

**Executive Summary – Enforcement Matter – Case No. 66443**  
**Utilities Investment Company, Inc.**  
**RN102681756**  
**Docket No. 2024-1464-PWS-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

Three repeated enforcement actions (or two orders with nuisance violations) over the prior five year period for the same violation(s).

**Media:**

PWS

**Small Business:**

Yes

**Location(s) Where Violation(s) Occurred:**

Oak Hollow Subdivision, 169 Dogwood Drive near Magnolia, Waller County

**Type of Operation:**

Public water supply

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** March 21, 2025

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$2,750

**Total Paid to General Revenue:** \$2,750

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - N/A

**Major Source:** Yes

**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 19, 2024

**Date(s) of NOE(s):** July 18, 2024

**Executive Summary – Enforcement Matter – Case No. 66443**  
**Utilities Investment Company, Inc.**  
**RN102681756**  
**Docket No. 2024-1464-PWS-E**

***Violation Information***

1. Failed to maintain at the public water system accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned [30 TEX. ADMIN. CODE § 290.46(n)(1)].
2. Failed to provide containment facilities for all liquid chemical storage tanks [30 TEX. ADMIN. CODE § 290.42(f)(1)(E)(ii)].
3. Failed to keep on file copies of well completion data for as long as the well remains in service [30 TEX. ADMIN. CODE § 290.46(n)(3)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

The Order will require the Respondent to:

- a. Within 90 days:
  - i. Compile and maintain accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank;
  - ii. Provide adequate containment facilities for the polyphosphate storage containers at Plant Nos. 1 and 2; and
  - iii. Keep on file copies of well completion data for Well Nos. 1, 2, and 3.
- b. Within 105 days, submit written certification to demonstrate compliance with a.

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Tessa Bond, Enforcement Division, Enforcement Team 4, MC 219, (512) 239-1269; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

**Respondent:** Shannon Marsh, President, Utilities Investment Company, Inc., P.O. Box 279, New Waverly, Texas 77358-0279

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

<b>DATES</b>	<b>Assigned</b>	22-Jul-2024		
	<b>PCW</b>	10-Sep-2024	<b>Screening</b>	23-Jul-2024
			<b>EPA Due</b>	

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Utilities Investment Company, Inc.
<b>Reg. Ent. Ref. No.</b>	RN102681756
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	66443	<b>No. of Violations</b>	3
<b>Docket No.</b>	2024-1464-PWS-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Tessa Bond
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$5,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$2,750
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### ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

<b>Compliance History</b>	<b>0.0%</b>	<b>Adjustment</b>	<b>Subtotals 2, 3, &amp; 7</b>	\$0
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<b>Notes</b>	No adjustment for compliance history.
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<b>Culpability</b>	No	<b>0.0%</b>	<b>Enhancement</b>	<b>Subtotal 4</b>	\$0
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<b>Notes</b>	The Respondent does not meet the culpability criteria.
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<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	<b>0.0%</b>	<b>Enhancement*</b>	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$291
Estimated Cost of Compliance	\$1,360

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$2,750
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	<b>0.0%</b>	<b>Adjustment</b>	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

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<b>Final Penalty Amount</b>	\$2,750
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$2,750
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<b>DEFERRAL</b>	<b>0.0%</b>	<b>Reduction</b>	<b>Adjustment</b>	\$0
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

No deferral is recommended for Findings Orders.
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<b>PAYABLE PENALTY</b>	\$2,750
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Screening Date

23-Jul-2024

Docket No.

2024-1464-PWS-E

PCW

Respondent

Utilities Investment Company, Inc.

Case ID No.

66443

Reg. Ent. Reference No.

RN102681756

Media

Public Water Supply

Enf. Coordinator

Tessa Bond

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)

N/A

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%

<b>Screening Date</b>	23-Jul-2024	<b>Docket No.</b>	2024-1464-PWS-E	<b>PCW</b>
<b>Respondent</b>	Utilities Investment Company, Inc.			<i>Policy Revision 5 (January 28, 2021)</i>
<b>Case ID No.</b>	66443			<i>PCW Revision February 11, 2021</i>
<b>Reg. Ent. Reference No.</b>	RN102681756			
<b>Media</b>	Public Water Supply			
<b>Enf. Coordinator</b>	Tessa Bond			
<b>Violation Number</b>	1			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 290.46(n)(1)			
<b>Violation Description</b>	Failed to maintain at the public water system accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned.			
		<b>Base Penalty</b>	\$5,000	
>> Environmental, Property and Human Health Matrix				
OR		<b>Release</b>	<b>Harm</b>	
		Major	Moderate	Minor
	Actual			
	Potential			
				<b>Percent</b> 0.0%
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
		x		
				<b>Percent</b> 20.0%
Matrix Notes	100% of the rule requirements were not met.			
		<b>Adjustment</b>	\$4,000	
			\$1,000	
Violation Events				
	Number of Violation Events		1	34 Number of violation days
	daily			
	weekly			
	monthly			
	quarterly			
	semiannual			
	annual			
	single event		x	
	One single event is recommended.			
Good Faith Efforts to Comply		0.0%	Reduction	\$0
	Extraordinary		Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
	Ordinary			
	N/A	x		
Notes	The Respondent does not meet the good faith criteria for this violation.			
		<b>Violation Subtotal</b>	\$1,000	
Economic Benefit (EB) for this violation				
Estimated EB Amount		\$37	<b>Statutory Limit Test</b>	
		<b>Violation Final Penalty Total</b>	\$1,000	
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>			\$1,000

Economic Benefit Worksheet

Respondent Utilities Investment Company, Inc.  
Case ID No. 66443  
Reg. Ent. Reference No. RN102681756  
Media Public Water Supply  
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$180	1-Jul-2021	24-Jul-2025	4.07	\$37	n/a	\$37
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

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

Avoided 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	\$180	TOTAL	\$37
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Screening Date23-Jul-2024

Docket No.2024-1464-PWS-E

PCW

RespondentUtilities Investment Company, Inc.

Policy Revision 5 (January 28, 2021)

Case ID No.66443

PCW Revision February 11, 2021

Reg. Ent. Reference No.RN102681756

MediaPublic Water Supply

Enf. CoordinatorTessa Bond

Violation Number2

Rule Cite(s)30 Tex. Admin. Code § 290.42(f)(1)(E)(ii)

Violation DescriptionFailed to provide containment facilities for all liquid chemical storage tanks. Specifically, the polyphosphate storage containers located at Plant Nos. 1 and 2 did not have containment facilities.

Base Penalty\$5,000

>> Environmental, Property and Human Health Matrix

OR

Release

Major

Moderate

Minor

Actual

Potential

x

Percent15.0%

>>Programmatic Matrix

Falsification

Major

Moderate

Minor

Percent0.0%

Matrix Notes

Failure to provide adequate containment for the polyphosphate could expose employees or the environment to a significant amount of contaminants which would not exceed levels protective of human health or environmental receptors.

Adjustment\$4,250

\$750

Violation Events

Number of Violation Events1

34

Number of violation days

daily

weekly

monthly

quarterly

x

semiannual

annual

single event

Violation Base Penalty\$750

One quarterly event is recommended, calculated from the date of the record review, June 19, 2024 to the date of screening, July 23, 2024.

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\$750

Economic Benefit (EB) for this violation

Estimated EB Amount\$225

Violation Final Penalty Total\$750

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

# Economic Benefit Worksheet

**Respondent** Utilities Investment Company, Inc.  
**Case ID No.** 66443  
**Reg. Ent. Reference No.** RN102681756  
**Media** Public Water Supply  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$1,000	11-May-2022	24-Jul-2025	3.21	\$11	\$214	\$225
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	The delayed cost includes the estimated amount to provide adequate containment facilities for the polyphosphate containers at Plant Nos. 1 and 2, calculated from the date of the investigation initially documenting the violation to the estimated date of compliance.						

## Avoided Costs

### ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$1,000	TOTAL	\$225
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Screening Date		23-Jul-2024		Docket No.		2024-1464-PWS-E		PCW	
Respondent		Utilities Investment Company, Inc.						Policy Revision 5 (January 28, 2021)	
Case ID No.		66443						PCW Revision February 11, 2021	
Reg. Ent. Reference No.		RN102681756							
Media		Public Water Supply							
Enf. Coordinator		Tessa Bond							
Violation Number		3							
Rule Cite(s)		30 Tex. Admin. Code § 290.46(n)(3)							
Violation Description		Failed to keep on file copies of well completion data as defined in 30 Tex. Admin. Code § 290.41(c)(3)(A) for as long as the well remains in service. Specifically, well completion data for Well Nos. 1, 2, and 3 were not provided.							
		Base Penalty						\$5,000	
>> Environmental, Property and Human Health Matrix									
OR									
		Release		Major		Moderate		Minor	
		Actual							
		Potential							
								Percent 0.0%	
>> Programmatic Matrix									
		Falsification		Major		Moderate		Minor	
				x					
								Percent 20.0%	
Matrix Notes		100% of the rule requirements were not met.							
		Adjustment						\$4,000	
								\$1,000	
Violation Events									
		Number of Violation Events		1		34		Number of violation days	
		daily							
		weekly							
		monthly							
		quarterly							
		semiannual							
		annual							
		single event		x					
		One single event is recommended.							
Good Faith Efforts to Comply									
		0.0%				Reduction		\$0	
		Before NOE/NOV		NOE/NOV to EDPRP/Settlement Offer					
		Extraordinary							
		Ordinary							
		N/A		x					
		Notes		The Respondent does not meet the good faith criteria for this violation.					
		Violation Subtotal						\$1,000	
Economic Benefit (EB) for this violation									
Statutory Limit Test									
		Estimated EB Amount		\$29		Violation Final Penalty Total		\$1,000	
		This violation Final Assessed Penalty (adjusted for limits)						\$1,000	

# Economic Benefit Worksheet

**Respondent** Utilities Investment Company, Inc.  
**Case ID No.** 66443  
**Reg. Ent. Reference No.** RN102681756  
**Media** Public Water Supply  
**Violation No.** 3

Percent Interest	Years of Depreciation
5.0	15

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

Equipment				0.00	\$0	\$0	\$0
Buildings				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	\$180	11-May-2022	24-Jul-2025	3.21	\$29	n/a	\$29
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0
Notes for DELAYED costs	The delayed cost includes the estimated amount to keep on file well completion data at the Facility, calculated from the date of the investigation initially documenting the violation to the estimated date of compliance.						

## Avoided Costs

### ANNUALIZE avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance \$180

**TOTAL** \$29



# Compliance History Report

Compliance History Report for CN600633093, RN102681756, Rating Year 2024 which includes Compliance History (CH) components from September 1, 2019, through August 31, 2024.

<b>Customer, Respondent, or Owner/Operator:</b>	CN600633093, Utilities Investment Company, Inc.	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	0.79
<b>Regulated Entity:</b>	RN102681756, OAK HOLLOW SUBDIVISION	<b>Classification:</b>	NOT APPLICABLE	<b>Rating:</b>	N/A
<b>Complexity Points:</b>	N/A	<b>Repeat Violator:</b>	N/A		
<b>CH Group:</b>	14 - Other				
<b>Location:</b>	169 DOGWOOD DRIVE NEAR MAGNOLIA, WALLER COUNTY, TEXAS				
<b>TCEQ Region:</b>	REGION 12 - HOUSTON				
<b>ID Number(s):</b>	PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 2370051				
<b>Compliance History Period:</b>	September 01, 2019 to August 31, 2024	<b>Rating Year:</b>	2024	<b>Rating Date:</b>	09/01/2024
<b>Date Compliance History Report Prepared:</b>	January 10, 2025				
<b>Agency Decision Requiring Compliance History:</b>	Enforcement				
<b>Component Period Selected:</b>	January 10, 2020 to January 10, 2025				
<b>TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.</b>					
<b>Name:</b>	Tessa Bond		<b>Phone:</b>	(512) 239-1269	

## 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.):**

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

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

**F. Environmental audits:**  
N/A

**G. Type of environmental management systems (EMSs):**  
N/A

**H. Voluntary on-site compliance assessment dates:**  
N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

## **Component Appendices**

## Appendix A

### All NOV's Issued During Component Period 1/10/2020 and 1/10/2025

1	<p>Date: 08/30/2021 (1738170)</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(1)</p> <p>Description: Failure to provide accurate and up-to-date as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.44(d)(6)</p> <p>Description: Failure to provide the distribution system with acceptable flush valves and discharge piping.</p>
2	<p>Date: 10/18/2022 (1812954)</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(1)</p> <p>Description: Failure to provide accurate and up-to-date as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank.</p> <p>Self Report? NO Classification: Minor</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)(3)(A)(i)(II)</p> <p>Description: Failure by a system that serves 250 or more connections or serves 750 or more people to make available a record of the amount of each chemical used each day.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.42(f)(1)(E)(ii)</p> <p>Description: Failure to provide adequate containment facilities for all liquid chemical storage tanks. Containment facilities for a single container or for multiple, interconnected containers must be large enough to hold the maximum amount of chemicals that can be stored with a minimum freeboard of six vertical inches or to hold 110% of the total volume of the container(s), whichever is less.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(3)</p> <p>Description: Failure to maintain the well completion data for well 1 (Source ID G2370051A), well 2 (Source ID G2370051B), and well 3 (Source ID G2370051C).</p>
3	<p>Date: 03/15/2023 (1873919)</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(1)</p> <p>Description: Failure to provide accurate and up-to-date as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.42(f)(1)(E)(ii)</p> <p>Description: Failure to provide adequate containment facilities for all liquid chemical storage tanks. Containment facilities for a single container or for multiple, interconnected containers must be large enough to hold the maximum amount of chemicals that can be stored with a minimum freeboard of six vertical inches or to hold 110% of the total volume of the container(s), whichever is less.</p> <p>Self Report? NO Classification: Moderate</p> <p>Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)(3)</p> <p>Description: Failure to maintain the well completion data for well 1 (Source ID G2370051A), well 2 (Source ID G2370051B), and well 3 (Source ID G2370051C).</p>

G2370051C).

Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(m)(4)		
Description:	Failure to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(m)		
Description:	Failure to maintain the general appearance of the system's facilities and equipment.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(m)(4)		
Description:	Failure to maintain all water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances in a watertight condition.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.46(m)		
Description:	Failure to properly maintain and general appearance of the system's facilities and equipment.		

\* NOVs applicable for the Compliance History rating period 9/1/2019 to 8/31/2024

## Appendix B

### All Investigations Conducted During Component Period January 10, 2020 and January 10, 2025

Item 1	October 23, 2023**	(1930896)
Item 2	July 18, 2024**	(1994674)

\* No violations documented during this investigation

\*\*Investigation applicable for the Compliance History Rating period between 09/01/2019 and 08/31/2024.

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
UTILITIES INVESTMENT COMPANY,  
INC.  
RN102681756

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

## AGREED ORDER DOCKET NO. 2024-1464-PWS-E

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Utilities Investment Company, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this Order to the Commission.

The Respondent understands that they have certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

### I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply located at 169 Dogwood Drive near Magnolia, Waller County, Texas (the "Facility"). The Facility provides water for human consumption, has approximately 660 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. During a record review for the Facility conducted on June 19, 2024, an investigator documented that:
  - a. The Respondent did not maintain at the public water system accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned;
  - b. The polyphosphate storage containers located at Plant Nos. 1 and 2 did not have containment facilities; and

- c. The well completion data for Well Nos. 1, 2, and 3 were not provided.

## II. CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2.a, the Respondent failed to maintain at the public water system accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank until the Facility is decommissioned, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(1).
3. As evidenced by Finding of Fact No. 2.b, the Respondent failed to provide containment facilities for all liquid chemical storage tanks, in violation of 30 TEX. ADMIN. CODE § 290.42(f)(1)(E)(ii).
4. As evidenced by Finding of Fact No. 2.c, the Respondent failed to keep on file copies of well completion data as defined in 30 TEX. ADMIN. CODE § 290.41(c)(3)(A) for as long as the well remains in service, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(3).
5. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049(a), the TCEQ has the authority to assess an administrative penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
6. An administrative penalty in the amount of \$2,750 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The Respondent paid the \$2,750 penalty.

## III. ORDERING PROVISIONS

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

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 6 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Utilities Investment Company, Inc., Docket No. 2024-1464-PWS-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:



- a. Within 90 days after the effective date of this Order:
  - i. Compile and maintain accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank, in accordance with 30 TEX. ADMIN. CODE § 290.46;
  - ii. Provide adequate containment facilities for the polyphosphate storage containers at Plant Nos. 1 and 2, in accordance with 30 TEX. ADMIN. CODE § 290.42; and
  - iii. Keep on file copies of well completion data for Well Nos. 1, 2, and 3, as defined in 30 TEX. ADMIN. CODE § 290.41(c)(3)(A), in accordance with 30 TEX. ADMIN. CODE § 290.46.
- b. Within 105 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a.i through 2.a.iii. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Water Section Manager  
Houston Regional Office  
Texas Commission on Environmental Quality  
5425 Polk Street, Suite H  
Houston, Texas 77023-1452

3. All relief not expressly granted in this Order is denied.

4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Enforcement Division at the address listed above.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms in this Order.
7. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
8. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
9. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
10. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

**SIGNATURE PAGE**

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

-----  
For the Commission

-----  
Date

  
-----  
For the Executive Director

-----  
5/2/2025  
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.

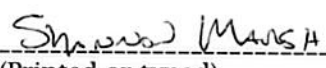
I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

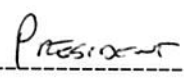
- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the OAG for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic 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.

  
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Signature

4/22/25  
-----  
Date

  
-----  
Name (Printed or typed)  
Authorized Representative of  
Utilities Investment Company, Inc.

  
-----  
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.