M Water Supply Corporation  
**Case ID No.** 51900  
**Reg. Ent. Reference No.** RN101261691  
**Media** Public Water Supply  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

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

### 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

Economic Benefit included in Violation No. 1.

### Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

**TOTAL**

\$0



# Compliance History Report

**PUBLISHED** Compliance History Report for CN600693907, RN101261691, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

**Customer, Respondent, or Owner/Operator:** CN600693907, G-M Water Supply Corporation **Classification:** NOT APPLICABLE **Rating:** N/A

**Regulated Entity:** RN101261691, G M WSC **Classification:** NOT APPLICABLE **Rating:** N/A

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

**CH Group:** 14 - Other

**Location:** 405 STATE HIGHWAY 87 NORTH, HEMPHILL, TEXAS 75948, SABINE COUNTY

**TCEQ Region:** REGION 10 - BEAUMONT

**ID Number(s):**  
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 2020067

**Compliance History Period:** September 01, 2010 to August 31, 2015 **Rating Year:** 2015 **Rating Date:** 09/01/2015

**Date Compliance History Report Prepared:** February 17, 2016

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** February 17, 2011 to February 17, 2016

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

**Name:** David Carney **Phone:** (512) 239-2583

## 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: 03/21/2013 ADMINORDER 2012-1831-PWS-E (1660 Order-Agreed Order With Denial)  
Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter F 290.118(b)  
Description: Failure to stay within limits of maximum secondary constituent level for manganese.  
Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(d)(2)(B)  
30 TAC Chapter 290, SubChapter F 290.110(b)(4)  
Description: Failure to maintain disinfectant residual of at least 0.5 mg/L throughout the distribution system at all times.

### B. Criminal convictions:

N/A

### C. Chronic excessive emissions events:

N/A

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



Component Appendices

**Appendix A**

**All NOVs Issued During Component Period 2/17/2011 and 2/17/2016**

- 1 Date: 12/12/2011 (964546) CN600693907  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.39(l)(4)  
Description: Failure to meet the operation, maintenance, and reporting requirements for an issued exception.
- 2 Date: 09/04/2012 (1022221) CN600693907  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(r)  
Description: Failure to maintain a minimum pressure of at least 35 pounds per square inch (psi) throughout the distribution system under normal operating conditions.
- 3 Date: 09/17/2012 (1023038) CN600693907  
Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.44(c)  
Description: Failure by the GM Water System to maintain the minimum line size per connection in distribution.
- 4\* Date: 01/06/2015 (1211418) CN600693907  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)  
Description: Failure by the GM WSC to have records accessible for review during the investigation and available upon request.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.44(h)(4)(C)  
Description: Failure by the GM WSC to use the TCEQ backflow test forms for conducting annual backflow tests.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.43(c)(3)  
Description: Failure by the GM WSC to maintain a gap less than 1/16 inch on the overflow gravity hinged and weighted cover of the water system tanks.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(t)  
Description: Failure by the GM WSC to post a legible sign at each of its production, treatment, and storage facilities.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 291, SubChapter F 291.93(3)  
Description: Failure by the GM WSC to submit a planning report.  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.39(l)  
Description: Failure by the GM WSC to meet the contingencies of a granted exception.
- 5\* Date: 06/18/2015 (1306120) CN600693907  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)  
Description: HAA5 LRAA MCL 2Q2015 - During the second quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.068 mg/L at RT 4 Box 84B (DBP2-04); and with a LRAA of 0.070 mg/L at 185 HWY 21 (DBP2-01).
- 6 Date: 09/25/2015 (1306120) CN600693907  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)  
Description: HAA5/TTHM LRAA MCL 3Q2015 - During the third quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.067 mg/L at RT 4 Box 84B (DBP2-04); and with a LRAA of 0.094 mg/L at 185 HWY 21 (DBP2-01); and violated the maximum contaminant level for trihalomethanes with a LRAA of 0.093 mg/L at 185 HWY 21 (DBP2-01); and with a LRAA of 0.099 mg/L at RT 4 Box 84B (DBP2-04).
- 7 Date: 01/11/2016 (1306120) CN600693907  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)

Description: HAA5/TTHM LRAA MCL 4Q2015 - During the fourth quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.067 mg/L at RT 4 Box 84B (DBP2-04); and with a LRAA of 0.092 mg/L at 185 HWY 21 (DBP2-01); and violated the maximum contaminant level for trihalomethanes with a LRAA of 0.096 mg/L at RT 4 Box 84B (DBP2-04); and with a LRAA of 0.082 mg/L at 185 HWY 21 (DBP2-01).

\* NOVs applicable for the Compliance History rating period 9/1/2010 to 8/31/2015

## Appendix B

### All Investigations Conducted During Component Period February 17, 2011 and February 17, 2016

Item 1	April 25, 2012**	(997248)
Item 2	July 18, 2012**	(1014500)
Item 3	September 04, 2012**	(1022221)
Item 4	July 10, 2013**	(1058604)
Item 5	August 05, 2013**	(1103746)
Item 6	March 07, 2014**	(1144376)
Item 7	April 10, 2014**	(1150183)
Item 8	April 14, 2014**	(1150187)
Item 9	December 23, 2014**	(1211418)
Item 10	August 24, 2015**	(1273800)
Item 11	January 19, 2016	(1306120)
Item 12	January 22, 2016	(1306460)

\* No violations documented during this investigation

\*\*Investigation applicable for the Compliance History Rating period between 09/01/2010 and 08/31/2015.

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
G-M WATER SUPPLY  
CORPORATION  
RN101261691

§  
§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2016-0242-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 G-M Water Supply Corporation ("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 located at 405 State Highway 87 North in Hemphill, Sabine County, Texas (the "Facility") that has approximately

3,526 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted from January 11, 2016 through January 22, 2016, TCEQ staff documented that the locational running annual average concentrations of total trihalomethanes ("TTHM") for Stage 2 Disinfection Byproducts ("DBP2") at Site 1 were 0.093 milligrams per liter ("mg/L") for the third quarter of 2015 and 0.082 mg/L for the fourth quarter of 2015; and the locational running annual average concentrations of TTHM for DBP2 at Site 4 were 0.099 mg/L for the third quarter of 2015 and 0.096 mg/L for the fourth quarter of 2015.
3. During a record review conducted from January 11, 2016 through January 22, 2016, TCEQ staff documented that the locational running annual average concentrations of haloacetic acids ("HAA5") for DBP2 at Site 1 were 0.070 mg/L for the second quarter of 2015, 0.094 mg/L for the third quarter of 2015, and 0.092 mg/L for the fourth quarter of 2015; and the locational running annual average concentrations of HAA5 for DBP2 at Site 4 were 0.068 mg/L for the second quarter of 2015, 0.067 mg/L for the third quarter of 2015, and 0.067 mg/L for the fourth quarter of 2015.
4. The Respondent received notice of the violations on January 28, 2016.

## 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 comply with the maximum contaminant level of 0.080 mg/L for TTHM, based on the locational running annual average, in violation of 30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. As evidenced by Findings of Fact No. 3, the Respondent failed to comply with the maximum contaminant level of 0.060 mg/L for HAA5, based on the locational running annual average, in violation of 30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
4. 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.
5. An administrative penalty in the amount of One Thousand Six Hundred Twenty Dollars (\$1,620) 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 One Thousand Six Hundred Twenty Dollar (\$1,620) 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 One Thousand Six Hundred Twenty Dollars (\$1,620) as set forth in Section II, Paragraph 5 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: G-M Water Supply Corporation, Docket No. 2016-0242-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 365 days after the effective date of this Agreed Order:
    - i. Return to compliance with the maximum contaminant level for TTHM based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115; and
    - ii. Return to compliance with the maximum contaminant level for HAA5 based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115.
  - b. 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 Nos. 2.a.i and 2.a.ii. 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. 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

Date



8/19/16

For the Executive Director

Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of G-M Water Supply Corporation. I am authorized to agree to the attached Agreed Order on behalf of G-M Water Supply Corporation, 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, G-M Water Supply Corporation 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.

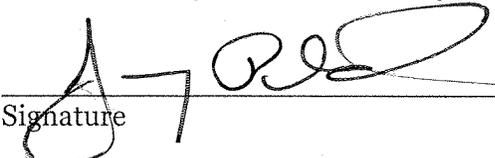
I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- 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

Date

  
Jerry Pickard

5-6-16

Name (Printed or typed)

General Manager

Title

Authorized Representative of  
G-M Water Supply Corporation

**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.