

Executive Summary – Enforcement Matter – Case No. 61848
PERMIAN LODGING PECOS, LLC
RN111000535
Docket No. 2022-0140-MLM-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MLM – PWS, WQ

Small Business:

No

Location(s) Where Violation(s) Occurred:

Target Hospitality Pecos Trail Lodge, 495 Farm-to-Market Road 1450, Pecos, Reeves County

Type of Operation:

Public water supply and wastewater treatment facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 19, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$27,067

Amount Deferred for Expedited Settlement: \$5,413

Total Paid to General Revenue: \$21,654

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): July 26, 2021 and July 13, 2022

Complaint Information: Alleged that the water supply was not being treated properly and was causing rashes; and alleged the facility was dumping untreated sewage on the ground.

Date(s) of Investigation: April 26, 2021 through August 10, 2021, and August 16, 2022

Date(s) of NOE(s): December 10, 2021, December 13, 2021, and November 4, 2022

Executive Summary – Enforcement Matter – Case No. 61848
PERMIAN LODGING PECOS, LLC
RN111000535
Docket No. 2022-0140-MLM-E

Violation Information

1. Failed to obtain authorization to discharge wastewater into or adjacent to any water in the state. Specifically, the Respondent was operating a wastewater treatment package plant and disposing treated wastewater via land application without proper authorization [30 TEX. ADMIN. CODE § 305.42 and TEX. WATER CODE § 26.121(a)(1)].
2. Failed to submit plans and specifications to the Executive Director for review and approval prior to the construction of a new public water supply. Specifically, the Respondent was operating a business which meets the definition of a transient, noncommunity public water supply without first obtaining approval [30 TEX. ADMIN. CODE § 290.39(e)(1) and (h)(1) and TEX. HEALTH & SAFETY CODE § 341.035(a)].
3. Failed to prevent the unauthorized discharge of wastewater. Specifically, during the investigation, the Respondent was discharging wastewater from the Facility onto an adjacent property to the south [30 TEX. ADMIN. CODE § 305.125(1), TEX. WATER CODE § 26.121(a)(1), and TCEQ Permit No. WQ0015957001, Permit Condition No. 2.g].
4. Failed to secure the facility in an intruder-resistant fence. Specifically, the Facility was not completely enclosed with an intruder-resistant fence [30 TEX. ADMIN. CODE § 217.328(a)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. By October 22, 2021, the Respondent obtained authorization to dispose of treated wastewater via land application under TCEQ Permit No. WQ0015957001; and
- b. By September 8, 2022, ownership of the Facility was transferred to Target Logistics Management LLC.

Technical Requirements:

N/A

Executive Summary – Enforcement Matter – Case No. 61848
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RN111000535
Docket No. 2022-0140-MLM-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Madison Stringer, Enforcement Division,
Enforcement Team 1, MC 219, (512) 239-1126; Michael Parrish, Enforcement Division,
MC 219, (512) 239-2548

Respondent: Ralph McIngvale, Director, PERMIAN LODGING PECOS, LLC, 1 Flagg Place,
Suite 1, Lafayette, Louisiana 70508
Richard Paul Beaulieu, Manager, PERMIAN LODGING PECOS, LLC, 1 Flagg Place, Suite 1,
Lafayette, Louisiana 70508

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

| | | | | | | |
|--------------|-----------------|-------------|------------------|------------|----------------|--|
| DATES | Assigned | 13-Dec-2021 | Screening | 7-Jan-2022 | EPA Due | |
| | PCW | 7-Jan-2022 | | | | |

RESPONDENT/FACILITY INFORMATION

| | | | | | |
|-----------------------------|----------------------------|---------------------------|-------|--|--|
| Respondent | PERMIAN LODGING PECOS, LLC | | | | |
| Reg. Ent. Ref. No. | RN111000535 | | | | |
| Facility/Site Region | 7-Midland | Major/Minor Source | Minor | | |

CASE INFORMATION

| | | | |
|--|-----------------|------------------------------|--------------------|
| Enf./Case ID No. | 61848 | No. of Violations | 1 |
| Docket No. | 2022-0140-MLM-E | Order Type | 1660 |
| Media Program(s) | Water Quality | Government/Non-Profit | No |
| Multi-Media | | Enf. Coordinator | Madison Stringer |
| | | EC's Team | Enforcement Team 1 |
| Admin. Penalty \$ Limit Minimum | \$0 | Maximum | \$25,000 |

Penalty Calculation Section

| | | |
|---|-------------------|----------|
| TOTAL BASE PENALTY (Sum of violation base penalties) | Subtotal 1 | \$15,000 |
|---|-------------------|----------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

| | | | | |
|---------------------------|--------|-------------------|--------------------------------|----------|
| Compliance History | -10.0% | Adjustment | Subtotals 2, 3, & 7 | -\$1,500 |
|---------------------------|--------|-------------------|--------------------------------|----------|

| | |
|--------------|--|
| Notes | Reduction for High Performer Classification. |
|--------------|--|

| | | | | | |
|--------------------|----|------|--------------------|-------------------|-----|
| Culpability | No | 0.0% | Enhancement | Subtotal 4 | \$0 |
|--------------------|----|------|--------------------|-------------------|-----|

| | |
|--------------|--|
| Notes | The Respondent does not meet the culpability criteria. |
|--------------|--|

| | | |
|--|-------------------|----------|
| Good Faith Effort to Comply Total Adjustments | Subtotal 5 | -\$3,750 |
|--|-------------------|----------|

| | | | | |
|-------------------------|------|---------------------|-------------------|-----|
| Economic Benefit | 0.0% | Enhancement* | Subtotal 6 | \$0 |
|-------------------------|------|---------------------|-------------------|-----|

| | | |
|------------------------------|----------|-----------------------------------|
| Total EB Amounts | \$613 | *Capped at the Total EB \$ Amount |
| Estimated Cost of Compliance | \$25,000 | |

| | | |
|-----------------------------|-----------------------|---------|
| SUM OF SUBTOTALS 1-7 | Final Subtotal | \$9,750 |
|-----------------------------|-----------------------|---------|

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

Reduces or enhances the Final Subtotal by the indicated percentage.

| | |
|--------------|--|
| Notes | |
|--------------|--|

| | |
|-----------------------------|---------|
| Final Penalty Amount | \$9,750 |
|-----------------------------|---------|

| | | |
|-----------------------------------|-------------------------------|---------|
| STATUTORY LIMIT ADJUSTMENT | Final Assessed Penalty | \$9,750 |
|-----------------------------------|-------------------------------|---------|

| | | | | |
|-----------------|-------|------------------|-------------------|----------|
| DEFERRAL | 20.0% | Reduction | Adjustment | -\$1,950 |
|-----------------|-------|------------------|-------------------|----------|

Reduces the Final Assessed Penalty by the indicated percentage.

| | |
|--------------|--|
| Notes | Deferral offered for expedited settlement. |
|--------------|--|

| | |
|------------------------|---------|
| PAYABLE PENALTY | \$7,800 |
|------------------------|---------|

| | | | | |
|--------------------------------|----------------------------|-------------------|-----------------|---|
| Screening Date | 7-Jan-2022 | Docket No. | 2022-0140-MLM-E | PCW |
| Respondent | PERMIAN LODGING PECOS, LLC | | | <i>Policy Revision 5 (January 28, 2021)</i> |
| Case ID No. | 61848 | | | <i>PCW Revision February 11, 2021</i> |
| Reg. Ent. Reference No. | RN111000535 | | | |
| Media | Water Quality | | | |
| Enf. Coordinator | Madison Stringer | | | |

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>) | 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) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Reduction for High Performer Classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

| | | |
|---|--|--|
| Screening Date 7-Jan-2022 Respondent PERMIAN LODGING PECOS, LLC Case ID No. 61848 Reg. Ent. Reference No. RN111000535 Media Water Quality Enf. Coordinator Madison Stringer Violation Number 1 | Docket No. 2022-0140-MLM-E Rule Cite(s) 30 Tex. Admin. Code § 305.42 and Tex. Water Code § 26.121(a)(1) | PCW <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i> |
|---|--|--|

Violation Description
 Failed to obtain authorization to discharge wastewater into or adjacent to any water in the state. Specifically, the Respondent was operating a wastewater treatment package plant and disposing treated wastewater via land application without proper authorization.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

| | Major | Moderate | Minor | |
|----------------|-------|----------|-------|---------------------|
| Release | | | | |
| Actual | | | | Percent 0.0% |
| Potential | | | | |

>> Programmatic Matrix

| | Major | Moderate | Minor | |
|----------------------|-------|----------|-------|----------------------|
| Falsification | | | | |
| | x | | | Percent 10.0% |
| | | | | |

Matrix Notes

100% of the rule requirements were not met.

Adjustment \$22,500

\$2,500

Violation Events

Number of Violation Events: 6 179 Number of violation days

| | |
|--------------|---|
| daily | |
| weekly | |
| monthly | x |
| quarterly | |
| semiannual | |
| annual | |
| single event | |

Violation Base Penalty \$15,000

Six monthly events are recommended, from the April 26, 2021 investigation date to the October 22, 2021 compliance date.

Good Faith Efforts to Comply

25.0%

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Reduction

\$3,750

| | | | |
|---------------|---|--|--|
| Extraordinary | | | |
| Ordinary | x | | |
| N/A | | | |

Notes

The Respondent achieved compliance on October 22, 2021, prior to the Notice of Enforcement dated December 10, 2021.

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Estimated EB Amount \$613

Statutory Limit Test
Violation Final Penalty Total \$9,750

This violation Final Assessed Penalty (adjusted for limits) \$9,750

Economic Benefit Worksheet

Respondent PERMIAN LODGING PECOS, LLC
Case ID No. 61848
Reg. Ent. Reference No. RN111000535
Media Water Quality
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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

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 | \$25,000 | 26-Apr-2021 | 22-Oct-2021 | 0.49 | \$613 | n/a | \$613 |
| Other (as needed) | | | | 0.00 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated cost to prepare and submit an application and obtain/maintain authorization to discharge wastewater. Date Required is the investigation date, and Final Date is the compliance date.

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

\$25,000

TOTAL

\$613



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

| | | | | | | |
|--------------|-----------------|-------------|------------------|-------------|----------------|--|
| DATES | Assigned | 13-Dec-2021 | Screening | 28-Jan-2022 | EPA Due | |
| | PCW | 28-Jan-2022 | | | | |

RESPONDENT/FACILITY INFORMATION

| | | | | | |
|-----------------------------|----------------------------|---------------------------|-------|--|--|
| Respondent | PERMIAN LODGING PECOS, LLC | | | | |
| Reg. Ent. Ref. No. | RN111000535 | | | | |
| Facility/Site Region | 7-Midland | Major/Minor Source | Minor | | |

CASE INFORMATION

| | | | |
|--|---------------------|------------------------------|--------------------|
| Enf./Case ID No. | 61848 | No. of Violations | 1 |
| Docket No. | 2022-0140-MLM-E | Order Type | 1660 |
| Media Program(s) | Public Water Supply | Government/Non-Profit | No |
| Multi-Media | | Enf. Coordinator | Madison Stringer |
| | | EC's Team | Enforcement Team 1 |
| Admin. Penalty \$ Limit Minimum | \$50 | Maximum | \$5,000 |

Penalty Calculation Section

| | | |
|---|-------------------|-------|
| TOTAL BASE PENALTY (Sum of violation base penalties) | Subtotal 1 | \$500 |
|---|-------------------|-------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

| | | | | |
|---------------------------|--------|-------------------|--------------------------------|-------|
| Compliance History | -10.0% | Adjustment | Subtotals 2, 3, & 7 | -\$50 |
|---------------------------|--------|-------------------|--------------------------------|-------|

| | | | | |
|--------------|--|--|--|--|
| Notes | Reduction for High Performer Classification. | | | |
|--------------|--|--|--|--|

| | | | | | |
|--------------------|----|------|--------------------|-------------------|-----|
| Culpability | No | 0.0% | Enhancement | Subtotal 4 | \$0 |
|--------------------|----|------|--------------------|-------------------|-----|

| | | | | |
|--------------|--|--|--|--|
| Notes | The Respondent does not meet the culpability criteria. | | | |
|--------------|--|--|--|--|

| | | |
|--|-------------------|-----|
| Good Faith Effort to Comply Total Adjustments | Subtotal 5 | \$0 |
|--|-------------------|-----|

| | | | | |
|-------------------------|------|---------------------|-------------------|-----|
| Economic Benefit | 0.0% | Enhancement* | Subtotal 6 | \$0 |
|-------------------------|------|---------------------|-------------------|-----|

| | | |
|------------------------------|---------|-----------------------------------|
| Total EB Amounts | \$5,346 | *Capped at the Total EB \$ Amount |
| Estimated Cost of Compliance | \$5,000 | |

| | | |
|-----------------------------|-----------------------|-------|
| SUM OF SUBTOTALS 1-7 | Final Subtotal | \$450 |
|-----------------------------|-----------------------|-------|

| | | | |
|---|---------|-------------------|---------|
| OTHER FACTORS AS JUSTICE MAY REQUIRE | 1188.0% | Adjustment | \$5,346 |
|---|---------|-------------------|---------|

Reduces or enhances the Final Subtotal by the indicated percentage.

| | | | |
|--------------|--|--|--|
| Notes | Recommended enhancement to capture the avoided cost of compliance associated with Violation No. 1. | | |
|--------------|--|--|--|

| | |
|-----------------------------|---------|
| Final Penalty Amount | \$5,796 |
|-----------------------------|---------|

| | | |
|-----------------------------------|-------------------------------|---------|
| STATUTORY LIMIT ADJUSTMENT | Final Assessed Penalty | \$5,796 |
|-----------------------------------|-------------------------------|---------|

| | | | | |
|-----------------|-------|------------------|-------------------|----------|
| DEFERRAL | 20.0% | Reduction | Adjustment | -\$1,159 |
|-----------------|-------|------------------|-------------------|----------|

Reduces the Final Assessed Penalty by the indicated percentage.

| | | | |
|--------------|--|--|--|
| Notes | Deferral offered for expedited settlement. | | |
|--------------|--|--|--|

| | |
|------------------------|---------|
| PAYABLE PENALTY | \$4,637 |
|------------------------|---------|

| | | | | |
|--------------------------------|----------------------------|-------------------|-----------------|---|
| Screening Date | 28-Jan-2022 | Docket No. | 2022-0140-MLM-E | PCW |
| Respondent | PERMIAN LODGING PECOS, LLC | | | <i>Policy Revision 5 (January 28, 2021)</i> |
| Case ID No. | 61848 | | | <i>PCW Revision February 11, 2021</i> |
| Reg. Ent. Reference No. | RN111000535 | | | |
| Media | Public Water Supply | | | |
| Enf. Coordinator | Madison Stringer | | | |

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>) | 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) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Reduction for High Performer Classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

| | | | | |
|--------------------------------|---|---------------------|-----------------|---|
| Screening Date | 28-Jan-2022 | Docket No. | 2022-0140-MLM-E | PCW |
| Respondent | PERMIAN LODGING PECOS, LLC | | | <i>Policy Revision 5 (January 28, 2021)</i> |
| Case ID No. | 61848 | | | <i>PCW Revision February 11, 2021</i> |
| Reg. Ent. Reference No. | RN111000535 | | | |
| Media | Public Water Supply | | | |
| Enf. Coordinator | Madison Stringer | | | |
| Violation Number | 1 | | | |
| Rule Cite(s) | 30 Tex. Admin. Code § 290.39(e)(1) and (h)(1) and Tex. Health & Safety Code § 341.035(a) | | | |
| Violation Description | Failed to submit plans and specifications to the Executive Director for review and approval prior to the construction of a new public water supply. Specifically, the Respondent was operating a business which meets the definition of a transient, noncommunity public water supply without first obtaining approval. | | | |
| | | Base Penalty | \$5,000 | |

>> 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 | \$4,500 | | |
| | | | \$500 | | |

Violation Events

| | | | |
|----------------------------|----------------------------------|-------------------------------|--------------------------|
| Number of Violation Events | 1 | 277 | Number of violation days |
| | daily | | |
| | weekly | | |
| | monthly | | |
| | quarterly | | |
| | semiannual | | |
| | annual | | |
| | single event | x | |
| | One single event is recommended. | | |
| | | Violation Base Penalty | \$500 |

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 | \$500 | |

Economic Benefit (EB) for this violation

| | | | |
|----------------------------|--|-----------------------------|--|
| Estimated EB Amount | \$5,346 | Statutory Limit Test | |
| | Violation Final Penalty Total | \$5,796 | |
| | This violation Final Assessed Penalty (adjusted for limits) | \$5,796 | |

Economic Benefit Worksheet

Respondent PERMIAN LODGING PECOS, LLC
Case ID No. 61848
Reg. Ent. Reference No. RN111000535
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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

Delayed Costs

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

Notes for DELAYED costs

Avoided Costs

ANNUALIZE 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 | \$5,000 | 26-Apr-2021 | 8-Sep-2022 | 1.37 | \$346 | \$5,000 | \$5,346 |
| Other (as needed) | | | | 0.00 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Estimated avoided cost to develop and submit as-built plans and specifications for review and approval.
Date Required is the date of the investigation, and the Final Date is the date ownership changed.

Approx. Cost of Compliance

\$5,000

TOTAL

\$5,346



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

| | | | | |
|--------------|-----------------|-------------|------------------|-------------|
| DATES | Assigned | 7-Nov-2022 | | |
| | PCW | 27-Nov-2022 | Screening | 16-Nov-2022 |
| | | | EPA Due | |

| | | | | |
|--|----------------------------|---------------------------|-------|--|
| RESPONDENT/FACILITY INFORMATION | | | | |
| Respondent | PERMIAN LODGING PECOS, LLC | | | |
| Reg. Ent. Ref. No. | RN111000535 | | | |
| Facility/Site Region | 7-Midland | Major/Minor Source | Minor | |

| | | | | |
|--|-----------------|------------------------------|--------------------|--|
| CASE INFORMATION | | | | |
| Enf./Case ID No. | 61848 | No. of Violations | 2 | |
| Docket No. | 2022-0140-MLM-E | Order Type | 1660 | |
| Media Program(s) | Water Quality | Government/Non-Profit | No | |
| Multi-Media | | Enf. Coordinator | Madison Stringer | |
| | | EC's Team | Enforcement Team 1 | |
| Admin. Penalty \$ Limit Minimum | \$0 | Maximum | \$25,000 | |

Penalty Calculation Section

| | | |
|---|-------------------|---------|
| TOTAL BASE PENALTY (Sum of violation base penalties) | Subtotal 1 | \$5,000 |
|---|-------------------|---------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

| | | | | |
|---------------------------|--------|------------|--------------------------------|--------|
| Compliance History | -10.0% | Adjustment | Subtotals 2, 3, & 7 | -\$500 |
|---------------------------|--------|------------|--------------------------------|--------|

| | | | | |
|-------|--|--|--|--|
| Notes | Reduction for High Performer Classification. | | | |
|-------|--|--|--|--|

| | | | | | |
|--------------------|----|------|-------------|-------------------|-----|
| Culpability | No | 0.0% | Enhancement | Subtotal 4 | \$0 |
|--------------------|----|------|-------------|-------------------|-----|

| | | | | |
|-------|--|--|--|--|
| Notes | The Respondent does not meet the culpability criteria. | | | |
|-------|--|--|--|--|

| | | |
|--|-------------------|-----|
| Good Faith Effort to Comply Total Adjustments | Subtotal 5 | \$0 |
|--|-------------------|-----|

| | | | | |
|-------------------------|------|--------------|-------------------|-----|
| Economic Benefit | 0.0% | Enhancement* | Subtotal 6 | \$0 |
|-------------------------|------|--------------|-------------------|-----|

| | | |
|------------------------------|---------|-----------------------------------|
| Total EB Amounts | \$7,021 | *Capped at the Total EB \$ Amount |
| Estimated Cost of Compliance | \$7,000 | |

| | | |
|-----------------------------|-----------------------|---------|
| SUM OF SUBTOTALS 1-7 | Final Subtotal | \$4,500 |
|-----------------------------|-----------------------|---------|

| | | | |
|---|--------|------------|---------|
| OTHER FACTORS AS JUSTICE MAY REQUIRE | 156.0% | Adjustment | \$7,021 |
|---|--------|------------|---------|

Reduces or enhances the Final Subtotal by the indicated percentage.

| | | | | |
|-----------------------------|--|--|--|----------|
| Notes | Recommended enhancement to capture the avoided costs of compliance associated with Violation Nos. 1 and 2. | | | |
| Final Penalty Amount | | | | \$11,521 |

| | | |
|-----------------------------------|-------------------------------|----------|
| STATUTORY LIMIT ADJUSTMENT | Final Assessed Penalty | \$11,521 |
|-----------------------------------|-------------------------------|----------|

| | | | | |
|-----------------|-------|-----------|------------|----------|
| DEFERRAL | 20.0% | Reduction | Adjustment | -\$2,304 |
|-----------------|-------|-----------|------------|----------|

Reduces the Final Assessed Penalty by the indicated percentage.

| | | | | |
|-------|--|--|--|--|
| Notes | Deferral offered for expedited settlement. | | | |
|-------|--|--|--|--|

| | |
|------------------------|---------|
| PAYABLE PENALTY | \$9,217 |
|------------------------|---------|

Screening Date

16-Nov-2022

Docket No.

2022-0140-MLM-E

PCW

Respondent

PERMIAN LODGING PECOS, LLC

Case ID No.

61848

Reg. Ent. Reference No.

RN111000535

Media

Water Quality

Enf. Coordinator

Madison Stringer

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

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>) | 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)

0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3)

0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7)

-10%

>> Compliance History Summary

Compliance History Notes

Reduction for High Performer Classification.

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

-10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100%

-10%

| | | | | |
|--|--|--|--------------------------------------|--------------------------------------|
| Screening Date | 16-Nov-2022 | Docket No. | 2022-0140-MLM-E | PCW |
| Respondent | PERMIAN LODGING PECOS, LLC | | | Policy Revision 5 (January 28, 2021) |
| Case ID No. | 61848 | | | PCW Revision February 11, 2021 |
| Reg. Ent. Reference No. | RN111000535 | | | |
| Media | Water Quality | | | |
| Enf. Coordinator | Madison Stringer | | | |
| Violation Number | 1 | | | |
| Rule Cite(s) | 30 Tex. Admin. Code § 305.125(1), Tex. Water Code § 26.121(a)(1), and Texas Commission on Environmental Quality Permit No. WQ0015957001, Permit Condition No. 2.g | | | |
| Violation Description | Failed to prevent the authorized discharge of wastewater. Specifically, during the investigation the Respondent was discharging wastewater from the Facility onto an adjacent property to the south. | | | |
| | | Base Penalty | \$25,000 | |
| >> Environmental, Property and Human Health Matrix | | | | |
| OR | Release | Harm | | |
| | | Major Moderate Minor | | |
| | Actual | | | X |
| Potential | | | | |
| | | | Percent | 15.0% |
| >> Programmatic Matrix | | | | |
| | Falsification | Major | Moderate | Minor |
| | | | | |
| | | | | |
| | | | | |
| Matrix Notes | Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation. | | | |
| | | Adjustment | \$21,250 | |
| | | | \$3,750 | |
| >> Violation Events | | | | |
| | Number of Violation Events | 1 | Number of violation days | 23 |
| | Frequency | | | |
| | daily | | | |
| | weekly | | | |
| | monthly | | | |
| | quarterly | X | | |
| | semiannual | | | |
| | annual | | | |
| | single event | | | |
| | | | Violation Base Penalty | \$3,750 |
| | One quarterly event is recommended from the August 16, 2022 investigation date to the September 8, 2022 date of ownership change. | | | |
| >> 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 | \$3,750 | |
| >> Economic Benefit (EB) for this violation | | | | |
| | Estimated EB Amount | \$2,006 | Violation Final Penalty Total | \$8,641 |
| | | This violation Final Assessed Penalty (adjusted for limits) | \$8,641 | |

Economic Benefit Worksheet

Respondent PERMIAN LODGING PECOS, LLC
Case ID No. 61848
Reg. Ent. Reference No. RN111000535
Media Water Quality
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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

Delayed Costs

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

Avoided Costs

ANNUALIZE 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 | \$2,000 | 16-Aug-2022 | 8-Sep-2022 | 0.06 | \$6 | \$2,000 | \$2,006 |
| Other (as needed) | | | | 0.00 | \$0 | \$0 | \$0 |
| Notes for AVOIDED costs | Estimated avoided cost to cease discharging, and clean and disinfect the affected area. The Date Required is the investigation date, and the Final Date is the date ownership changed. | | | | | | |

| | | | |
|----------------------------|---------|-------|---------|
| Approx. Cost of Compliance | \$2,000 | TOTAL | \$2,006 |
|----------------------------|---------|-------|---------|

| | | | | |
|--------------------------------|--|---------------------|-----------------|---|
| Screening Date | 16-Nov-2022 | Docket No. | 2022-0140-MLM-E | PCW |
| Respondent | PERMIAN LODGING PECOS, LLC | | | <i>Policy Revision 5 (January 28, 2021)</i> |
| Case ID No. | 61848 | | | <i>PCW Revision February 11, 2021</i> |
| Reg. Ent. Reference No. | RN111000535 | | | |
| Media | Water Quality | | | |
| Enf. Coordinator | Madison Stringer | | | |
| Violation Number | 2 | | | |
| Rule Cite(s) | 30 Tex. Admin. Code § 217.328(a) | | | |
| Violation Description | Failed to secure the facility in an intruder-resistant fence. Specifically, the Facility was not completely enclosed with an intruder-resistant fence. | | | |
| | | Base Penalty | \$25,000 | |

>> Environmental, Property and Human Health Matrix

OR

| | | | | | |
|--|----------------|-------------|----------|-------|---------------------|
| | Release | Harm | | | |
| | | Major | Moderate | Minor | |
| | Actual | | | | |
| | Potential | | x | | Percent 5.0% |

>>Programmatic Matrix

| | | | | | |
|--|---------------|-------|----------|-------|---------------------|
| | Falsification | Major | Moderate | Minor | |
| | | | | | Percent 0.0% |

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

\$23,750

\$1,250

Violation Events

| | | | |
|----------------------------|---|----|--------------------------|
| Number of Violation Events | 1 | 23 | Number of violation days |
|----------------------------|---|----|--------------------------|

| | | | |
|--|--------------|---|--|
| | daily | | |
| | weekly | | |
| | monthly | x | |
| | quarterly | | |
| | semiannual | | |
| | annual | | |
| | single event | | |

Violation Base Penalty

\$1,250

One monthly event is recommended from the August 16, 2022 investigation date to the September 8, 2022 date of ownership change.

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 effort criteria for this violation.

Violation Subtotal

\$1,250

Economic Benefit (EB) for this violation

Statutory Limit Test

| | | | |
|--|---------|--------------------------------------|---------|
| Estimated EB Amount | \$5,015 | Violation Final Penalty Total | \$2,880 |
| This violation Final Assessed Penalty (adjusted for limits) | | \$2,880 | |

Economic Benefit Worksheet

Respondent PERMIAN LODGING PECOS, LLC
Case ID No. 61848
Reg. Ent. Reference No. RN111000535
Media Water Quality
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 |
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|-------------|-----------|

Delayed Costs

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

Avoided Costs

ANNUALIZE 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 | \$5,000 | 16-Aug-2022 | 8-Sep-2022 | 0.06 | \$15 | \$5,000 | \$5,015 |
| Other (as needed) | | | | 0.00 | \$0 | \$0 | \$0 |
| Notes for AVOIDED costs | Estimated avoided cost to install an intruder resistant fence to secure the wastewater treatment facility. The Date Required is the investigation date, and the Final Date is the date ownership changed. | | | | | | |

| | | | |
|----------------------------|---------|--------------|---------|
| Approx. Cost of Compliance | \$5,000 | TOTAL | \$5,015 |
|----------------------------|---------|--------------|---------|



Compliance History Report

Compliance History Report for CN605858182, RN111000535, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

| | | | |
|---|--|---|--------------------------------|
| Customer, Respondent, or Owner/Operator: | CN605858182, PERMIAN LODGING PECOS, LLC | Classification: HIGH | Rating: 0.00 |
| Regulated Entity: | RN111000535, TARGET HOSPITALITY PECOS TRAIL LODGE | Classification: HIGH | Rating: 0.00 |
| Complexity Points: | 2 | Repeat Violator: NO | |
| CH Group: | 14 - Other | | |
| Location: | 495 FM 1450, PECOS, TX 79772, REEVES COUNTY | | |
| TCEQ Region: | REGION 07 - MIDLAND | | |
| ID Number(s): | | | |
| WASTEWATER PERMIT WQ0015957001 | | PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1950036 | |
| Compliance History Period: | September 01, 2018 to August 31, 2023 | Rating Year: 2023 | Rating Date: 09/01/2023 |
| Date Compliance History Report Prepared: | April 03, 2024 | | |
| Agency Decision Requiring Compliance History: | Enforcement | | |
| Component Period Selected: | April 03, 2019 to April 03, 2024 | | |
| TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History. | | | |
| Name: Madison Stringer | | Phone: (512) 239-1126 | |

Site and Owner/Operator History:

- | | |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period? | NO |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | YES |

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 (CCEDS Inv. Track. No.):

| | | |
|--------|-------------------|-----------|
| Item 1 | February 27, 2023 | (1874022) |
|--------|-------------------|-----------|

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

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
PERMIAN LODGING PECOS, LLC
RN111000535

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2022-0140-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 PERMIAN LODGING PECOS, 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 owned and operated a public water supply and wastewater treatment facility located at 495 Farm-to-Market Road 1450, Pecos, Reeves County, Texas (the "Facility"). The Facility is near or adjacent to water in the state as defined in TEX. WATER CODE § 26.001(5). The Facility provides water for human consumption, has approximately 710 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(73).
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 \$27,067 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$21,654 of the penalty and \$5,413 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, 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.
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Facility:
 - a. By October 22, 2021, the Respondent obtained authorization to dispose of treated wastewater via land application under TCEQ Permit No. WQ0015957001.
 - b. By September 8, 2022, ownership of the Facility was transferred to Target Logistics Management LLC.

II. ALLEGATIONS

1. During an investigation conducted at the Facility on April 26, 2021 through August 10, 2021 (Investigation No. 1775836), an investigator documented that the Respondent failed to obtain authorization to discharge wastewater into or adjacent to any water in the state, in violation of 30 TEX. ADMIN. CODE § 305.42 and TEX. WATER CODE § 26.121(a)(1). Specifically, the Respondent was operating a wastewater treatment package plant and disposing treated wastewater via land application without proper authorization.
2. During an investigation conducted at the Facility on April 26, 2021 through August 10, 2021 (Investigation No. 1775768), an investigator documented that the Respondent failed to submit plans and specifications to the Executive Director for review and approval prior to the construction of a new public water supply, in violation of 30 TEX. ADMIN. CODE § 290.39(e)(1) and (h)(1) and TEX. HEALTH & SAFETY CODE § 341.035(a). Specifically, the Respondent was operating a business which meets the definition of a transient, noncommunity public water supply without first obtaining approval.
3. During an investigation conducted at the Facility on August 16, 2022, an investigator documented that the Respondent:
 - a. Failed to prevent the unauthorized discharge of wastewater, in violation of 30 TEX. ADMIN. CODE § 305.125(1), TEX. WATER CODE § 26.121(a)(1), and TCEQ Permit No. WQ0015957001, Permit Condition No. 2.g. Specifically, during the investigation, the Respondent was discharging wastewater from the Facility onto an adjacent property to the south.

- b. Failed to secure the facility in an intruder-resistant fence, in violation of 30 TEX. ADMIN. CODE § 217.328(a). Specifically, the Facility was not completely enclosed with an intruder-resistant fence.

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: PERMIAN LODGING PECOS, LLC, Docket No. 2022-0140-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. All relief not expressly granted in this Order is denied.
3. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent.
4. 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.
5. 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.
6. 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.

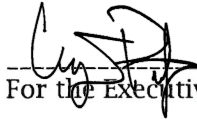
7. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



For the Executive Director

7/16/2024

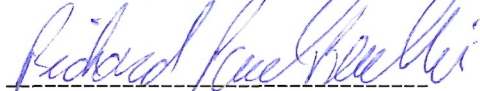
Date

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

Date

6-19-2024



Name (Printed or typed)

Title

MANAGER

Authorized Representative of
PERMIAN LODGING PECOS, LLC

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

1 Flagg Place, Suite 1
Lafayette, LA 70508

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.