

Executive Summary – Enforcement Matter – Case No. 52009
Pendleton Harbor Water Supply Corporation
RN104097068
Docket No. 2016-0364-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:

Pendleton Harbor, located on Cuttysark Drive, approximately 200 feet west of the intersection of Swordfish Lane and Cuttysark Drive, Milam, 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: August 26, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$351

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$351

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: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

**Executive Summary – Enforcement Matter – Case No. 52009
Pendleton Harbor Water Supply Corporation
RN104097068
Docket No. 2016-0364-PWS-E**

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 8, 2016 through February 26, 2016 and March 9, 2016

Date(s) of NOE(s): February 26, 2016

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)].
3. Failed to pay regulatory assessment fees for the TCEQ Public Utility Account regarding Certificate of Convenience and Necessity No. 10737 [30 TEX. ADMIN. CODE § 291.76 and TEX. WATER CODE § 5.702].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days, submit payment for all outstanding regulatory assessment fees for the TCEQ Public Utility Account concerning Certificate of Convenience and Necessity No. 10737 for calendar years 2013 through 2015.

b. 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.

c. Within 380 days, submit written certification to demonstrate compliance with b.

**Executive Summary – Enforcement Matter – Case No. 52009
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Docket No. 2016-0364-PWS-E**

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

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Sarah Kim, Enforcement Division, Enforcement Team 2, MC 169, (512) 239-4728; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548
TCEQ SEP Coordinator: N/A
Respondent: John Miller, President, Pendleton Harbor Water Supply Corporation, 501 Kennon Drive South, Hemphill, Texas 75948-3400
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	29-Feb-2016	Screening	7-Mar-2016	EPA Due	31-Dec-2015
	PCW	8-Mar-2016				

RESPONDENT/FACILITY INFORMATION			
Respondent	Pendleton Harbor Water Supply Corporation		
Reg. Ent. Ref. No.	RN104097068		
Facility/Site Region	10-Beaumont	Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	52009	No. of Violations	3
Docket No.	2016-0364-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	Yes
Multi-Media		Enf. Coordinator	Sarah Kim
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

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

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

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

Notes

Culpability Enhancement **Subtotal 4**

Notes

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

Economic Benefit Enhancement* **Subtotal 6**

Total EB Amounts	\$828
Estimated Cost of Compliance	\$5,000

*Capped at the Total EB \$ Amount

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

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction Adjustment

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

Notes

PAYABLE PENALTY

Screening Date 7-Mar-2016

Docket No. 2016-0364-PWS-E

PCW

Respondent Pendleton Harbor Water Supply Corporation

Policy Revision 4 (April 2014)

Case ID No. 52009

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN104097068

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	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	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of 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%
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) 17%

>> 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 the same/similar violations and one NOV with dissimilar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 17%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 17%

Screening Date 7-Mar-2016

Docket No. 2016-0364-PWS-E

PCW

Respondent Pendleton Harbor Water Supply Corporation

Policy Revision 4 (April 2014)

Case ID No. 52009

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN104097068

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

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 ("MCL") 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 Disinfection Byproducts Stage 2 ("DBP2") at Site 1 were 0.101 mg/L for the third quarter of 2015 and 0.125 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 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Failure to comply with the MCL for TTHM caused customers of the Facility to be exposed to a significant amount of contaminants which did not exceed levels protective of human health.

Adjustment \$850

\$150

Violation Events

Number of Violation Events 1

183 Number of violation days

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	

Notes

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

Violation Subtotal \$150

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$828

Violation Final Penalty Total \$176

This violation Final Assessed Penalty (adjusted for limits) \$176

Economic Benefit Worksheet

Respondent Pendleton Harbor Water Supply Corporation
Case ID No. 52009
Reg. Ent. Reference No. RN104097068
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
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$5,000	30-Jun-2015	10-Nov-2017	2.37	\$39	\$789	\$828
Engineering/Construction				0.00	\$0	n/a	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs: The delayed cost includes the estimated amount to implement an alternative form of disinfection, calculated from the last date 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	\$828
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Screening Date 7-Mar-2016

Docket No. 2016-0364-PWS-E

PCW

Respondent Pendleton Harbor Water Supply Corporation

Policy Revision 4 (April 2014)

Case ID No. 52009

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN104097068

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

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 MCL 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 0.067 mg/L for the second quarter of 2015, 0.084 mg/L for the third quarter of 2015, and 0.103 mg/L for the fourth quarter of 2015.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual		X		15.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Failure to comply with the MCL for HAA5 caused customers of the Facility to be exposed to a significant amount of contaminants which did not exceed levels protective of human health.

Adjustment \$850

\$150

Violation Events

Number of Violation Events 1 Number of violation days 274

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 EDRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	

Notes

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

Violation Subtotal \$150

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$176

This violation Final Assessed Penalty (adjusted for limits) \$176

Economic Benefit Worksheet

Respondent Pendleton Harbor Water Supply Corporation
Case ID No. 52009
Reg. Ent. Reference No. RN104097068
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
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Delayed Costs

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

Notes for DELAYED costs

The delayed cost is captured in the Economic Benefit Worksheet for 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

Screening Date 7-Mar-2016

Docket No. 2016-0364-PWS-E

PCW

Respondent Pendleton Harbor Water Supply Corporation

Policy Revision 4 (April 2014)

Case ID No. 52009

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN104097068

Media [Statute] Public Water Supply

Enf. Coordinator Sarah Kim

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 291.76 and Tex. Water Code § 5.702

Violation Description Failed to pay regulatory assessment fees for the TCEQ Public Utility Account regarding Certificate of Convenience and Necessity No. 10737 for calendar years 2013 through 2015.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), Percent (0.0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, Percent (0.0%), Matrix Notes.

Adjustment \$1,000

\$0

Violation Events

Number of Violation Events [] Number of violation days []

Table with frequency options: daily, weekly, monthly, quarterly, semiannual, annual, single event.

Violation Base Penalty \$0

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

Good Faith Efforts to Comply

0.0% Reduction \$0

Table for Good Faith Efforts: Extraordinary, Ordinary, N/A.

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

Violation Subtotal \$0

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0 Violation Final Penalty Total \$0

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

Economic Benefit Worksheet

Respondent Pendleton Harbor Water Supply Corporation
Case ID No. 52009
Reg. Ent. Reference No. RN104097068
Media Public Water Supply
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

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

Notes for DELAYED costs

N/A

Avoided Costs

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

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

Notes for AVOIDED costs

N/A

Approx. Cost of Compliance

\$0

TOTAL

\$0

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.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN604102889, RN104097068, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

Customer, Respondent, or Owner/Operator: CN604102889, Pendleton Harbor Water Supply Corporation **Classification:** NOT APPLICABLE **Rating:** N/A
Regulated Entity: RN104097068, PENDLETON HARBOR **Classification:** NOT APPLICABLE **Rating:** N/A
Complexity Points: N/A **Repeat Violator:** N/A
CH Group: 14 - Other
Location: ON CUTTYSARK DRIVE, APPROXIMATELY 200 FEET WEST OF THE INTERSECTION OF SWORDFISH LANE AND CUTTYSARK DRIVE, MILAM, SABINE COUNTY, TEXAS
TCEQ Region: REGION 10 - BEAUMONT

ID Number(s):
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 2020020
Compliance History Period: September 01, 2010 to August 31, 2015 **Rating Year:** 2015 **Rating Date:** 09/01/2015

Date Compliance History Report Prepared: May 25, 2016
Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: May 25, 2011 to May 25, 2016

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

Name: Sarah Kim **Phone:** (512) 239-4728

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:
N/A

B. Criminal convictions:
N/A

C. Chronic excessive emissions events:
N/A

D. The approval dates of investigations (CEEDS Inv. Track. No.):
N/A

E. Written notices of violations (NOV) (CEEDS 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: 09/16/2015 (1313262) CN604102889
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 0.067 mg/L at Sample Site Back of S (DBP2-01).

- 2 Date: 11/16/2015 (1313262) CN604102889
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM/HAA5 LRAA MCL 3Q2015 - During the third quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.084 mg/L at Sample Site Back of S (DBP2-01) and violated the maximum contaminant level for trihalomethanes with a LRAA of 0.101 mg/L at Sample Site Back of S (DBP2-01).
- 3 Date: 02/18/2016 (1313262) CN604102889
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM/HAA5 LRAA MCL 4Q2015 - During the fourth quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.103 mg/L at Sample Site 5: Admiral Dr, Hemphill (DBP2-01) and the maximum contaminant level for trihalomethanes with a LRAA of 0.125 mg/L at Sample Site 5: Admiral Dr, Hemphill (DBP2-01).
- 4 Date: 04/15/2016 (1312974) CN604102889
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)
Description: Failure by Pendleton Harbor WSC to have operating records accessible for review upon request.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter D 290.45(f)(1)
Description: Failure by Pendleton Harbor WSC to have a purchase water contract.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(3)(D)(ii)
Description: Failure by Pendleton Harbor WSC to maintain records of the results of inspections for all water storage and pressure maintenance facilities.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(i)
Description: Failure by Pendleton Harbor WSC to adopt an adequate plumbing ordinance, regulations, or service agreement.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.44(h)(4)
Description: Failure by Pendleton Harbor WSC to enforce annual tests on backflow prevention assemblies within the distribution system on an annual basis and to maintain a copy of those tests in a central location for review.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.46(l)
Description: Failure by Pendleton Harbor WSC to flush all dead end mains on a monthly basis.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(iii)
Description: Failure by Pendleton Harbor WSC to provide two or more pumps that have a total capacity of 2.0 gpm per connection.

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:

Citation: 30 TAC Chapter 290, SubChapter F 290.111(e)(3)(A)
 Description: Failure by Pendleton Harbor WSC to monitor the Individual Filter Effluent (IFE) and Combined Filter Effluent (CFE) at the proper locations.
 Classification: Minor
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
 Description: Failure by Pendleton Harbor WSC to maintain the online turbidimeter in a good condition.
 Classification: Moderate
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(11)(E)(ii)
 30 TAC Chapter 290, SubChapter F 290.111(e)(3)(A)
 30 TAC Chapter 290, SubChapter F 290.111(e)(3)(D)
 Description: Failure by Pendleton Harbor WSC to monitor the IFE and CFE at the appropriate frequency.
 Classification: Moderate
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter F 290.111(e)(5)(C)(iii)
 Description: Failure by Pendleton Harbor WSC to obtain grab samples for the IFE turbidity readings every four hours while the continuous monitors are not operational.
 Classification: Moderate
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.46(e)(6)(C)
 Description: Failure by Pendleton Harbor WSC to have an operator present at all times that the plant is in operation or have automatic shutdown procedures for all treatment parameters.
 Classification: Minor
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.41(e)(2)(C)
 Description: Failure by Pendleton Harbor WSC to have a 200 foot radius restricted zone established around the raw water intake.
 Classification: Minor
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.41(e)(2)(C)
 Description: Failure by Pendleton Harbor WSC to post restricted area signs around the raw water intake structure which are visible from all directions.
 Classification: Moderate
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.42(f)(2)(B)(i)
 Description: Failure by Pendleton Harbor WSC to have a device for determining chemical feed rates for all chemical feeders.
 Classification: Minor
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(13)
 Description: Failure by Pendleton Harbor WSC to label all chemical feed lines.
 Classification: Moderate
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.42(f)(1)(B)
 Description: Failure by Pendleton Harbor WSC to provide day tanks for all chemicals.
 Classification: Moderate
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.42(f)(1)(E)(ii)(IV)
 Description: Failure by Pendleton Harbor WSC to store incompatible substances in separate secondary containment structures.
 Classification: Minor
 Self Report? NO For Informational Purposes Only

Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(10)(C)
 30 TAC Chapter 290, SubChapter D 290.46(m)(5)
 Description: Failure by Pendleton Harbor WSC to maintain the clarifier in a good condition.
 Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure by Pendleton Harbor WSC to maintain the sludge blanket level indicator.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(11)(C)
Description: Failure by Pendleton Harbor WSC to properly operate and maintain the gravity filter.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(11)(D)(i)
Description: Failure by Pendleton Harbor WSC to equip the filter with an adjustable rate of flow controller with rate of flow indicators.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(11)(D)(iii)
Description: Failure by Pendleton Harbor WSC to equip the effluent line for the filter with a slow opening valve.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(11)(F)(ii)
Description: Failure by Pendleton Harbor WSC to have a rate of flow controller or flow controller valve for the backwash line.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.42(d)(11)(F)(vii)
Description: Failure by Pendleton Harbor to equip the filters with an air scour or surface wash.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure by Pendleton Harbor WSC to maintain the 4,650 gallon pressure tank in good condition and appearance.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.111(d)(2)(B)
Description: Failure by Pendleton Harbor WSC to operate the plant as stated in the CT Study.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.39(j)
Description: Failure by Pendleton Harbor to notify the executive director prior to any significant change to the water system's production, treatment, storage, pressure maintenance, or distribution facilities.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.42(m)
Description: Failure by Pendleton Harbor to maintain an intruder resistant fence.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(m)
Description: Failure by Pendleton Harbor WSC to maintain the fence at the treatment plant free of excess vegetation.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(2)(E)
Description: Failure by Pendleton Harbor WSC to provide 200 gallons per connection of total storage capacity.

Self Report? NO For Informational Purposes Only
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 0.067 mg/L at Sample Site Back of S (DBP2-01).

5 Date: 11/16/2015 (1313262) CN604102889
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM/HAA5 LRAA MCL 3Q2015 - During the third quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.084 mg/L at Sample Site Back of S (DBP2-01) and violated the maximum contaminant level for trihalomethanes with a LRAA of 0.101 mg/L at Sample Site Back of S (DBP2-01).

6 Date: 02/18/2016 (1313262) CN604102889
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM/HAA5 LRAA MCL 4Q2015 - During the fourth quarter of 2015 the system violated the maximum contaminant level for haloacetic acids with a LRAA of 0.103 mg/L at Sample Site 5: Admiral Dr, Hemphill (DBP2-01) and the maximum contaminant level for trihalomethanes with a LRAA of 0.125 mg/L at Sample Site 5: Admiral Dr, Hemphill (DBP2-01).

7 Date: 04/15/2016 (1312974) CN604102889
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(2)
Description: Failure by Pendleton Harbor WSC to have operating records accessible for review upon request.
Classification: Moderate

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.45(f)(1)
Description: Failure by Pendleton Harbor WSC to have a purchase water contract.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(3)(D)(ii)
Description: Failure by Pendleton Harbor WSC to maintain records of the results of inspections for all water storage and pressure maintenance facilities.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(i)
Description: Failure by Pendleton Harbor WSC to adopt an adequate plumbing ordinance, regulations, or service agreement.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.44(h)(4)
Description: Failure by Pendleton Harbor WSC to enforce annual tests on backflow prevention assemblies within the distribution system on an annual basis and to maintain a copy of those tests in a central location for review.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.46(l)
Description: Failure by Pendleton Harbor WSC to flush all dead end mains on a monthly basis.
Classification: Minor

Self Report? NO For Informational Purposes Only
Citation: 30 TAC Chapter 290, SubChapter D 290.45(b)(1)(C)(iii)
Description: Failure by Pendleton Harbor WSC to provide two or more pumps that have a total capacity of 2.0 gpm per connection.

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

Appendix B

All Investigations Conducted During Component Period May 25, 2011 and May 25, 2016

Item 1	April 05, 2012**	(994376) For Informational Purposes Only
Item 2	May 16, 2012**	(1003046) For Informational Purposes Only
Item 3	May 10, 2013**	(1076803) For Informational Purposes Only
Item 4	December 18, 2013**	(1135074) For Informational Purposes Only
Item 5	August 18, 2014**	(1171626) For Informational Purposes Only
Item 6	February 22, 2016	(1313262) For Informational Purposes Only
Item 7	February 26, 2016	(1313351) For Informational Purposes Only
Item 8	April 15, 2016	(1312974) For Informational Purposes Only

* 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
PENDLETON HARBOR WATER
SUPPLY CORPORATION
RN104097068**

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§

**BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2016-0364-PWS-E**

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Pendleton Harbor Water Supply Corporation (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341, and TEX. WATER CODE ch. 5. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this Order to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including 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 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 agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this 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 on Cuttysark Drive, approximately 200 feet west of the intersection of Swordfish Lane and Cuttysark Drive in Milam, Sabine County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 193 service connections, and serves at least 25 people per day for at least 60 days per year. As such, the Facility is a public water system as defined in 30 TEX. ADMIN. CODE § 290.38(69).
2. During a record review conducted on February 8, 2016 through February 26, 2016, TCEQ staff documented that the locational running annual average concentrations of total trihalomethanes ("TTHM") for Disinfection Byproducts Stage 2 ("DBP2") at Site 1 were 0.101 milligrams per liter ("mg/L") for the third quarter of 2015 and 0.125 mg/L for the fourth quarter of 2015.

3. During a record review conducted on February 8, 2016 through February 26, 2016, TCEQ staff documented that the locational running annual average concentrations of haloacetic acids ("HAA5") for DBP2 at Site 1 were 0.067 mg/L for the second quarter of 2015, 0.084 mg/L for the third quarter of 2015 and 0.103 mg/L for the fourth quarter of 2015.
4. During a record review conducted on March 9, 2016, TCEQ staff documented that the Respondent did not pay regulatory assessment fees for the TCEQ Public Utility Account regarding Certificate of Convenience and Necessity No. 10737 for calendar years 2013 through 2015.

II. CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY Code ch. 341, TEX. WATER CODE ch. 5 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, the Respondent failed to comply with the maximum contaminant level ("MCL") 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 Finding of Fact No. 3, the Respondent failed to comply with the MCL 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. As evidenced by Finding of Fact No. 4, the Respondent failed to pay regulatory assessment fees for the TCEQ Public Utility Account regarding Certificate of Convenience and Necessity No. 10737, in violation of 30 TEX. ADMIN. CODE § 291.76 and TEX. WATER CODE § 5.702.
5. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049(a), the TCEQ has the authority to assess a penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
6. An administrative penalty in the amount of \$351 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The Respondent paid the \$351 penalty.

III. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 6 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Pendleton Harbor Water Supply Corporation, Docket No. 2016-0364-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 Order, submit payment for all outstanding regulatory assessment fees for the TCEQ Public Utility Account concerning Certificate of Convenience and Necessity No. 10737 for calendar years 2013 through 2015. The payment, along with the associated Revenue and Regulatory Assessment Reports, shall be sent to Ordering Provision No. 1.
 - b. Within 365 days after the effective date of this Order:
 - i. Return to compliance with the MCL 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 MCL for HAA5, based on the locational running annual average, in accordance with 30 TEX. ADMIN. CODE § 290.115.
 - c. Within 380 days after the effective date of this 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.b.i and 2.b.ii. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of 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. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by 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. Extension requests shall be sent to the Order Compliance Team at the address listed above.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms in this Order.
7. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
8. This 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 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.
9. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this 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 Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

10. 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

Barbara Moniva J
For the Executive Director

6/3/16
Date

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

I also understand that failure to comply with the Ordering Provisions, 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.

John Miller
Signature

6-27-16
Date

JOHN MILLER
Name (Printed or typed)
Authorized Representative of
Pendleton Harbor Water Supply Corporation

PRESIDENT
Title

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

If mailing address has changed, please check this box and provide the new address below: