

Executive Summary – Enforcement Matter – Case No. 64956
Cypress Hill Municipal Utility District No. 1
RN103102125
Docket No. 2023-1504-MWD-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MWD

Small Business:

No

Location(s) Where Violation(s) Occurred:

Cypress Hill MUD 1, located 200 feet west of Cypress Rosehill Road and approximately 0.50 mile north of the intersection of Cypress Rosehill Road and U.S. Highway 290, Harris 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: June 21, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$8,438

Amount Deferred for Expedited Settlement: \$1,687

Total Paid to General Revenue: \$6,751

Total Due to General Revenue: \$0

Payment Plan: N/A

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: June 27, 2023

Date(s) of NOE(s): September 21, 2023

**Executive Summary – Enforcement Matter – Case No. 64956
Cypress Hill Municipal Utility District No. 1
RN103102125
Docket No. 2023-1504-MWD-E**

Violation Information

Failed to comply with permitted effluent limitations for ammonia nitrogen [30 TEX. ADMIN. CODE § 305.125(1), TEX. WATER CODE § 26.121(a)(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0012327001, Effluent Limitations and Monitoring Requirements No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

By June 30, 2023, the Respondent implemented corrective measures and achieved compliance with all permitted effluent limitations in TPDES Permit No. WQ0012327001.

Technical Requirements:

N/A

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: Ronald Koehn, President, Cypress Hill Municipal Utility District No. 1, 1301 McKinney Street, Suite 5100, Houston, Texas 77010

Respondent's Attorney: Kathleen Ellison, Norton Rose Fullbright LLP, 98 San Jacinto Boulevard, Suite 1100, Austin, Texas, 78701-4255



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

| | | | | | |
|--------------|-----------------|-------------|------------------|-------------|----------------|
| DATES | Assigned | 2-Oct-2023 | | | |
| | PCW | 10-Oct-2023 | Screening | 10-Oct-2023 | EPA Due |

| | | | | | |
|--|---|---------------------------|-------|--|--|
| RESPONDENT/FACILITY INFORMATION | | | | | |
| Respondent | Cypress Hill Municipal Utility District No. 1 | | | | |
| Reg. Ent. Ref. No. | RN103102125 | | | | |
| Facility/Site Region | 12-Houston | Major/Minor Source | Minor | | |

| | | | | | |
|--------------------------|----------------------|------------------------------|--------------------|----------|--|
| CASE INFORMATION | | | | | |
| Enf./Case ID No. | 64956 | No. of Violations | 1 | | |
| Docket No. | 2023-1504-MWD-E | Order Type | 1660 | | |
| Media Program(s) | Water Quality | Government/Non-Profit | Yes | | |
| 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 | \$11,250 |
|---|-------------------|----------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

| | | | | |
|---------------------------|------|------------|--------------------------------|-----|
| Compliance History | 0.0% | Adjustment | Subtotals 2, 3, & 7 | \$0 |
|---------------------------|------|------------|--------------------------------|-----|

| | | | | |
|--------------|---------------------------------------|--|--|--|
| Notes | No adjustment for compliance history. | | | |
|--------------|---------------------------------------|--|--|--|

| | | | | | |
|--------------------|----|------|-------------|-------------------|-----|
| 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 | -\$2,812 |
|--|-------------------|----------|

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

| | | |
|------------------------------|----------|-----------------------------------|
| Total EB Amounts | \$750 | *Capped at the Total EB \$ Amount |
| Estimated Cost of Compliance | \$15,000 | |

| | | |
|-----------------------------|-----------------------|---------|
| SUM OF SUBTOTALS 1-7 | Final Subtotal | \$8,438 |
|-----------------------------|-----------------------|---------|

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

Reduces or enhances the Final Subtotal by the indicated percentage.

| | | | |
|--------------|--|-----------------------------|---------|
| Notes | | Final Penalty Amount | \$8,438 |
|--------------|--|-----------------------------|---------|

| | | |
|-----------------------------------|-------------------------------|---------|
| STATUTORY LIMIT ADJUSTMENT | Final Assessed Penalty | \$8,438 |
|-----------------------------------|-------------------------------|---------|

| | | | | |
|-----------------|-------|-----------|------------|----------|
| DEFERRAL | 20.0% | Reduction | Adjustment | -\$1,687 |
|-----------------|-------|-----------|------------|----------|

Reduces the Final Assessed Penalty by the indicated percentage.

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

| | |
|------------------------|---------|
| PAYABLE PENALTY | \$6,751 |
|------------------------|---------|

Screening Date

10-Oct-2023

Docket No.

2023-1504-MWD-E

PCW

Respondent

Cypress Hill Municipal Utility District No. 1

Case ID No.

64956

Reg. Ent. Reference No.

RN103102125

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)

Satisfactory Performer

Adjustment Percentage (Subtotal 7)

0%

>> Compliance History Summary

Compliance History Notes

No adjustment for compliance history.

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

0%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100%

0%

Screening Date

10-Oct-2023

Docket No.

2023-1504-MWD-E

PCW

Respondent

Cypress Hill Municipal Utility District No. 1

Policy Revision 5 (January 28, 2021)

Case ID No.

64956

PCW Revision February 11, 2021

Reg. Ent. Reference No.

RN103102125

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 Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0012327001, Effluent Limitations and Monitoring Requirements No. 1

Violation Description

Failed to comply with effluent limitations, as shown in the attached effluent violation table.

Base Penalty

\$25,000

>> Environmental, Property and Human Health Matrix

OR

Release

Major

Moderate

Minor

Actual

x

Potential

Percent

15.0%

>>Programmatic Matrix

Falsification

Major

Moderate

Minor

Percent

0.0%

Matrix Notes

A simplified model was used to evaluate Ammonia Nitrogen levels to determine whether the discharged amounts of pollutants exceeded protected levels. 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

89

Number of violation days

daily

weekly

monthly

quarterly

x

semiannual

annual

single event

Violation Base Penalty

\$11,250

Three quarterly events are recommended for the quarters containing the months of June 2022 and February and March 2023.

Good Faith Efforts to Comply

25.0%

Reduction

\$2,812

Extraordinary

Ordinary

x

N/A

Notes

The Respondent achieved compliance by June 30, 2023, before the NOE dated September 21, 2023.

Violation Subtotal

\$8,438

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

\$750

Violation Final Penalty Total

\$8,438

This violation Final Assessed Penalty (adjusted for limits)

\$8,438

Economic Benefit Worksheet

Respondent Case ID No. Cypress Hill Municipal Utility District No. 1
Reg. Ent. Reference No. 64956
Media RN103102125
Violation No. Water Quality
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 | \$15,000 | 30-Jun-2022 | 30-Jun-2023 | 1.00 | \$750 | n/a | \$750 |
| Other (as needed) | | | | 0.00 | \$0 | n/a | \$0 |
| Notes for DELAYED costs | Estimated cost to determine the cause of noncompliance, make the necessary repairs/adjustments to the Facility, and achieve compliance with the permitted effluent limitations. The Date Required is the end date of the first month of noncompliance, and the Final Date is the date of compliance. | | | | | | |

Avoided CostsANNUALIZE 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 | \$15,000 | TOTAL | \$750 |
|----------------------------|----------|-------|-------|

Cypress Hill Municipal Utility District No. 1

Effluent Violation Table

TPDES Permit No.: WQ0012327001

Docket No.: 2023-1504-MWD-E

Case No.: 64956

| | NH3-N Daily Avg. Conc. | NH3-N Daily Max. Conc. | NH3-N Daily Avg. Load. |
|----------------------|------------------------------|------------------------------|------------------------------|
| Monitoring Period | Limit = 2 mg/L | Limit = 10 mg/L | Limit = 17 lbs/day |
| June 2022 | 3.54 | 16.60 | 20.20 |
| February 2023 | 2.22 | 14.50 | c |
| March 2023 | 4.66 | 17.20 | 25.90 |

NH3-N = ammonia nitrogen Conc. = concentration c= compliant

Avg. = average mg/L = milligrams per liter Max. = maximum

lbs/day = pounds per day Load. = loading



Compliance History Report

Compliance History Report for CN601358278, RN103102125, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

Customer, Respondent, or Owner/Operator: CN601358278, Cypress Hill Municipal Utility District No. 1

Classification: SATISFACTORY **Rating:** 0.73

Regulated Entity: RN103102125, CYPRESS HILL MUD 1

Classification: SATISFACTORY **Rating:** 0.73

Complexity Points: 5

Repeat Violator: NO

CH Group: 08 - Sewage Treatment Facilities

Location: 200 feet west of Cypress Rosehill Road and approximately 0.5 miles north of the intersection of Cyprus Rosehill Road and United States Highway 290, Harris County, Texas

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

WASTEWATER PERMIT WQ0012327001

WASTEWATER EPA ID TX0086011

WATER QUALITY NON PERMITTED ID NUMBER
R05107272809

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? | 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:

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 | April 09, 2019 | (1572973) | | | |
| Item 2 | May 08, 2019 | (1585548) | | | |
| Item 3 | June 06, 2019 | (1585549) | Item 11 | February 06, 2020 | (1641794) |
| Item 4 | July 09, 2019 | (1594334) | Item 12 | March 09, 2020 | (1648308) |
| Item 5 | August 26, 2019 | (1600625) | Item 13 | April 09, 2020 | (1654660) |
| Item 6 | September 09, 2019 | (1607530) | Item 14 | May 07, 2020 | (1661226) |
| Item 7 | October 04, 2019 | (1614408) | Item 15 | June 08, 2020 | (1667755) |
| Item 8 | November 07, 2019 | (1620199) | Item 16 | July 09, 2020 | (1674701) |
| Item 9 | December 06, 2019 | (1627546) | Item 17 | August 07, 2020 | (1681473) |
| Item 10 | January 08, 2020 | (1635179) | Item 18 | September 09, 2020 | (1688050) |

| | | | | | |
|---------|--------------------|-----------|---------|--------------------|-----------|
| Item 19 | October 08, 2020 | (1694406) | Item 38 | May 16, 2022 | (1829914) |
| Item 20 | November 09, 2020 | (1715826) | Item 39 | June 15, 2022 | (1836211) |
| Item 21 | December 03, 2020 | (1715827) | Item 40 | August 05, 2022 | (1849573) |
| Item 22 | January 07, 2021 | (1715828) | Item 41 | September 15, 2022 | (1857343) |
| Item 23 | February 05, 2021 | (1728899) | Item 42 | October 12, 2022 | (1863696) |
| Item 24 | March 08, 2021 | (1728900) | Item 43 | November 14, 2022 | (1870605) |
| Item 25 | April 08, 2021 | (1728901) | Item 44 | December 14, 2022 | (1876461) |
| Item 26 | May 06, 2021 | (1741753) | Item 45 | January 11, 2023 | (1883274) |
| Item 27 | May 26, 2021 | (1722176) | Item 46 | February 09, 2023 | (1891090) |
| Item 28 | June 07, 2021 | (1741754) | Item 47 | May 09, 2023 | (1913615) |
| Item 29 | July 08, 2021 | (1752822) | Item 48 | June 14, 2023 | (1920225) |
| Item 30 | August 06, 2021 | (1758235) | Item 49 | July 12, 2023 | (1927192) |
| Item 31 | September 14, 2021 | (1767501) | Item 50 | August 09, 2023 | (1934154) |
| Item 32 | October 07, 2021 | (1778012) | Item 51 | September 14, 2023 | (1940295) |
| Item 33 | November 08, 2021 | (1784751) | Item 52 | October 20, 2023 | (1947132) |
| Item 34 | January 10, 2022 | (1799621) | Item 53 | November 13, 2023 | (1952820) |
| Item 35 | February 04, 2022 | (1807455) | Item 54 | December 19, 2023 | (1962594) |
| Item 36 | March 09, 2022 | (1814508) | Item 55 | January 18, 2024 | (1969181) |
| Item 37 | April 12, 2022 | (1821076) | | | |

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
CYPRESS HILL MUNICIPAL UTILITY
DISTRICT NO. 1
RN103102125

§ BEFORE THE
§ TEXAS COMMISSION ON
§ ENVIRONMENTAL QUALITY
§

AGREED ORDER DOCKET NO. 2023-1504-MWD-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 Cypress Hill Municipal Utility District No. 1 (the "Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent, represented by Kathleen Ellison of the law firm of Norton Rose Fullbright LLP, together stipulate that:

1. The Respondent owns and operates a wastewater treatment facility located 200 feet west of Cypress Rosehill Road and approximately 0.50 miles north of the intersection of Cypress Rosehill Road and United States Highway 290 in Harris County, Texas (the "Facility"). The Facility is near or adjacent to water in the state as defined in TEX. WATER CODE § 26.001(5).
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 that the 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 the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$8,438 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$6,751 of the penalty and \$1,687 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 agrees 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 by June 30, 2023, the Respondent implemented corrective measures at the Facility and achieved compliance with all permitted effluent limitations in Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0012327001.

II. ALLEGATIONS

During a record review for the Facility conducted on June 27, 2023, an investigator documented that the Respondent failed to comply with permitted effluent limitations, in violation of 30 TEX. ADMIN. CODE § 305.125(1), TEX. WATER CODE § 26.121(a)(1), and TPDES Permit No. WQ0012327001, Effluent Limitations and Monitoring Requirements No. 1, as shown in the effluent violation table below.

| | NH3-N Daily Avg. Conc. | NH3-N Daily Max. Conc. | NH3-N Daily Avg. Load. |
|----------------------|------------------------------|------------------------------|------------------------------|
| Monitoring Period | Limit = 2 mg/L | Limit = 10 mg/L | Limit = 17 lbs/day |
| June 2022 | 3.54 | 16.60 | 20.20 |
| February 2023 | 2.22 | 14.50 | c |
| March 2023 | 4.66 | 17.20 | 25.90 |

NH3-N = ammonia nitrogen Conc. = concentration c = compliant
Avg. = average mg/L = milligrams per liter Max. = maximum
lbs/day = pounds per day Load. = loading

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: Cypress Hill Municipal Utility District No. 1, Docket No. 2023-1504-MWD-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. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
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

6/24/2024

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 OAG 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 OAG 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

5/17/2024

Date

Ronald S. Koehn

Name (Printed or typed)
Authorized Representative of
Cypress Hill Municipal Utility
District No. 1

President

Title

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

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