

Jon Niermann, *Chairman*
Bobby Janecka, *Commissioner*
Catarina R. Gonzales, *Commissioner*
Kelly Keel, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 5, 2024

TO: All interested persons.

RE: Caddo Mills Laguna Land Azure, LLC
TPDES Permit No. WQ0016434001

Decision of the Executive Director.

The executive director has made a decision that the above-referenced permit application meets the requirements of applicable law. **This decision does not authorize construction or operation of any proposed facilities.** This decision will be considered by the commissioners at a regularly scheduled public meeting before any action is taken on this application unless all requests for contested case hearing or reconsideration have been withdrawn before that meeting.

Enclosed with this letter are instructions to view the Executive Director's Response to Public Comment (RTC) on the Internet. Individuals who would prefer a mailed copy of the RTC or are having trouble accessing the RTC on the website, should contact the Office of the Chief Clerk, by phone at (512) 239-3300 or by email at chiefclk@tceq.texas.gov. A complete copy of the RTC (including the mailing list), complete application, draft permit and related documents, including public comments, are available for review at the TCEQ Central Office. Additionally, a copy of the complete application, the draft permit, and executive director's preliminary decision are available for viewing and copying at Caddo Mills City Hall, 2313 Main St, Caddo Mills, TX 75135.

If you disagree with the executive director's decision, and you believe you are an "affected person" as defined below, you may request a contested case hearing. In addition, anyone may request reconsideration of the executive director's decision. The procedures for the commission's evaluation of hearing requests/requests for reconsideration are located in 30 Texas Administrative Code Chapter 55, Subchapter F. A brief description of the procedures for these two requests follows.

How to Request a Contested Case Hearing.

It is important that your request include all the information that supports your right to a contested case hearing. Your hearing request must demonstrate that you meet the applicable legal requirements to have your hearing request granted. The commission's consideration of your request will be based on the information you provide.

The request must include the following:

- (1) Your name, address, daytime telephone number, and, if possible, a fax number.

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- (2) The name of the applicant, the permit number and other numbers listed above so that your request may be processed properly.
- (3) A statement clearly expressing that you are requesting a contested case hearing. For example, the following statement would be sufficient: "I request a contested case hearing."
- (4) If the request is made by a group or association, the request must identify:
 - (A) one person by name, address, daytime telephone number, and, if possible, the fax number, of the person who will be responsible for receiving all communications and documents for the group;
 - (B) the comments on the application submitted by the group that are the basis of the hearing request; and
 - (C) by name and physical address one or more members of the group that would otherwise have standing to request a hearing in their own right. The interests the group seeks to protect must relate to the organization's purpose. Neither the claim asserted nor the relief requested must require the participation of the individual members in the case.

Additionally, your request must demonstrate that you are an **"affected person."** An affected person is one who has a personal justiciable interest related to a legal right, duty, privilege, power, or economic interest affected by the application. Your request must describe how and why you would be adversely affected by the proposed facility or activity in a manner not common to the general public. For example, to the extent your request is based on these concerns, you should describe the likely impact on your health, safety, or uses of your property which may be adversely affected by the proposed facility or activities. To demonstrate that you have a personal justiciable interest, you must state, as specifically as you are able, your location and the distance between your location and the proposed facility or activities.

Your request must raise disputed issues of fact that are relevant and material to the commission's decision on this application that were raised **by you** during the public comment period. The request cannot be based solely on issues raised in comments that you have withdrawn.

To facilitate the commission's determination of the number and scope of issues to be referred to hearing, you should: 1) specify any of the executive director's responses to **your** comments that you dispute; 2) the factual basis of the dispute; and 3) list any disputed issues of law.

How to Request Reconsideration of the Executive Director's Decision.

Unlike a request for a contested case hearing, anyone may request reconsideration of the executive director's decision. A request for reconsideration should contain your name, address, daytime phone number, and, if possible, your fax number. The request must state that you are requesting reconsideration of the executive director's decision, and must explain why you believe the decision should be reconsidered.

Deadline for Submitting Requests.

A request for a contested case hearing or reconsideration of the executive director's decision must be **received by** the Chief Clerk's office no later than **30 calendar days** after the date

of this letter. You may submit your request electronically at www.tceq.texas.gov/agency/decisions/cc/comments.html or by mail to the following address:

Laurie Gharis, Chief Clerk
TCEQ, MC-105
P.O. Box 13087
Austin, Texas 78711-3087

Processing of Requests.

Timely requests for a contested case hearing or for reconsideration of the executive director's decision will be referred to the TCEQ's Alternative Dispute Resolution Program and set on the agenda of one of the commission's regularly scheduled meetings. Additional instructions explaining these procedures will be sent to the attached mailing list when this meeting has been scheduled.

How to Obtain Additional Information.

If you have any questions or need additional information about the procedures described in this letter, please call the Public Education Program, toll free, at 1-800-687-4040.

Sincerely,

A handwritten signature in black ink that reads "Laurie Gharis". The signature is written in a cursive, flowing style.

Laurie Gharis
Chief Clerk

LG/cb

Enclosure

EXECUTIVE DIRECTOR'S RESPONSE TO PUBLIC COMMENT
for
Caddo Mills Laguna Land Azure, LLC
TPDES Permit No. WQ0016434001

The Executive Director has made the Response to Public Comment (RTC) for the application by Caddo Mills Laguna Land Azure, LLC for TPDES Permit No. WQ0016434001 available for viewing on the Internet. You may view and print the document by visiting the TCEQ Commissioners' Integrated Database at the following link:

<https://www.tceq.texas.gov/goto/cid>

In order to view the RTC at the link above, enter the TCEQ ID Number for this application (WQ0016434001) and click the "Search" button. The search results will display a link to the RTC.

Individuals who would prefer a mailed copy of the RTC or are having trouble accessing the RTC on the website, should contact the Office of the Chief Clerk, by phone at (512) 239-3300 or by email at chiefclk@tceq.texas.gov.

Additional Information

For more information on the public participation process, you may contact the Office of the Public Interest Counsel at (512) 239-6363 or call the Public Education Program, toll free, at (800) 687-4040.

A complete copy of the RTC (including the mailing list), the complete application, the draft permit, and related documents, including comments, are available for review at the TCEQ Central Office in Austin, Texas. Additionally, a copy of the complete application, the draft permit, and executive director's preliminary decision are available for viewing and copying at Caddo Mills City Hall, 2313 Main St, Caddo Mills, TX 75135.



COMISIÓN DE CALIDAD AMBIENTAL DE TEXAS

Protegiendo a Texas reduciendo y previniendo la contaminación

5 de septiembre de 2024

TO: Todas las personas interesadas.

RE: Caddo Mills Laguna Land Azure, LLC
TPDES Permiso No. WQ0016434001

Decisión del Director Ejecutivo.

El director ejecutivo ha tomado la decisión de que la solicitud de permiso mencionada anteriormente cumple con los requisitos de la ley aplicable. **Esta decisión no autoriza la construcción u operación de ninguna instalación propuesta.** Esta decisión será considerada por los comisionados en una reunión pública programada regularmente antes de que se tome cualquier medida sobre esta solicitud, a menos que todas las solicitudes de audiencia o reconsideración de casos impugnados hayan sido retiradas antes de esa reunión.

Se adjuntan a esta carta las instrucciones para ver en Internet la Respuesta del Director Ejecutivo al Comentario Público (RTC). Las personas que prefieran una copia por correo del RTC o que tengan problemas para acceder al RTC en el sitio web, deben comunicarse con la Oficina del Secretario Oficial, por teléfono al (512) 239-3300 o por correo electrónico a chiefclk@tceq.texas.gov. Una copia completa del RTC (incluida la lista de correo), la solicitud completa, el borrador del permiso y los documentos relacionados, incluidos los comentarios públicos, están disponibles para su revisión en la Oficina Central de TCEQ. Además, una copia de la solicitud completa, el borrador del permiso y la decisión preliminar del director ejecutivo están disponibles para ver y copiar en Caddo Mills City Hall, 2313 Main St, Caddo Mills, TX 75135.

Si no está de acuerdo con la decisión del director ejecutivo y cree que es una "persona afectada" como se define a continuación, puede solicitar una audiencia de caso impugnado. Además, cualquier persona puede solicitar la reconsideración de la decisión del director ejecutivo. Los procedimientos para la evaluación de la comisión de las solicitudes de audiencia/solicitudes de reconsideración se encuentran en 30 Código Administrativo de Texas, Capítulo 55, Subcapítulo F. A continuación, se presenta una breve descripción de los procedimientos para estas dos solicitudes.

Cómo solicitar una audiencia de caso impugnado.

Es importante que su solicitud incluya toda la información que respalde su derecho a una audiencia de caso impugnado. Su solicitud de audiencia debe demostrar que cumple con los requisitos legales aplicables para que se le conceda su solicitud de audiencia. La consideración de la comisión de su solicitud se basará en la información que usted proporcione.

La solicitud debe incluir lo siguiente:

- (1) Su nombre, dirección, número de teléfono durante el día y, si es posible, un número de fax.
- (2) El nombre del solicitante, el número de permiso y otros números enumerados anteriormente para que su solicitud pueda procesarse adecuadamente.
- (3) Una declaración que exprese claramente que está solicitando una audiencia de caso impugnado. Por ejemplo, la siguiente declaración sería suficiente: "Solicito una audiencia de caso impugnado".
- (4) Si la solicitud es realizada por un grupo o asociación, la solicitud debe identificar:
 - (A) una persona por nombre, dirección, número de teléfono durante el día y, si es posible, el número de fax, de la persona que será responsable de recibir todas las comunicaciones y documentos para el grupo.;
 - (B) los comentarios sobre la solicitud presentada por el grupo que constituyen la base de la solicitud de audiencia; y
 - (C) por nombre y dirección física, uno o más miembros del grupo que de otro modo tendrían derecho a solicitar una audiencia por derecho propio. Los intereses que el grupo busca proteger deben estar relacionados con el propósito de la organización. Ni la reclamación alegada ni la reparación solicitada deben requerir la participación de los miembros individuales en el caso.

Además, su solicitud debe demostrar que usted es una **"persona afectada"**. Una persona afectada es aquella que tiene un interés justiciable personal relacionado con un derecho, deber, privilegio, poder o interés económico legal afectado por la solicitud. Su solicitud debe describir cómo y por qué se vería afectado negativamente por la instalación o actividad propuesta de una manera que no sea común al público en general. Por ejemplo, en la medida en que su solicitud se base en estas preocupaciones, debe describir el impacto probable en su salud, seguridad o usos de su propiedad que puedan verse afectados negativamente por la instalación o las actividades propuestas. Para demostrar que tiene un interés personal justiciable, debe indicar, tan específicamente como pueda, su ubicación y la distancia entre su ubicación y la instalación o actividades propuestas.

Su solicitud debe plantear cuestiones de hecho controvertidas que sean relevantes y materiales para la decisión de la comisión sobre esta solicitud que fueron planteadas **por usted** durante el período de comentarios públicos. La solicitud no puede basarse únicamente en cuestiones planteadas en los comentarios que haya retirado.

Para facilitar la determinación por parte de la comisión del número y alcance de los asuntos que se remitirán a la audiencia, usted debe: 1) especificar cualquiera de las respuestas del director ejecutivo a **sus** comentarios que usted disputa; 2) la base fáctica de la disputa; y 3) enumerar cualquier cuestión de derecho en disputa.

Cómo solicitar la reconsideración de la decisión del Director Ejecutivo.

A diferencia de una solicitud de audiencia de caso impugnado, cualquier persona puede solicitar la reconsideración de la decisión del director ejecutivo. Una solicitud de reconsideración debe contener su nombre, dirección, número de teléfono durante el día y, si

es posible, su número de fax. La solicitud debe indicar que está solicitando la reconsideración de la decisión del director ejecutivo, y debe explicar por qué cree que la decisión debe ser reconsiderada.

Fecha límite para la presentación de solicitudes.

La oficina del Secretario Oficial debe **recibir** una solicitud de audiencia de caso impugnado o reconsideración de la decisión del director ejecutivo a más tardar **30 días calendario** después de la fecha de esta carta. Puede enviar su solicitud electrónicamente a www.tceq.texas.gov/agency/decisions/cc/comments.html o por correo a la siguiente dirección:

Laurie Gharis, Chief Clerk
TCEQ, MC-105
P.O. Box 13087
Austin, Texas 78711-3087

Procesamiento de solicitudes.

Las solicitudes oportunas para una audiencia de caso impugnado o para la reconsideración de la decisión del director ejecutivo se remitirán al Programa de Resolución Alternativa de Disputas de TCEQ y se incluirán en la agenda de una de las reuniones programadas regularmente de la comisión. Las instrucciones adicionales que explican estos procedimientos se enviarán a la lista de correo adjunta cuando se haya programado esta reunión.

Cómo obtener información adicional.

Si tiene alguna pregunta o necesita información adicional sobre los procedimientos descritos en esta carta, llame al Programa de Educación Pública, al número gratuito, 1-800-687-4040.

Atentamente,



Laurie Gharis
Secretaria Oficial

LG/cb

Recinto

RESPUESTA DEL DIRECTOR EJECUTIVO AL COMENTARIO DEL PÚBLICO
para
Caddo Mills Laguna Land Azure, LLC
TPDES Permiso No. WQ0016434001

El Director Ejecutivo ha puesto a disposición de Internet la respuesta al comentario público (RTC) para la solicitud de Caddo Mills Laguna Land Azure, LLC del permiso de WQ0016434001 No. WQ0016434001. Puede ver e imprimir el documento visitando la Base de Datos Integrada de los Comisionados de TCEQ en el siguiente enlace:

<https://www.tceq.texas.gov/goto/cid>

Para ver el RTC en el enlace anterior, ingrese el número de identificación TCEQ para esta solicitud (WQ0016434001) y haga clic en el botón "Buscar". Los resultados de la búsqueda mostrarán un enlace al RTC.

Las personas que prefieran una copia por correo del RTC o que tengan problemas para acceder al RTC en el sitio web, deben comunicarse con la Oficina del Secretario Oficial, por teléfono al (512) 239-3300 o por correo electrónico a chiefclk@tceq.texas.gov.

Información adicional

Para obtener más información sobre el proceso de participación pública, puede comunicarse con la Oficina del Asesor de Interés Público al (512) 239-6363 o llamar al Programa de Educación Pública, al número gratuito, (800) 687-4040.

Una copia completa del RTC (incluida la lista de correo), la solicitud completa, el borrador del permiso y los documentos relacionados, incluidos los comentarios, están disponibles para su revisión en la Oficina Central de TCEQ en Austin, Texas. Además, una copia de la solicitud completa, el borrador del permiso y la decisión preliminar del director ejecutivo están disponibles para ver y copiar en Caddo Mills City Hall, 2313 Main St, Caddo Mills, TX 75135.

MAILING LIST / LISTA DE CORREO
for / para
Caddo Mills Laguna Land Azure, LLC
TPDES Permit No. WQ0016434001 / TPDES Permiso No. WQ0016434001

FOR THE APPLICANT /
PARA EL SOLICITANTE:

Zach Ipour, Co-President
Caddo Mills Laguna Land Azure, LLC
2101 Cedar Springs Road, Suite 700
Dallas, Texas 75201

Laura Preston, P.E. & Meredith McCall, P.E.
LJA Engineering, Inc.
6060 North Central Expressway, Suite 400
Dallas, Texas 75206

PERSONS /
PERSONAS INTERESADAS:

Steven Dickman
6005 Up Valley Run
Austin, Texas 78731

FOR THE EXECUTIVE DIRECTOR / PARA
EL DIRECTOR EJECUTIVO
via electronic mail /
por correo electrónico:

Ryan Vise, Deputy Director
Texas Commission on Environmental
Quality
External Relations Division
Public Education Program MC-108
P.O. Box 13087
Austin, Texas 78711-3087

Bradford Eckhart, Staff Attorney
Texas Commission on Environmental
Quality
Environmental Law Division MC-173
P.O. Box 13087
Austin, Texas 78711-3087

Sujata Sinha, Technical Staff
Texas Commission on Environmental
Quality
Water Quality Division MC-148
P.O. Box 13087
Austin, Texas 78711-3087

FOR PUBLIC INTEREST COUNSEL /
PARA ABOGADOS DE INTERÉS PÚBLICO
via electronic mail /
por correo electrónico:

Garrett T. Arthur, Attorney
Texas Commission on Environmental
Quality
Public Interest Counsel MC-103
P.O. Box 13087
Austin, Texas 78711-3087

FOR THE CHIEF CLERK /
PARA EL SECRETARIO OFICIAL
via electronic mail
por correo electrónico:

Laurie Gharis, Chief Clerk
Texas Commission on Environmental
Quality
Office of Chief Clerk MC-105
P.O. Box 13087
Austin, Texas 78711-3087

TPDES Permit No. WQ0016434001

APPLICATION BY	§	BEFORE THE
CADDO MILLS LAGUNA LAND	§	TEXAS COMMISSION
AZURE, LLC FOR TPDES PERMIT NO.	§	ON ENVIRONMENTAL
WQ0016434001	§	QUALITY

EXECUTIVE DIRECTOR’S RESPONSE TO PUBLIC COMMENT

The Executive Director of the Texas Commission on Environmental Quality (the Commission or TCEQ) files this Response to Public Comment (Response) on the application by Caddo Mills Laguna Land Azure, LLC (Applicant) for a new Texas Pollutant Discharge Elimination System (TPDES) permit No. WQ0016434001 and the Executive Director’s preliminary decision on the application. As required by Title 30 of the Texas Administrative Code (30 TAC) Section (§) 55.156, before a permit is issued, the Executive Director prepares a response to all timely, significant or relevant and material comments. The Office of the Chief Clerk received timely hearing requests with comments from Stephen C. Dickman on behalf of the City of Caddo Mills (the “City”). This response addresses all timely public comments received, whether or not withdrawn.

This application is subject to the requirements in Senate Bill (SB) 709, effective September 1, 2015. SB 709 amended the requirements for comments and contested case hearings. One of the changes required by SB 709 is that the Commission may not find that a “hearing requestor is an affected person unless the hearing requestor timely submitted comments on the permit application.” Texas Water Code (TWC) § 5.115(a-1)(2)(B).

If you need more information about this permit application or the wastewater permitting process, please call the TCEQ Public Education Program at 1-800-687-4040. General information about the TCEQ can be found at the following website:

www.tceq.texas.gov.

I. BACKGROUND

A. Description Of Facility

The Caddo Mills Laguna Land Azure, LLC submitted an application to TCEQ for a new permit, TPDES Permit No. WQ0016434001, to authorize the discharge of treated domestic wastewater at a daily average volume not to exceed 950,000 gallons per day. The applicant proposes to operate the Mykonos Wastewater Treatment Facility (WWTF), an activated sludge process plant operated in the complete mix mode.

Treatment units in the Interim I phase will include an on-site lift station, a bar screen, two aeration basins, a clarifier, two aerobic digesters, and a chlorine contact chamber. Treatment units in the Interim II phase will include an on-site lift station, a bar screen, three aeration basins, a clarifier, two aerobic digesters, and a chlorine contact chamber. Treatment units in the Final phase will include an on-site lift station, a bar screen, nine aeration basins, three clarifiers, six aerobic digesters, three chlorine contact chambers, and dechlorination. The facility has not been constructed.

If the draft permit is issued, the treated effluent will be discharged to an unnamed tributary, thence to Brushy Creek, thence to West Caddo Creek, thence to Caddo Creek, thence to Lake Tawakoni in Segment No. 0507 of the Sabine River Basin. The designated uses for Segment No. 0507 are primary contact recreation, public water supply, and high aquatic life use. The effluent limits in the draft permit will maintain and protect the existing instream uses. All determinations are preliminary and subject to additional review and revisions.

Geographic coordinates of the outfall location in decimal degrees is provided in Table 1. If this permit is issued, the facility will be located approximately 0.25 miles southwest of the intersection of Farm-to-Market Road 1565 and County Road 2628, in Hunt County, Texas 75201.

Table 1. Outfall Coordinate Location

Outfall Number	Latitude	Longitude
001	33.019086 N	96.236772 W

The draft permit includes the following proposed effluent limitations and monitoring requirements. All flows are expressed in million gallons per day (MGD). All pH values are expressed in standard units (SU). Concentration values are expressed in milligrams per liter (mg/L). Mass-based values are expressed as pounds per day

(lbs/day). Bacteria values are expressed in colony forming units (CFU) or most probable number (MPN) per 100 milliliters (CFU or MPN/100 mL).

Table 2. Interim Phase I Effluent Limitations: Outfall 001

Parameter/Pollutant	Daily Average		7-day Average	Daily Maximum	Single Grab
	lbs/day	mg/L	mg/L	mg/L	mg/L
Flow (MGD)	0.15		N/A	Report	N/A
Carbonaceous Biochemical Oxygen Demand, 5-day (CBOD ₅)	13	10	15	25	35
Total Suspended Solids (TSS)	19	15	25	40	60
Ammonia Nitrogen (NH ₃ -N)	3.8	3	6	10	15
<i>E. coli</i> (CFU or MPN/100 mL)	126		N/A	N/A	399
pH	Between 6.0 and 9.0				

Table 3. Interim Phase II Effluent Limitations: Outfall 001

Parameter/Pollutant	Daily Average		7-day Average	Daily Maximum	Single Grab
	lbs/day	mg/L	mg/L	mg/L	mg/L
Flow (MGD)	0.30		N/A	Report	N/A
Carbonaceous Biochemical Oxygen Demand, 5-day (CBOD ₅)	25	10	15	25	35
Total Suspended Solids (TSS)	38	15	25	40	60
Ammonia Nitrogen (NH ₃ -N)	8	3	6	10	15
<i>E. coli</i> (CFU or MPN/100 mL)	126		N/A	N/A	399
pH	Between 6.0 and 9.0				

Table 4. Final Phase Effluent Limitations: Outfall 001

Parameter/Pollutant	Daily Average		7-day Average	Daily Maximum	Single Grab
	lbs/day	mg/L	mg/L	mg/L	mg/L
Flow (MGD)	0.95		N/A	Report	N/A
Carbonaceous Biochemical Oxygen Demand, 5-day (CBOD ₅)	79	10	15	25	35
Total Suspended Solids (TSS)	119	15	25	40	60
Ammonia Nitrogen (NH ₃ -N)	24	3	6	10	15
<i>E. coli</i> (CFU or MPN/100 mL)	126		N/A	N/A	399
pH	Between 6.0 and 9.0				

During all phases, there shall be no discharge of floating solids or visible foam in other than trace amounts and no discharge of visible oil. In Interim Phases I and II, the effluent shall contain a total chlorine residual of at least 1.0 mg/L and shall not exceed a total chlorine residual of 4.0 mg/L after a detention time of at least 20 minutes and shall be monitored five times per week by grab sample. In the Final Phase, the effluent shall contain a total chlorine residual of at least 1.0 mg/L after a detention time of at least 20 minutes and shall be monitored by grab sample daily; additionally, in the Final Phase, the permittee shall dechlorinate the chlorinated effluent to less than 0.1 mg/L total chlorine residual and shall monitor total chlorine residual daily by grab sample after the dechlorination process. During all phases, the effluent shall contain a minimum dissolved oxygen of 4.0 mg/L and shall be monitored once per week by grab sample.

B. Procedural Background

The permit application was received on October 23, 2023, and declared administratively complete on January 4, 2024. The Notice of Receipt and Intent to Obtain a Water Quality Permit (NORI) was published on January 27, 2024, in the *Herald-Banner*. The alternative language NORI was published in Spanish on January 31, 2024 in *Al Dia*. The Notice of Application and Preliminary Decision (NAPD) was published on April 27, 2024, in the *Herald-Banner*, and the alternative language NAPD was published in Spanish on May 1, 2024 in *Al Dia*.

The public comment period ended on May 31, 2024. This application was filed on or after September 1, 2015; therefore, this application is subject to the procedural requirements adopted pursuant to House Bill (HB) 801, 76th Legislature (1999), and Senate Bill (SB) 709, 84th Legislature (2015), both implemented by the Commission in its rules in 30 TAC Chapters 39, 50, and 55. The Texas Legislature enacted SB 709, effective September 1, 2015, amending the requirements for comments and contested case hearings. This application is subject to those changes in the law.

C. Access to Rules, Laws, and Records

Please consult the following websites to access the rules and regulations applicable to this permit:

- Secretary of State website for all Texas administrative rules:
www.sos.state.tx.us;

- TCEQ rules in Title 30 of the Texas Administrative Code (30 TAC): www.sos.state.tx.us/tac; (select TAC Viewer on the right, then Title 30 Environmental Quality)
- Texas statutes: www.statutes.legis.state.tx.us;
- TCEQ downloadable rules: www.tceq.texas.gov/rules/indxpdf.html;
- Federal rules in Title 40 of the Code of Federal Regulations: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title40/40tab_02.tpl; and
- Federal environmental laws: www.epa.gov/lawsregs.

Commission records for this application are available for viewing and copying and are located at TCEQ's main office in Austin, 12100 Park 35 Circle, Building F, 1st Floor (Office of Chief Clerk). The permit application, Executive Director's preliminary decision, and draft permit are available for viewing and copying at the following location: Caddo Mills City Hall, 2313 Main St, Caddo Mills, Texas 75135.

II. COMMENTS AND RESPONSES

COMMENT 1:

The City commented that the WWTF will violate TCEQ's regionalization policy.

RESPONSE 1:

Texas Water Code § 26.081 enumerates the state's regionalization policy. Section 26.081 states that the policy should "encourage and promote the development and use of regional and area-wide waste collection, treatment, and disposal systems to serve the waste disposal needs of the citizens of the state and to prevent pollution and maintain and enhance the quality of the water in the state." In furtherance of that policy TWC § 26.0282 authorizes TCEQ, when considering the issuance of a permit to discharge waste, to deny or alter the terms and conditions of a proposed permit based on need and the availability of existing or proposed area-wide or regional waste collection, treatment, and disposal systems.

Domestic Technical Report 1.1 of the application requires information concerning regionalization of wastewater treatment plants. Applicants requesting a new permit or certain major amendments are required to review a three-mile area surrounding the proposed facility to determine if there is a wastewater treatment plant or sewer collection lines within the area that the permittee can utilize. Applicants must contact facilities within that 3-mile area to ask if they have the capacity to accept the

volume of wastewater proposed. If an existing wastewater facility has the capacity and is willing to accept the proposed wastewater, then the applicant must submit an analysis of expenditures required to connect to a permitted wastewater treatment facility or collection system located within three miles versus the cost of the proposed facility or expansion. Finally, applicants are required to provide copies of all correspondence with the owners of existing plants within three miles of the proposed plant regarding regionalization with their system.

There are existing wastewater treatment facilities or collection systems within a three-mile radius of the proposed facility site location. The applicant stated that it has not received any response to the letters sent to the other utilities in the service area.

COMMENT 2:

The City expressed concerns that the design of the WWTF will prevent Applicant from achieving the effluent limits in the draft permit.

RESPONSE 2:

The proposed treatment process involves activated sludge process plant operated in the complete mix mode. TCEQ design criteria for a domestic wastewater system under 30 TAC Chapter 217, identify types of treatment technology that can achieve the treatment levels required in the proposed permit. Other Requirement No. 6 in the proposed permit requires the Applicant to submit a summary transmittal letter in accordance with the requirements in 30 TAC § 217.6(d). If the Wastewater Permitting Section requests it, the permittee shall submit plans, specifications, and a final engineering design report which comply with 30 TAC Chapter 217, relating to “Design Criteria for Domestic Wastewater Systems.” The permittee must clearly show how the treatment system will meet the permitted effluent limitations required on Pages 2, 2a, and 2b of the draft permit. The Executive Director’s staff will ensure that the plant design can adequately treat the domestic wastewater in accordance with the effluent limitations in the draft permit during the review of the plans and specifications for this facility.

COMMENT 3:

The City expressed concerns that the effluent limits in the draft permit are not stringent enough to prevent degradation of the receiving waters.

RESPONSE 3:

TCEQ is responsible for the protection of water quality with federal regulatory authority over discharges of pollutants to Texas surface water. TCEQ has a legislative responsibility to protect water quality in the State of Texas and to authorize wastewater discharge TPDES permits under Texas Water Code (TWC) Chapter 26, and 30 TAC Chapters 305, 307 and 309, including specific regulations regarding wastewater treatment systems under 30 TAC Chapters 217 and 309.

The proposed draft permit was developed in accordance with the Texas Surface Water Quality Standards (TSWQS; 30 TAC Chapter 307) to be protective of water quality, provided that the Applicant operates and maintains the proposed facility according to TCEQ rules and the proposed permit's requirements. The methodology outlined in the *Procedures to Implement the Texas Surface Water Quality Standards* (IPs; June 2010) is designed to ensure compliance with the TSWQS.

Specifically, the methodology is designed to ensure that no source will be allowed to discharge any wastewater that: 1) results in instream aquatic toxicity; 2) causes a violation of an applicable narrative or numerical state water quality standard; 3) results in the endangerment of a drinking water supply; or 4) results in aquatic bioaccumulation that threatens human health.

As part of the application process, TCEQ staff determined the uses of the receiving waters and set effluent limits that are protective of those uses. In order to achieve the goal of maintaining a level of water quality sufficient to protect existing water body uses, the proposed permit contains several water quality specific parameter requirements that limit the potential impact of the discharge on the receiving waters. Effluent limitations in the draft permit for the conventional effluent parameters (i.e. CBOD₅, Ammonia-Nitrogen, and minimum DO) are based on stream standards and waste load allocations for water quality-limited streams as established in the TSWQS and the State of Texas Water Quality Management Plan (WQMP).

In accordance with 30 Texas Administrative Code §307.5 and TCEQ's Procedures to Implement the Texas Surface Water Quality Standards (June 2010), an

antidegradation review of the receiving waters was performed. A Tier 1 antidegradation review has preliminarily determined that existing water quality uses will not be impaired by this permit action. Numerical and narrative criteria to protect existing uses will be maintained. This review has preliminarily determined that no water bodies with exceptional, high, or intermediate aquatic life uses are present within the stream reach assessed; therefore, no Tier 2 degradation determination is required. No significant degradation of water quality is expected in water bodies with exceptional, high, or intermediate aquatic life uses downstream, and existing uses will be maintained and protected. The preliminary determination can be reexamined and may be modified if new information is received.

COMMENT 4:

The City expressed concerns that the proposed discharge from the WWTF will harm terrestrial life, aquatic life, and vegetation.

RESPONSE 4:

The TSWQS in 30 TAC Chapter 307 require that discharges may not degrade the receiving waters and may not result in situations that impair existing, attainable or designated uses, and that surface waters not be toxic to aquatic life, terrestrial wildlife, livestock, or domestic animals. The effluent limits in the draft permit are set to maintain and protect the existing instream uses.

In this case, the designated uses for Segment No. 0507 are primary contact recreation, public water supply, and high aquatic life use. The Executive Director determined that these uses should be protected if the facility is operated and maintained as required by the proposed permit and regulations. Additionally, the treated effluent will be disinfected prior to discharge to protect human health.

The Executive Director has made a preliminary determination that the draft permit, if issued, meets all statutory and regulatory requirements.

The Texas Parks and Wildlife Department (TPWD) is the state agency that oversees and protects wildlife and their habitat. It can be contacted by calling 1-800-792-1112 or by mail at 4200 Smith School Road, Austin, Texas 78744. TPWD received notice of Applicant's permit application.

COMMENT 5:

The City expressed concerns that the draft permit does not limit phosphorus, so the proposed discharge could lead to algal blooms.

RESPONSE 5:

When the Executive Director's staff's analysis of a discharge permit application shows the effluent has the potential to cause nutrient issues that could lead to conditions such as algal blooms in the receiving waters, the usual course of action is to add total phosphorus effluent limits to the draft permit to control nutrient levels entering the receiving waters. For this application, various factors, such as the authorized effluent flow volumes, precluded inclusion of total phosphorus limits in the draft permit. The water clarity and aquatic vegetation were also examined using aerial imagery and were determined to not warrant total phosphorus limits. Therefore, total phosphorus effluent limits were not recommended for this permit action. As written, the draft permit will sufficiently control nutrient levels in the discharge.

COMMENT 6:

The City expressed concerns about nuisance odors.

RESPONSE 6:

Instances of foul odors from a discharge of treated wastewater can exist when there are insufficient levels of dissolved oxygen (DO) present in the effluent; all wastewater treatment facilities have the potential to generate odors. To prevent odors from occurring, the number of oxygen-demanding constituents must be controlled. The proposed effluent limits, specifically the minimum dissolved oxygen limit, restrict the amount of oxygen-demanding constituents and are set at levels to significantly reduce the odors in the effluent being discharged and prevent degradation of the receiving waters. Additionally, nuisance-odor controls have been incorporated into the proposed permit. To control and abate odors, 30 TAC 309.13(e) requires domestic wastewater treatment facilities to abate and control nuisance odors through a number of options. The options are: 1) ownership of the buffer zone area; 2) restrictive easement from the adjacent property owners for any part of the buffer zone not owned by the applicant; or 3) providing nuisance odor control. According to the

application, the proposed facility intends to comply with the requirement to abate and control nuisance odors by locating the treatment units at least 150 feet from the nearest property line and by ownership of the buffer zone. These requirements and legal restrictions are incorporated in the proposed permit. Therefore, nuisance odors are not expected to occur because of the permitted activities at the proposed facility as long as the Applicant operates the proposed facility in compliance with TCEQ's rules and the terms and conditions of the draft permit.

COMMENT 7:

The City requested a contested case hearing.

RESPONSE 7:

The Executive Director acknowledges the request for a contested case hearing. The Executive Director has considered all timely comments and prepared this response to all relevant, material, or significant public comment. This RTC will be mailed to everyone who submitted public comments and to those persons who are on the mailing list for this application. The mailing also provides instructions for requesting a contested case hearing or reconsideration of the Executive Director's decision. Following the close of all applicable comment and request periods, the Executive Director will forward the application and any requests for reconsideration or for a contested case hearing to the TCEQ Commissioners for their consideration at a scheduled Commission meeting. The Commission may only grant a request for a contested case hearing on issues the requestor submitted in their timely comments that were not subsequently withdrawn. If a hearing is granted, the subject of a hearing will be limited to disputed issues of fact or mixed questions of fact and law relating to relevant material water quality concerns submitted during the comment period. If the application does go to hearing, the final decision regarding this application will be made by the TCEQ's Commissioners.

COMMENT 8:

The City expressed concerns that the proposed discharge could increase instances of flooding and erosion.

RESPONSE 8:

TCEQ does not have jurisdiction to address flooding or erosion issues in the wastewater permitting process. The permitting process is limited to controlling the discharge of pollutants into water in the state and protecting the water quality of the state's rivers, lakes, and coastal waters.

For flooding concerns, please contact the local floodplain administrator for this area. If you need help finding the local floodplain administrator, please call TCEQ Resource Protection Team at 512-239-4691.

III. CHANGES MADE TO THE DRAFT PERMIT IN RESPONSE TO COMMENTS

In response to Public Comments, the Executive Director has not made changes to the draft permit.

Respectfully submitted,

Texas Commission on Environmental Quality

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REPRESENTING THE EXECUTIVE DIRECTOR OF
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ENVIRONMENTAL QUALITY