

Executive Summary – Enforcement Matter – Case No. 60646
ZIO INVESTMENTS, LLC
RN101874683
Docket No. 2021-0511-MLM-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MLM – PST, PWS

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

LCM Mart, 8270 State Highway 87 North, Orange, Orange County

Type of Operation:

Public water supply and an underground storage tank ("UST") system and a convenience store with retail sales of gasoline

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: March 4, 2022

Comments Received: No

Penalty Information

Total Penalty Assessed: \$16,920

Amount Deferred for Expedited Settlement: \$3,384

Total Paid to General Revenue: \$1,128

Total Due to General Revenue: \$12,408

Payment Plan: 11 payments of \$1,128 each

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 9, 2021 through February 11, 2021 and May 5, 2021

Date(s) of NOE(s): April 12, 2021 and May 28, 2021

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Violation Information

1. Failed to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment. Specifically, the pressure tank was rusted. At the well, the well casing was rusted, there was discarded furniture on the sealing block, and there was overgrown vegetation surrounding the well. Additionally, the treatment plant and hypochlorination solution container were surrounded by scrap wood, pipes, and hoses [30 TEX. ADMIN. CODE § 290.46(m)].
2. Failed to ensure additional protection was provided at any residence or establishment where an actual or potential contamination hazard exists in the form of a pressure vacuum breaker or a backflow prevention assembly ("BPA"). Specifically, no additional protection was provided for the vending machines in the convenience store [30 TEX. ADMIN. CODE § 290.44(h)(1)(A)].
3. Failed to house the hypochlorination solution containers and pumps in a secure enclosure to protect them from adverse weather conditions and vandalism. Specifically, there was no door on the enclosure that housed hypochlorination solution containers [30 TEX. ADMIN. CODE § 290.42(e)(5)].
4. Failed to protect the Facility's well units, each water treatment plant and all appurtenances, potable water storage tanks, and pressure maintenance facilities with an intruder-resistant fence with a lockable gate or enclose the well units in a locked and ventilated well house with lockable gates [30 TEX. ADMIN. CODE §§ 290.41(c)(3)(O), 290.42(m) and 290.43(e)].
5. Failed to provide the well with a concrete sealing block that extends a minimum of three feet from the well casing in all directions, with a minimum thickness of six inches and sloped to drain away from the wellhead at not less than 0.25 inch per foot. Specifically, the concrete sealing block did not extend a minimum of three feet to the west or south of the well casing [30 TEX. ADMIN. CODE § 290.41(c)(3)(J)].
6. Failed to obtain sanitary control easements covering land within 150 feet of the Facility's well [30 TEX. ADMIN. CODE § 290.41(c)(1)(F)].
7. Failed to provide a minimum ground storage capacity which is equal to 50% of the maximum daily demand ("MDD"). Specifically, the Facility served a maximum daily population of 300 persons, requiring a ground storage capacity of 1,800 gallons. However, no ground storage capacity was provided, indicating a 100% deficiency [30 TEX. ADMIN. CODE § 290.45(d)(2)(B)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

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8. Failed to provide at least one service pump with a capacity of three times the MDD. Specifically, the Facility served a maximum daily population of 300 persons, requiring a service pump capacity of 7.5 gallons per minute. However, no service pump capacity was provided, indicating a 100% deficiency [30 TEX. ADMIN. CODE § 290.45(d)(2)(B)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

9. Failed to provide a minimum pressure tank capacity of 220 gallons with additional capacity, if necessary. Specifically, only 120 gallons were provided, indicating a 45% deficiency [30 TEX. ADMIN. CODE § 290.45(d)(2)(B)(v) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].

10. Failed to maintain at the Facility accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned [30 TEX. ADMIN. CODE § 290.46(n)(1)].

11. Failed to monitor the UST and the associated pressurized piping in a manner which will detect a release at a frequency of at least once every 30 days by using interstitial monitoring for tanks installed and pressurized piping installed or replaced, on or after January 1, 2009. Specifically, the tank and pressurized piping were installed on January 15, 2011, and the Respondent was not monitoring them using interstitial monitoring [30 TEX. ADMIN. CODE §§ 334.50(b)(1)(B) and (b)(2)(A)(iii) and TEX. WATER CODE § 26.3475(a) and (c)(1)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days:

i. Initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment, including removing the rust from pressure tank and well casing, removing the discarded furniture from on and around the well sealing block, removing the overgrown vegetation surrounding the well, and removing the scrap wood, hoses, and pipes surrounding the treatment plant and the housing for the hypochlorination solution container;

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- ii. Ensure additional protection is provided in the form of a pressure vacuum breaker or by installing a reduced pressure principle BPA at the vending machines in the convenience store;
 - iii. House the hypochlorination solution containers in a secure enclosure; and
 - iv. Implement interstitial monitoring release detection for the UST system (the tank and pressurized piping).
- b. Within 45 days, submit written certification to demonstrate compliance with a.
- c. Within 90 days:
- i. Protect the Facility's well units, each water treatment plant and all appurtenances, potable water storage tanks, and pressure maintenance facilities with an intruder-resistant fence with a lockable gate or enclose the well units in a locked and ventilated well house with lockable gates;
 - ii. Provide a concrete sealing block that extends a minimum of three feet from the well casing in all directions;
 - iii. Obtain a sanitary control easement covering land within 150 feet of the well; and
 - iv. Compile and maintain accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank.
- d. Within 105 days, submit written certification to demonstrate compliance with c.
- e. Within 180 days:
- i. Provide a ground storage capacity equal to at least 50% of the MDD;
 - ii. Provide at least one service pump with a capacity of at least three times the MDD; and
 - iii. Provide a pressure tank capacity of at least 220 gallons.
- f. Within 195 days, submit written certification to demonstrate compliance with e.

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Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Steven Hall, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2569; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Zahid Raza, Director, ZIO INVESTMENTS, LLC, 8270 State Highway 87 North, Orange, Texas 77632-0580

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	19-Apr-2021			
	PCW	28-Apr-2021	Screening	19-Apr-2021	EPA Due

RESPONDENT/FACILITY INFORMATION	
Respondent	ZIO INVESTMENTS, LLC
Reg. Ent. Ref. No.	RN101874683
Facility/Site Region	10-Beaumont
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	60646	No. of Violations	9
Docket No.	2021-0511-MLM-E	Order Type	1660
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media	Petroleum Storage Tank	Enf. Coordinator	Steven Hall
		EC's Team	Enforcement Team 2
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$5,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$10,250
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	20.0% Adjustment	Subtotals 2, 3, & 7	\$2,050
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Notes	Enhancement for one Agreed Order containing a denial of liability.
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Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$1,431	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$15,395	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$12,300
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	
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Final Penalty Amount	\$12,300
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$12,300
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DEFERRAL	20.0%	Reduction	Adjustment	-\$2,460
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes	Deferral offered for expedited settlement.
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PAYABLE PENALTY	\$9,840
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Screening Date 19-Apr-2021

Docket No. 2021-0511-MLM-E

PCW

Respondent ZIO INVESTMENTS, LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 60646

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN101874683

Media Public Water Supply

Enf. Coordinator Steven Hall

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>)	0	0%
	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%
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) 20%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one Agreed Order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 20%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 20%

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number

Rule Cite(s)

Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

OR			Harm			
	Release	Major	Moderate	Minor		
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>		
	Potential	<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>	Percent	<input type="text" value="3.0%"/>

>> Programmatic Matrix

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

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

Good Faith Efforts to Comply Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	<input type="text"/>

Notes

Violation Subtotal

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

Estimated EB Amount **Violation Final Penalty Total**

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
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	Costs Saved	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$5
Other (as needed)	\$1,000	11-Feb-2021	15-Feb-2022	1.01	\$3	\$67	\$70
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment, including removing the rust from pressure tank and well casing, removing the discarded furniture from on and around the well sealing block, removing the overgrown vegetation surrounding the well, and removing the scrap wood, hoses, and pipes surrounding the treatment plant and the housing for the hypochlorination solution container, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$75

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number
Rule Cite(s)
Violation Description

Base Penalty

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

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

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text" value="x"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

Good Faith Efforts to Comply Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input type="text" value="x"/>	<input type="text"/>

Notes

Violation Subtotal

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

Estimated EB Amount **Violation Final Penalty Total**

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
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	Costs Saved	EB Amount
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Delayed Costs

Equipment	\$1,000	11-Feb-2021	15-Feb-2022	1.01	\$3	\$67	\$70
Buildings				0.00	\$0	\$0	\$5
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 includes the estimated amount to ensure additional protection is provided in the form of a pressure vacuum breaker or by installing a reduced pressure principle BPA at the vending machines in the convenience store, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$75

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 3
Rule Cite(s) 30 Tex. Admin. Code § 290.42(e)(5)
Violation Description Failed to house the hypochlorination solution containers and pumps in a secure enclosure to protect them from adverse weather conditions and vandalism. Specifically, there was no door on the enclosure that housed hypochlorination solution containers.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				
	Potential			x	Percent 3.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0.0%

Matrix Notes Failure to house the hypochlorination solution containers in a secure enclosure could cause persons served by the Facility to be exposed to an insignificant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,850

\$150

Violation Events

Number of Violation Events 1 67 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$150

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	

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 \$36 **Violation Final Penalty Total** \$180

This violation Final Assessed Penalty (adjusted for limits) \$180

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
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	Costs Saved	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings	\$500	11-Feb-2021	15-Feb-2022	1.01	\$2	\$34	\$36
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 includes the estimated amount to house the hypochlorination solution containers in a secure enclosure, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$36

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 4
Rule Cite(s) 30 Tex. Admin. Code §§ 290.41(c)(3)(O), 290.42(m) and 290.43(e)
Violation Description Failed to protect the Facility's well units, each water treatment plant and all appurtenances, potable water storage tanks, and pressure maintenance facilities with an intruder-resistant fence with a lockable gate or enclose the well units in a locked and ventilated well house with lockable gates.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				15.0%
	Potential	x			

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Failure to protect the well units, each water treatment plant and all appurtenances, potable water storage tanks, and pressure maintenance facilities could expose persons served by the Facility to contaminants that would exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 3 67 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$2,250

Three monthly events are recommended, calculated from the date of the investigation, February 11, 2021, to the date of screening, April 19, 2021.

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 \$2,250

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

Estimated EB Amount \$82 **Violation Final Penalty Total** \$2,700

This violation Final Assessed Penalty (adjusted for limits) \$2,700

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$1,000	11-Feb-2021	14-Apr-2022	1.17	\$4	\$78	\$82
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs
 The delayed cost includes the estimated amount to protect the well units, each water treatment plant and all appurtenances, and pressure maintenance facilities at the Facility, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$82

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 5
Rule Cite(s) 30 Tex. Admin. Code § 290.41(c)(3)(J)
Violation Description Failed to provide the well with a concrete sealing block that extends a minimum of three feet from the well casing in all directions, with a minimum thickness of six inches and sloped to drain away from the wellhead at not less than 0.25 inch per foot. Specifically, the concrete sealing block did not extend a minimum of three feet to the west or south of the well casing.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR		Harm			
	Release	Major	Moderate	Minor	
	Actual				
	Potential		x		Percent 5.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent 0.0%

Matrix Notes Failure to provide the well with a sealing block that extends a minimum of three feet from the well casing in all directions could result in persons served by the Facility being exposed to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,750

\$250

Violation Events

Number of Violation Events 1 67 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$250

One quarterly event is recommended, calculated from the date of the investigation, February 11, 2021, to the date of screening, April 19, 2021.

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 \$250

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

Estimated EB Amount \$82 **Violation Final Penalty Total** \$300

This violation Final Assessed Penalty (adjusted for limits) \$300

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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	\$1,000	11-Feb-2021	14-Apr-2022	1.17	\$4	\$78	\$82
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 provide a concrete sealing block that extends a minimum of three feet from the well casing in all directions, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$82

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 6
Rule Cite(s) 30 Tex. Admin. Code § 290.41(c)(1)(F)
Violation Description Failed to obtain sanitary control easements covering land within 150 feet of the Facility's well.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				3.0%
	Potential			x	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Failure to have sanitary control easements could expose persons served by the Facility to an insignificant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,850

\$150

Violation Events

Number of Violation Events 1 67 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$150

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	

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 \$1 **Violation Final Penalty Total** \$180

This violation Final Assessed Penalty (adjusted for limits) \$180

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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	11-Feb-2021	14-Apr-2022	1.17	\$1	n/a	\$1

Notes for DELAYED costs
 The delayed cost includes the estimated amount to obtain a sanitary control easement that covers the land within 150 feet of the Facility's well, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$25

TOTAL \$1

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 7
Rule Cite(s) 30 Tex. Admin. Code § 290.45(d)(2)(B)(ii) and Tex. Health & Safety Code § 341.0315(c)
Violation Description Failed to provide a minimum ground storage capacity which is equal to 50% of the maximum daily demand ("MDD"). Specifically, the Facility served a maximum daily population of 300 persons, requiring a ground storage capacity of 1,800 gallons. However, no ground storage capacity was provided, indicating a 100% deficiency.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				15.0%
	Potential	x			

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Failure to provide adequate ground storage capacity could expose persons served by the Facility to contaminants which would exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 3 67 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$2,250

Three monthly events are recommended, calculated from the date of the investigation, February 11, 2021, to the date of screening, April 19, 2021.

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 \$2,250

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

Estimated EB Amount \$384 **Violation Final Penalty Total** \$2,700

This violation Final Assessed Penalty (adjusted for limits) \$2,700

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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	\$3,870	11-Feb-2021	14-Jul-2022	1.42	\$18	\$366	\$384
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 provide a ground storage capacity which is equal to at least 50% of the MDD (\$2.15 per gallon x 1,800 gallons), calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$3,870

TOTAL \$384

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 8
Rule Cite(s) 30 Tex. Admin. Code § 290.45(d)(2)(B)(iii) and Tex. Health & Safety Code § 341.0315(c)
Violation Description Failed to provide at least one service pump with a capacity of three times the MDD. Specifically, the Facility served a maximum daily population of 300 persons, requiring a service pump capacity of 7.5 gallons per minute. However, no service pump capacity was provided, indicating a 100% deficiency.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				15.0%
	Potential	x			

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes Failure to provide at least one service pump with adequate capacity to meet three times the MDD could expose persons served by the Facility to contaminants which would exceed levels protective of human health.

Adjustment \$4,250

\$750

Violation Events

Number of Violation Events 3 67 Number of violation days

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$2,250

Three monthly events are recommended, calculated from the date of the investigation, February 11, 2021, to the date of screening, April 19, 2021.

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 \$2,250

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

Estimated EB Amount \$497 **Violation Final Penalty Total** \$2,700

This violation Final Assessed Penalty (adjusted for limits) \$2,700

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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	\$5,000	11-Feb-2021	14-Jul-2022	1.42	\$24	\$473	\$497
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 provide at least one service pump with a capacity of at least three times the MDD, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$5,000

TOTAL \$497

Screening Date 19-Apr-2021 **Docket No.** 2021-0511-MLM-E **PCW**
Respondent ZIO INVESTMENTS, LLC *Policy Revision 5 (January 28, 2021)*
Case ID No. 60646 *PCW Revision February 11, 2021*
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Violation Number 9
Rule Cite(s) 30 Tex. Admin. Code § 290.45(d)(2)(B)(v) and Tex. Health & Safety Code § 341.0315(c)
Violation Description Failed to provide a minimum pressure tank capacity of 220 gallons with additional capacity, if necessary. Specifically, only 120 gallons were provided, indicating a 45% deficiency.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				5.0%
	Potential		x		

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Failure to provide adequate pressure tank capacity could expose persons served by the Facility to a significant amount of contaminants which would not exceed levels protective of human health.

Adjustment \$4,750

\$250

Violation Events

Number of Violation Events 1 67 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$250

One quarterly event is recommended, calculated from the date of the investigation, February 11, 2021, to the date of screening, April 19, 2021.

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 \$250

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

Estimated EB Amount \$198 **Violation Final Penalty Total** \$300

This violation Final Assessed Penalty (adjusted for limits) \$300

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

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

Equipment	\$2,000	11-Feb-2021	14-Jul-2022	1.42	\$9	\$189	\$198
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 includes the estimated amount to provide a pressure tank capacity of at least 220 gallons, calculated from the date of the investigation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$198



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	19-Apr-2021	Screening	19-Apr-2021	EPA Due	
	PCW	28-Apr-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	ZIO INVESTMENTS, LLC
Reg. Ent. Ref. No.	RN101874683
Facility/Site Region	10-Beaumont
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	60646	No. of Violations	1
Docket No.	2021-0511-MLM-E	Order Type	1660
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media	Petroleum Storage Tank	Enf. Coordinator	Steven Hall
		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	\$100
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	20.0%	Adjustment	Subtotals 2, 3, & 7	\$20
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Notes: Enhancement for one Agreed Order containing a denial of liability.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$28
 Estimated Cost of Compliance: \$180
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$120
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$120
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$120
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DEFERRAL	20.0%	Reduction	Adjustment	-\$24
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$96
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Screening Date 19-Apr-2021

Docket No. 2021-0511-MLM-E

PCW

Respondent ZIO INVESTMENTS, LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 60646

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN101874683

Media Public Water Supply

Enf. Coordinator Steven Hall

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>)	0	0%
	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%
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) 20%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one Agreed Order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 20%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 20%

Screening Date 19-Apr-2021
Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Public Water Supply
Enf. Coordinator Steven Hall

Docket No. 2021-0511-MLM-E

PCW

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 290.46(n)(1)

Violation Description

Failed to maintain at the Facility accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned.

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 10.0%

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 67

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$100

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	

Notes

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

Violation Subtotal \$100

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$28

Violation Final Penalty Total \$120

This violation Final Assessed Penalty (adjusted for limits) \$120

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
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	Costs Saved	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)	\$180	28-Feb-2019	14-Apr-2022	3.13	\$28	n/a	\$28

Notes for DELAYED costs

The delayed cost includes the estimated amount to compile and maintain accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank, calculated from the date of the investigation initially documenting the violation to the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$180

TOTAL

\$28



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	1-Jun-2021	Screening	2-Jun-2021	EPA Due	
	PCW	8-Jun-2021				

RESPONDENT/FACILITY INFORMATION	
Respondent	ZIO INVESTMENTS, LLC
Reg. Ent. Ref. No.	RN101874683
Facility/Site Region	10-Beaumont
Major/Minor Source	Minor

CASE INFORMATION				
Enf./Case ID No.	60646	No. of Violations	1	
Docket No.	2021-0511-MLM-E	Order Type	1660	
Media Program(s)	Petroleum Storage Tank	Government/Non-Profit	No	
Multi-Media	Public Water Supply	Enf. Coordinator	Steven Hall	
		EC's Team	Enforcement Team 2	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$3,750
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	20.0%	Adjustment	Subtotals 2, 3, & 7	\$750
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Notes	Enhancement for one Agreed Order containing a denial of liability.
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Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$59	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$1,500	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$4,500
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	
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Final Penalty Amount	\$4,500
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$4,500
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DEFERRAL	20.0%	Reduction	Adjustment	-\$900
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes	Deferral offered for expedited settlement.
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PAYABLE PENALTY	\$3,600
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Screening Date 2-Jun-2021

Docket No. 2021-0511-MLM-E

PCW

Respondent ZIO INVESTMENTS, LLC

Policy Revision 5 (January 28, 2021)

Case ID No. 60646

PCW Revision February 11, 2021

Reg. Ent. Reference No. RN101874683

Media Petroleum Storage Tank

Enf. Coordinator Steven Hall

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>)	0	0%
	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%
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) 20%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one Agreed Order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 20%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 20%

Screening Date	2-Jun-2021	Docket No.	2021-0511-MLM-E	PCW
Respondent	ZIO INVESTMENTS, LLC			<i>Policy Revision 5 (January 28, 2021)</i>
Case ID No.	60646			<i>PCW Revision February 11, 2021</i>
Reg. Ent. Reference No.	RN101874683			
Media	Petroleum Storage Tank			
Enf. Coordinator	Steven Hall			

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 334.50(b)(1)(B) and (b)(2)(A)(iii) and Tex. Water Code § 26.3475(a) and (c)(1)

Violation Description

Failed to monitor the underground storage tank ("UST") and the associated pressurized piping in a manner which will detect a release at a frequency of at least once every 30 days by using interstitial monitoring for tanks installed and pressurized piping installed or replaced, on or after January 1, 2009. Specifically, the tank and pressurized piping were installed on January 15, 2011, and the Respondent was not monitoring them using interstitial monitoring.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
Potential	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Percent

>> Programmatic Matrix

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

Percent

Matrix Notes

Human health or the environment will or could be exposed to pollutants that would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

Violation Events

Number of Violation Events Number of violation days

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input checked="" type="checkbox"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

Violation Base Penalty

One quarterly event is recommended, calculated from the date of the investigation, May 5, 2021, to the date of screening, June 2, 2021.

Good Faith Efforts to Comply

Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Notes

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

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent ZIO INVESTMENTS, LLC
Case ID No. 60646
Reg. Ent. Reference No. RN101874683
Media Petroleum Storage Tank
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	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)	\$1,500	5-May-2021	15-Feb-2022	0.78	\$59	n/a	\$59

Notes for DELAYED costs

Estimated delayed cost to implement interstitial monitoring release detection for the UST system (tanks and pressurized piping) at the Facility. The Date Required is the investigation date and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,500

TOTAL \$59

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

Compliance History Report for CN603948431, RN101874683, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

Customer, Respondent, or Owner/Operator: CN603948431, ZIO INVESTMENTS, LLC **Classification:** SATISFACTORY **Rating:** 11.25

Regulated Entity: RN101874683, LCM MART **Classification:** SATISFACTORY **Rating:** 11.25

Complexity Points: 2 **Repeat Violator:** NO

CH Group: 14 - Other

Location: 8270 STATE HIGHWAY 87 NORTH IN ORANGE, ORANGE COUNTY, TEXAS

TCEQ Region: REGION 10 - BEAUMONT

ID Number(s):

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION
1810203

PETROLEUM STORAGE TANK REGISTRATION
REGISTRATION 24226

Compliance History Period: September 01, 2016 to August 31, 2021 **Rating Year:** 2021 **Rating Date:** 09/01/2021

Date Compliance History Report Prepared: November 12, 2021

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: November 12, 2016 to November 12, 2021

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

Name: Steven T. Hall

Phone: (512) 239-2569

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

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 05/21/2019 ADMINORDER 2018-1201-PST-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.3475(a)
30 TAC Chapter 334, SubChapter C 334.50(b)(2)
Description: Failure to provide proper release detection for the piping associated with UST systems.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

- Item 1 November 20, 2019 (1605229)

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.

N/A

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

Component Appendices

Appendix A

All NOVs Issued During Component Period 11/12/2016 and 11/12/2021

1	Date:	04/29/2019	(1553676)	Classification:	Moderate
	Self Report?	NO		For Informational Purposes Only	
	Citation:	30 TAC Chapter 290, SubChapter D 290.39(e)(1)			
	Description:	Failure by Zio Investments LLC-LCM Mart to submit plans and specifications to the Executive Director for review and approval prior to the establishment of a new public water supply and failed to notify the Executive Director of the startup of a new public water supply.			
				Classification:	Minor
	Self Report?	NO		For Informational Purposes Only	
	Citation:	30 TAC Chapter 290, SubChapter F 290.110(b)(4)			
	Description:	Failure by Zio Investments LLC- LCM Mart to maintain the disinfection residual above 0.20 mg/L free chlorine throughout distribution.			

* NOVs applicable for the Compliance History rating period 9/1/2016 to 8/31/2021

Appendix B

All Investigations Conducted During Component Period November 12, 2016 and November 12, 2021

		(1505308)	For Informational Purposes Only
Item 1	August 09, 2018**		
		(1553676)	For Informational Purposes Only
Item 2	April 26, 2019**		
		(1605229)	For Informational Purposes Only
Item 3*	November 20, 2019**		
		(1651546)	For Informational Purposes Only
Item 4	June 24, 2020**		
		(1702688)	For Informational Purposes Only
Item 5	April 12, 2021**		
		(1712126)	For Informational Purposes Only
Item 6	May 28, 2021**		

* No violations documented during this investigation

**Investigation applicable for the Compliance History Rating period between 09/01/2016 and 08/31/2021.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
ZIO INVESTMENTS, LLC
RN101874683**

**§
§
§
§
§**

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2021-0511-MLM-E**

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding ZIO INVESTMENTS, LLC (the "Respondent") under the authority of TEX. WATER CODE chs. 7 and 26 and TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent, together stipulate that:

1. The Respondent owns and operates a public water supply located at 8270 State Highway 87 North in Orange, Orange County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately three 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(71). The Respondent owns and operates, as defined in 30 TEX. ADMIN. CODE § 334.2(78) and (75), an underground storage tank ("UST") system and a convenience store with retail sales of gasoline located at the Facility. The UST system at the Facility is not exempt or excluded from regulation under the Texas Water Code or the rules of the Commission, and contains or contained a regulated petroleum substance as defined in the rules of the TCEQ.
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073 and TEX. HEALTH & SAFETY CODE § 341.049, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 and TEX. HEALTH & SAFETY CODE § 341.031 because it alleges violations of TEX. WATER CODE ch. 26, TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$16,920 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$1,128 of the penalty and \$3,384 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order and shall be waived only upon full compliance with all the terms and conditions of this Order.

The remaining amount of \$12,408 of the undeferred penalty shall be paid in 11 monthly payments of \$1,128 each. The first monthly payment shall be paid within 30 days after the effective date of this Order. The subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until the penalty is paid in full. If the Respondent fails to comply with the payment requirements of this Order, including the payment schedule, the Executive Director may accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. The Respondent's failure to meet the payment schedule of this Order and/or the acceleration of any remaining balance constitutes the failure by the Respondent to timely and satisfactorily comply with all the terms and conditions of this Order and the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
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 or conditions in this Order.
7. 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.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

II. ALLEGATIONS

1. During an investigation conducted on February 9, 2021 through February 11, 2021, an investigator documented that the Respondent:
 - a. Failed to initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment, in violation of 30 TEX. ADMIN. CODE § 290.46(m). Specifically, the pressure tank was rusted. At the well, the well casing was rusted, there was discarded furniture on the sealing block, and there was overgrown vegetation surrounding the well. Additionally, the treatment plant and hypochlorination solution container were surrounded by scrap wood, pipes, and hoses.
 - b. Failed to ensure additional protection was provided at any residence or establishment where an actual or potential contamination hazard exists in the form of a pressure vacuum breaker or a backflow prevention assembly ("BPA"), as identified in 30 TEX. ADMIN. CODE § 290.47(f), in violation of 30 TEX. ADMIN.

CODE § 290.44(h)(1)(A). Specifically, no additional protection was provided for the vending machines in the convenience store.

- c. Failed to house the hypochlorination solution containers and pumps in a secure enclosure to protect them from adverse weather conditions and vandalism, in violation of 30 TEX. ADMIN. CODE § 290.42(e)(5). Specifically, there was no door on the enclosure that housed hypochlorination solution containers.
 - d. Failed to protect the Facility's well units, each water treatment plant and all appurtenances, potable water storage tanks, and pressure maintenance facilities with an intruder-resistant fence with a lockable gate or enclose the well units in a locked and ventilated well house with lockable gates, in violation of 30 TEX. ADMIN. CODE §§ 290.41(c)(3)(O), 290.42(m) and 290.43(e).
 - e. Failed to provide the well with a concrete sealing block that extends a minimum of three feet from the well casing in all directions, with a minimum thickness of six inches and sloped to drain away from the wellhead at not less than 0.25 inch per foot, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(3)(J). Specifically, the concrete sealing block did not extend a minimum of three feet to the west or south of the well casing.
 - f. Failed to obtain sanitary control easements covering land within 150 feet of the Facility's well, in violation of 30 TEX. ADMIN. CODE § 290.41(c)(1)(F).
 - g. Failed to provide a minimum ground storage capacity which is equal to 50% of the maximum daily demand ("MDD"), in violation of 30 TEX. ADMIN. CODE § 290.45(d)(2)(B)(ii) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Facility served a maximum daily population of 300 persons, requiring a ground storage capacity of 1,800 gallons. However, no ground storage capacity was provided, indicating a 100% deficiency.
 - h. Failed to provide at least one service pump with a capacity of three times the MDD, in violation of 30 TEX. ADMIN. CODE § 290.45(d)(2)(B)(iii) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, the Facility served a maximum daily population of 300 persons, requiring a service pump capacity of 7.5 gallons per minute. However, no service pump capacity was provided, indicating a 100% deficiency.
 - i. Failed to provide a minimum pressure tank capacity of 220 gallons with additional capacity, if necessary, in violation of 30 TEX. ADMIN. CODE § 290.45(d)(2)(B)(v) and TEX. HEALTH & SAFETY CODE § 341.0315(c). Specifically, only 120 gallons were provided, indicating a 45% deficiency.
 - j. Failed to maintain at the Facility accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(1).
2. During an investigation conducted on May 5, 2021, an investigator documented that the Respondent failed to monitor the UST and the associated pressurized piping in a manner

which will detect a release at a frequency of at least once every 30 days by using interstitial monitoring for tanks installed and pressurized piping installed or replaced, on or after January 1, 2009, in violation of 30 TEX. ADMIN. CODE §§ 334.50(b)(1)(B) and (b)(2)(A)(iii) and TEX. WATER CODE § 26.3475(a) and (c)(1). Specifically, the tank and pressurized piping were installed on January 15, 2011, and the Respondent was not monitoring them using interstitial monitoring.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: ZIO INVESTMENTS, LLC, Docket No. 2021-0511-MLM-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:
 - i. Initiate maintenance and housekeeping practices to ensure the good working condition and general appearance of the system's facilities and equipment, including removing the rust from pressure tank and well casing, removing the discarded furniture from on and around the well sealing block, removing the overgrown vegetation surrounding the well, and removing the scrap wood, hoses, and pipes surrounding the treatment plant and the housing for the hypochlorination solution container, in accordance with 30 TEX. ADMIN. CODE § 290.46;
 - ii. Ensure additional protection is provided in the form of a pressure vacuum breaker or by installing a reduced pressure principle BPA at the vending machines in the convenience store, in accordance with 30 TEX. ADMIN. CODE § 290.44;
 - iii. House the hypochlorination solution containers in a secure enclosure, in accordance with 30 TEX. ADMIN. CODE § 290.42; and

- iv. Implement interstitial monitoring release detection for the UST system (the tank and pressurized piping) at the Facility, in accordance with 30 TEX. ADMIN. CODE § 334.50.
- b. Within 45 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.f 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.
- c. Within 90 days after the effective date of this Order:
 - i. Protect the Facility's well units, each water treatment plant and all appurtenances, potable water storage tanks, and pressure maintenance facilities with an intruder-resistant fence with a lockable gate or enclose the well units in a locked and ventilated well house with lockable gates, in accordance with 30 TEX. ADMIN. CODE §§ 290.41, 290.42, and 290.43;
 - ii. Provide a concrete sealing block that extends a minimum of three feet from the well casing in all directions, in accordance with 30 TEX. ADMIN. CODE § 290.41;
 - iii. Obtain a sanitary control easement covering land within 150 feet of the Facility's well, in accordance with 30 TEX. ADMIN. CODE § 290.41; and
 - iv. Compile and maintain accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank, in accordance with 30 TEX. ADMIN. CODE § 290.46.
- d. Within 105 days after the effective date of this Order, submit written certification as described in Ordering Provision No. 2.f below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.c.i through 2.c.iv.
- e. Within 180 days after the effective date of this Order:
 - i. Provide a ground storage capacity equal to at least 50% of the MDD, in accordance with 30 TEX. ADMIN. CODE § 290.45;
 - ii. Provide at least one service pump with a capacity of at least three times the MDD, in accordance with 30 TEX. ADMIN. CODE § 290.45; and
 - iii. Provide a pressure tank capacity of at least 220 gallons, in accordance with 30 TEX. ADMIN. CODE § 290.45.
- f. Within 195 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.e.i through 2.e.iii. 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:

Water Section Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1830

and:

Waste Section Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1830

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. If the Respondent fails to comply with Ordering Provision No. 2.a.iv in this Order within the prescribed schedule, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by 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.

7. 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.
8. 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.
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



8/10/2022

For the Executive Director

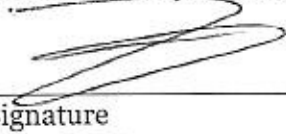
Date

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.

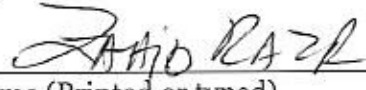
In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

06-27-22

Date



Name (Printed or typed)
Authorized Representative of
ZIO INVESTMENTS, LLC

MANAGER

Title

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

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