

Executive Summary – Enforcement Matter – Case No. 62471
South Central Water Company
RN105921738
Docket No. 2022-0717-MWD-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MWD

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Cibolo Valley WWTP, located approximately 3,000 feet southeast of the intersection of U.S. Highway 281 and Farm-to-Market 1863, Bulverde, Comal County

Type of Operation:

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: August 23, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$38,647

Amount Deferred for Expedited Settlement: \$7,729

Total Paid to General Revenue: \$888

Total Due to General Revenue: \$30,030

Payment Plan: 35 payments of \$858 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: April 1, 2022

Date(s) of NOE(s): May 26, 2022

Executive Summary – Enforcement Matter – Case No. 62471
South Central Water Company
RN105921738
Docket No. 2022-0717-MWD-E

Violation Information

1. Failed to comply with permitted effluent limitations for daily average flow and ammonia nitrogen [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0014988001, Interim I Effluent Limitations and Monitoring Requirements No. 1].
2. Failed to collect and analyze effluent samples at the intervals specified in the permit. Specifically, Respondent did not collect and analyze chloride samples for the months of February 2021 through December 2021 [30 TEX. ADMIN. CODE §§ 305.125(1) and 319.5(b) and TPDES Permit No. WQ0014988001, Monitoring and Reporting Requirements No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

- a. By August 31, 2022, determined the cause of noncompliance, expanded the treatment capacity of the Facility, and achieved compliance with permitted effluent limitations; and
- b. By September 19, 2022, developed and implemented procedures and conducted employee training to ensure samples are collected and analyzed in accordance with permit requirements.

Technical Requirements:

N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Harley Hobson, Enforcement Division, Enforcement Team 1, MC 219, (512) 239-1337; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Doug Bailey, President, South Central Water Company, P.O. Box 570177, Houston, Texas 77257

Respondent's Attorney: Peter T. Gregg, Gregg Law PC, 910 West Avenue, Austin, Texas 78701



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	6-Jun-2022	Screening	9-Jun-2022	EPA Due	
	PCW	8-Jun-2022				

RESPONDENT/FACILITY INFORMATION

Respondent	South Central Water Company				
Reg. Ent. Ref. No.	RN105921738				
Facility/Site Region	13-San Antonio		Major/Minor Source	Minor	

CASE INFORMATION

Enf./Case ID No.	62471	No. of Violations	2
Docket No.	2022-0717-MWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Harley Hobson
		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	\$25,000
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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	50.0%	Adjustment	Subtotals 2, 3, & 7	\$12,500
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Notes	Enhancement for six months of self-reported effluent violations and one 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	\$12,852	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$201,373	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$37,500
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OTHER FACTORS AS JUSTICE MAY REQUIRE	3.1%	Adjustment	\$1,147
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	Recommended enhancement to capture the avoided cost of compliance associated with Violation No. 2.		
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Final Penalty Amount	\$38,647
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$38,647
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DEFERRAL	20.0%	Reduction	Adjustment	-\$7,729
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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	\$30,918
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Screening Date	9-Jun-2022	Docket No.	2022-0717-MWD-E	PCW
Respondent	South Central Water Company			Policy Revision 5 (January 28, 2021)
Case ID No.	62471			PCW Revision February 11, 2021
Reg. Ent. Reference No.	RN105921738			
Media	Water Quality			
Enf. Coordinator	Harley Hobson			

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>)	6	30%
	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) 50%

>> 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 six months of self-reported effluent violations and one order containing a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 50%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 50%

Screening Date	9-Jun-2022	Docket No.	2022-0717-MWD-E	PCW
Respondent	South Central Water Company	<i>Policy Revision 5 (January 28, 2021)</i>		
Case ID No.	62471	<i>PCW Revision February 11, 2021</i>		
Reg. Ent. Reference No.	RN105921738			
Media	Water Quality			
Enf. Coordinator	Harley Hobson			
Violation Number	1			
Rule Cite(s)	30 Tex. Admin. Code § 305.125(1), Tex. Water Code § 26.121(a)(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0014988001, Interim I Effluent Limitations and Monitoring Requirements No. 1			
Violation Description	Failed to comply with permitted effluent limitations, as shown in the attached effluent violation table.			
Base Penalty				\$25,000

>> Environmental, Property and Human Health Matrix

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

>> Programmatic Matrix

Matrix Notes		Falsification	Major	Moderate	Minor	
						Percent 0.0%
	A simplified model was used to evaluate ammonia nitrogen to determine whether the discharged amounts of pollutants exceeded protective levels. Flow was also considered. 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	3	Number of violation days	153
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	daily		Violation Base Penalty \$11,250
	weekly		
	monthly		
	quarterly	x	
	semiannual		
	annual		
	single event		

Three quarterly events are recommended for the quarters containing the months of June, August, October, November, and December 2021.

Good Faith Efforts to Comply

	0.0%		Reduction \$0
	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer	
Extraordinary			
Ordinary			
N/A	x		
Notes	The Respondent does not meet the good faith criteria for this violation.		

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Estimated EB Amount	\$11,699
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Statutory Limit Test

Violation Final Penalty Total	\$17,391
This violation Final Assessed Penalty (adjusted for limits)	
\$17,391	

Economic Benefit Worksheet

Respondent South Central Water Company
Case ID No. 62471
Reg. Ent. Reference No. RN105921738
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
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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)	\$200,000	30-Jun-2021	31-Aug-2022	1.17	\$11,699	n/a	\$11,699

Notes for DELAYED costs

Estimated Other cost to determine the cause of noncompliance, expand the treatment capacity of the Facility, and achieve compliance with the permitted effluent limitations. The Date Required is the end date of the first month of noncompliance. The Final Date is the 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

\$200,000

TOTAL

\$11,699

Screening Date 9-Jun-2022 Respondent South Central Water Company Case ID No. 62471 Reg. Ent. Reference No. RN105921738 Media Water Quality Enf. Coordinator Harley Hobson	Docket No. 2022-0717-MWD-E	PCW <i>Policy Revision 5 (January 28, 2021)</i> <i>PCW Revision February 11, 2021</i>
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Violation Number	2	
Rule Cite(s)		30 Tex. Admin. Code §§ 305.125(1) and 319.5(b) and TPDES Permit No. WQ0014988001, Monitoring and Reporting Requirements No. 1
Violation Description		Failed to collect and analyze effluent samples at the intervals specified in the permit. Specifically, the Respondent did not collect and analyze chloride samples for the months of February 2021 through December 2021.

Base Penalty	\$25,000
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>> Environmental, Property and Human Health Matrix

OR		Release	Harm		
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input style="width: 50px;" type="text"/>
	Potential	<input type="text"/>	x	<input type="text"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input style="width: 50px;" type="text"/>

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.
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Adjustment	\$23,750
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	\$1,250
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Violation Events

Number of Violation Events <input style="width: 50px;" type="text"/>	11	Number of violation days <input style="width: 50px;" type="text"/>	446
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	daily	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	weekly	<input type="text"/>	<input type="text"/>	<input type="text"/>	Violation Base Penalty <input style="width: 100px;" type="text"/>
	monthly	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	quarterly	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	semiannual	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	annual	<input type="text"/>	<input type="text"/>	<input type="text"/>	
	single event	x	<input type="text"/>	<input type="text"/>	

Eleven single events are recommended, one for each month samples were not collected.
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Good Faith Efforts to Comply

	0.0%	
	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	x	<input type="text"/>
Notes	The Respondent does not meet the good faith criteria for this violation.	

Violation Subtotal	\$13,750
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Economic Benefit (EB) for this violation

Estimated EB Amount	\$1,153
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Statutory Limit Test

Violation Final Penalty Total	\$21,256
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This violation Final Assessed Penalty (adjusted for limits)	\$21,256
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Economic Benefit Worksheet

Respondent South Central Water Company
Case ID No. 62471
Reg. Ent. Reference No. RN105921738
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
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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	\$250	1-Apr-2022	19-Sep-2022	0.47	\$6	n/a	\$6
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

Estimated Training/Sampling cost to develop and implement procedures and conduct employee training to ensure samples are collected and analyzed in accordance with permit requirements. The Date Required is the investigation date. The Final Date is the 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)	\$1,123	31-Dec-2021	9-Jun-2022	0.44	\$24	\$1,123	\$1,147

Notes for AVOIDED costs

Estimated avoided cost and accrued interest to collect and analyze effluent samples (\$100 for each month sample). The Date Required is the last day the December 2021 sample could have been collected. The Final Date is the screening date.

Approx. Cost of Compliance

\$1,373

TOTAL

\$1,153

South Central Water Company
Docket No. 2022-0717-MWD-E
TPDES Permit No. WQ0014988001
Case No. 62471

Effluent Violation Table

	Flow Daily Avg.	NH3-N Daily Avg. Conc.	NH3-N Single Grab Conc.	NH3-N Daily Avg. Load
Monitoring Period	Limit = 0.075 MGD	Limit = 2 mg/L	Limit = 15 mg/L	Limit = 1.3 lbs/day
June 2021	0.08	c	c	c
August 2021	c	4.5	22.1	2.5
October 2021	0.09	c	c	c
November 2021	0.08	c	c	c
December 2021	0.09	2.8	c	2.2

MGD = million gallons per day
mg/L = milligrams per liter
Conc. = concentration

NH3-N = ammonia nitrogen
lbs/day = pounds per day

Avg. = average
c = compliant



Compliance History Report

Compliance History Report for CN602602179, RN105921738, Rating Year 2021 which includes Compliance History (CH) components from September 1, 2016, through August 31, 2021.

Customer, Respondent, or Owner/Operator: CN602602179, South Central Water Company
Regulated Entity: RN105921738, CIBOLO VALLEY WWTP
Complexity Points: 7
CH Group: 08 - Sewage Treatment Facilities
Location: approximately 3,000 feet southeast of the intersection of United States Highway 281 and Farm-to-Market 1863 in Comal County, Texas
TCEQ Region: REGION 13 - SAN ANTONIO

Classification: SATISFACTORY **Rating:** 2.55

Classification: SATISFACTORY **Rating:** 7.70

Repeat Violator: NO

ID Number(s):

WASTEWATER EPA ID TX0132837

WASTEWATER PERMIT WQ0014988001

WASTEWATER AUTHORIZATION R14988001

EDWARDS AQUIFER PERMIT 13-15011401

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

Date Compliance History Report Prepared: June 08, 2022

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: June 08, 2017 to June 08, 2022

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

Name: Harley Hobson

Phone: (512) 239-1337

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: 07/06/2020 ADMINORDER 2019-1033-MWD-E (1660 Order-Agreed Order With Denial)
 Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: Effluent Limits PERMIT
 Description: Failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0014988001, Interim I Effluent Limitations and Monitoring Requirements No. 1.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	May 20, 2019	(1574061)	Item 11	September 24, 2020	(1682548)
Item 2	August 13, 2019	(1601689)	Item 12	December 17, 2020	(1718976)
Item 3	January 20, 2020	(1636229)	Item 13	January 15, 2021	(1718977)
Item 4	February 15, 2020	(1642850)	Item 14	February 20, 2021	(1732037)
Item 5	March 20, 2020	(1649355)	Item 15	April 14, 2021	(1732039)
Item 6	April 16, 2020	(1655720)	Item 16	May 17, 2021	(1743308)
Item 7	May 19, 2020	(1662263)	Item 17	June 04, 2021	(1724191)
Item 8	June 14, 2020	(1668807)	Item 18	June 16, 2021	(1743309)
Item 9	July 09, 2020	(1675754)	Item 19	August 15, 2021	(1759227)
Item 10	September 14, 2020	(1689095)	Item 20	October 18, 2021	(1779354)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date: 06/30/2021 (1753847)		
	Self Report? YES	Classification: Moderate	
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
2	Date: 08/31/2021 (1768603)		
	Self Report? YES	Classification: Moderate	
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
3	Date: 10/31/2021 (1785781)		
	Self Report? YES	Classification: Moderate	
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
4	Date: 11/30/2021 (1792830)		
	Self Report? YES	Classification: Moderate	
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
5	Date: 12/31/2021 (1800666)		
	Self Report? YES	Classification: Moderate	
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
6	Date: 01/31/2022 (1808494)		
	Self Report? YES	Classification: Moderate	
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		

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
SOUTH CENTRAL WATER COMPANY;
RN105921738

§
§
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§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER

DOCKET NO. 2022-0717-MWD-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding South Central Water Company ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and Respondent, represented by Peter T. Gregg of the law firm Gregg Law PC together stipulate that:

1. Respondent owns and operates a wastewater treatment facility located at approximately 3,000 feet southeast of the intersection of United States Highway 281 and Farm-to-Market 1863 near Bulverde, Comal County, Texas (the "Facility"). The Facility adjoins, is contiguous with, surrounds, or is near or adjacent to state water as defined in TEX. WATER CODE § 26.001(5).
2. The Executive Director and Respondent agree that TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. WATER CODE ch. 26 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 Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$38,647 is assessed by the Commission in settlement of the violations alleged in Section II. Respondent paid \$888 of the penalty and \$7,729 is deferred contingent upon the Respondent's timely and satisfactory completion 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 \$30,030 shall be paid in 35 monthly payments of \$858 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 Respondent fails to timely and satisfactorily comply with the payment requirements of this Order, including the payment schedule, the Executive Director may, at his option, accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. In addition, Respondent's failure to meet the payment schedule of this Order and/or the acceleration of any remaining balance constitutes the failure by Respondent to timely and satisfactorily comply with all the terms of this Order.

5. The Executive Director and Respondent agree on a settlement of the matters addressed in this Order, 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 Respondent has not complied with one or more of the terms or conditions contained 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 full compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that Respondent implemented the following corrective measures at the Facility:
 - a. By August 31, 2022, determined the cause of noncompliance, expanded the treatment capacity of the Facility, and achieved compliance with permitted effluent limitations; and
 - b. By September 19, 2022, developed and implemented procedures and conducted employee training to ensure samples are collected and analyzed in accordance with permit requirements.

II. ALLEGATIONS

1. During a record review for the Facility conducted on April 1, 2022, an investigator documented that Respondent:
 - a. Failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0014988001, Interim I Effluent Limitations and Monitoring Requirements No. 1, as shown in the effluent violation table below:

Effluent Violation Table				
	Flow Daily Avg.	NH3-N Daily Avg. Conc.	NH3-N Single Grab Conc.	NH3-N Daily Avg. Load
Monitoring Period	Limit = 0.075 MGD	Limit = 2 mg/L	Limit = 15 mg/L	Limit = 1.3 lbs/day
June 2021	0.08	c	c	c
August 2021	c	4.5	22.1	2.5
October 2021	0.09	c	c	c
November 2021	0.08	c	c	c
December 2021	0.09	2.8	c	2.2

MGD = million gallons per day
mg/L = milligrams per liter
Conc. = concentration

NH3-N = ammonia nitrogen
lbs/day = pounds per day

Avg. = average
c = compliant

- b. Failed to collect and analyze effluent samples at the intervals specified in the permit, in violation of 30 TEX. ADMIN. CODE §§ 305.125(1) and 319.5(b) and TPDES

Permit No. WQ0014988001, Monitoring and Reporting Requirements No. 1. Specifically, Respondent did not collect and analyze chloride samples for the months of February 2021 through December 2021.

III. DENIALS

Respondent generally denies each Allegation in Section II.

IV. ORDERING PROVISIONS

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

1. Respondent is assessed an administrative penalty as set forth in Section I, Paragraph 4. The payment of this penalty and 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 actions 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: South Central Water Company, Docket No. 2022-0717-MWD-E" to:

Financial Administration Division
Revenue Operations Section
Texas Commission on Environmental Quality
Attention: Cashier's Office, MC 214
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 Respondent. 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.
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 Respondent shall be made in writing to the Executive Director. Extensions are not effective until 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 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 TCEQ's jurisdiction or of a rule adopted or an order or permit issued by the TCEQ 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

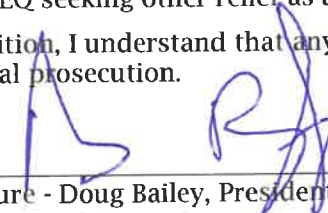
9/3/2024
Date

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 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;
- 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, I understand that any falsification of any compliance documents may result in criminal prosecution.


Signature - Doug Bailey, President
South Central Water Company
P.O. Box 570177
Houston, Texas 77257

5-9-24
Date

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