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March 13, 2023

Filed Electronically

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

RE: *Public Comments on Application by Corix Utilities (Texas) Inc., Bastrop County; Major Amendment of Texas Pollutant Discharge Elimination System (TPDES) Permit No. WQ0013977001 ("Application"); Regulated Entity Number RN102334893;*

Dear Chief Clerk Gharis:

This public comment on the above-referenced pending Application is made on behalf of the Management Committee of the Lost Pines Groundwater Conservation District ("District") Board of Directors. Following issuance of the Executive Director's ("ED") final decision and response to comments, the District reserves the right to request a contested case hearing on the Application on the issues raised in this comment.

The Application seeks an expansion of the McKinney Roughs Wastewater Treatment Plant and to raise the permitted volume of wastewater discharge into the Colorado River from 50,000 gallons per day (gpd) to 510,000 gpd ("Request"). The outfall/discharge location for this plant is in the District's jurisdiction in Bastrop County. As further explained below, the ten-fold increase in wastewater discharge will have an adverse impact on groundwater resources regulated by and within the District and relied on by Bastrop County residents as a water supply.

The District is a groundwater conservation district created in 1999 pursuant to Chapter 8849, Special District Local Laws Code (enabling legislation) and confirmed by the voters within the District. The District has the powers, duties, authority, and responsibilities provided Chapter 36 of the Texas Water Code and by the District's enabling legislation. In addition to the Texas Commission on Environmental Quality ("TCEQ"), the District has authority over issues contemplated in the Application. The District was established for the purpose of providing for the conservation, preservation, protection, recharging, and prevention of waste of groundwater and of groundwater reservoirs within the District's boundaries,

including the Colorado Alluvial Aquifer. Tex. Water Code § 36.0015.

The Colorado Alluvium Aquifer is a natural resource in the District. The Alluvium is a geologic unit or aquifer formation that yields significant quantities of groundwater to wells in the District.¹ The Colorado Alluvium Aquifer includes alluvial deposits in river bottom land along the Colorado River and can be on one side of the river or on both sides.² It generally consists of sand, with some small gravel and disconnected layers of silt and clay.³ The District's constituents rely on the Colorado Alluvium Aquifer for municipal, irrigation, and domestic purposes.⁴ As described below, in the same segment of Corix' discharge, the Colorado River exchanges water with the Colorado Alluvium Aquifer and at least 3 other aquifer formations.

Corix's proposed major amendment to Permit No. WQ0013977001 will have an adverse effect on the interests of the District and everyone that uses groundwater in the District.

Given the sensitive geologic site, the TCEQ ED has not demonstrated that groundwater will be protected.

The discharge is in a unique and highly sensitive geologic segment of the river. The Colorado River exchanges water with Colorado Alluvial Aquifer and shallow portions of the Carrizo-Wilcox formation in the same segment of the river where the McKinney Roughs plant discharges.⁵ As shown on the attached map in **Exhibit A**, the alluvium and outcrops of the Calvert Bluff Formation, Simsboro Formation, and the Hooper Formation all intersect where Corix discharges. The map also shows the many registered wells in the District that pump from one of these impacted aquifers. This intersection is unique to this portion of the Colorado River as it does not exist in any other portion of the river. The Application fails to address the sensitivity of the discharge location and is arguably incomplete. According to the TCEQ's *Procedures to Implement the Texas Surface Water Quality Standards* (the "IPs"), the TCEQ must consider the sensitivity of a site when setting certain effluent parameters. Additional information must be submitted for the TCEQ to conduct additional screening in the IPs and to ensure the Corix discharge will not adversely impact groundwater quality.

The sensitivity of the site is critical because water discharged into the Colorado River recharges the aquifers. The Colorado River is an important hydrologic link between these major and minor Central Texas aquifers within the District. In a report prepared by well-

¹ Lost Pines Groundwater Conservation District Management Plan at p. 14, available here:

<https://www.lostpineswater.org/DocumentCenter/View/101/LPGCD-Management-Plan-2017-10-09-PDF>.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ **Exhibit A**, Colorado River & Carrizo-Wilcox Intersection.

published hydrogeologist and engineer Dr. Bill Hutchison, attached as **Exhibit B**, there is proof that surface water from the Colorado River in Bastrop County communicates with the aquifers in the District.⁶ The report reveals flow losses in the Colorado River and those losses contribute to increases in the groundwater water table.⁷ These losses indicate that the Colorado River provides recharge to the aquifers in the same vicinity of the Corix discharge. Groundwater and surface water interaction or communication must be addressed by TCEQ.

In addition, these aquifers and the surface water feeding them serve as a primary water supply for many in the region. TCEQ's own documents acknowledge the significance of the Colorado River Segment No. 1428's designated use of "Domestic Water Supply Use."⁸ The sensitive environment in this unique hydrogeologic setting, the regional dependence on groundwater for drinking water supply, and the known interaction between surface water and groundwater are extraordinary circumstances that will be affected by the Corix's application. TCEQ may not issue a permit unless existing uses are maintained, and must prevent the degradation of waters, both surface water and groundwater.⁹

Colorado River recharge that has impaired water quality or induces chemical changes¹⁰ in water in the aquifers is inconsistent with the District's legislatively mandated mission of protecting the aquifers. The District's powers under Chapter 36 of the Texas Water Code and under its rules include, among other things, authority to prohibit persons from harmfully altering the character of groundwater by activities on the surface of the ground that will cause or allow pollutants or other deleterious matter to enter groundwater from the surface or recharge features. Tex. Water Code §§ 36.001, 36.101, and 36.102. The District has a statutory obligation to protect recharge quality under Texas Water Code Chapter 36.

Contamination of these aquifers is a very serious concern of both the District and its constituents. As such, the District's interest in the surface and groundwater resources is directly related to TCEQ's review and consideration of the Corix's TPDES permit application. LPGCD insists on the most stringent effluent limits possible taking into consideration the sensitivity of the discharge location and other factors discussed above.

⁶ **Exhibit B**, Expert Report for the General Manager of the Lost Pines Groundwater Conservation District: Application of Lower Colorado River Authority for Operating and Transport Permits for Eight Wells in Bastrop, County, Texas. (relevant portions at pp. 15-17 attached).

⁷ *Id.* at 16 (see Figure 6. Bastrop County Surface Water-Groundwater Interaction).

⁸ 2022 Texas Integrated Report – Assessment Results for Basin 14 – Colorado River at 58, available here: <https://www.tceq.texas.gov/downloads/water-quality/assessment/integrated-report-2022/2022-basin14.pdf>.

⁹ 30 TAC §307.5 (TCEQ's Antidegradation rule).

¹⁰ Due to the potential for geochemical reactions in the aquifers from the discharge pollutants with the sands, silts, gravels, clays, aquifer composition, etc. that is different from the reaction with the discharge pollutants and surface water, more analysis must be done above the standard TCEQ response: "If surface water is protected so it goes that groundwater is also protected." TCEQ's analysis must review chemical interactions of the discharge with the aquifer when evaluating groundwater protection.

Corix's compliance history causes concern.

Corix has a history of non-compliance at the same plant where it now seeks to increase its discharge volume ten-fold. In 2018, TCEQ issued an enforcement action against Corix for failure to comply with permitted effluent limits.¹¹ In that action, Corix violated Texas water quality standards by discharging wastewater that exceeded the permitted total suspended solids effluent limit.¹² Similarly, in 2014, Corix failed to comply with permitted effluent limits.¹³ TCEQ's rules are clear that "Failure to comply with any permit condition is a violation of the permit and statutes under which it was issued and is grounds for enforcement action, for permit amendment, revocation or suspension, or for denial of a permit renewal application or an application for a permit for another facility."¹⁴ Given this background, there is no guarantee that Corix will operate in compliance with the Draft Permit, an issue that impacts the District and must be reviewed by the ED before any permit is issued. The TCEQ must consider whether additional monitoring, reporting, and lower effluent limits are required to obtain compliance or mitigate risk if Corix does not comply. The District urges the TCEQ to consider whether Corix can comply with the effluent limits necessary to protect the Colorado River and the aquifers.

Relevant Issues.

In light of these concerns, the District raises the following relevant issues within TCEQ's jurisdiction:

1. Whether the draft permit is protective of groundwater;
2. Whether the draft permit is protective of water quality and the existing uses of the receiving waters in accordance with applicable Texas Surface Water Quality Standards;
3. Whether the draft permit complies with applicable antidegradation requirements;
4. Whether the permit application is substantially complete and contains accurate information as it pertains to impacts to groundwater;
5. Whether the draft permit should be amended or denied in light of the applicant's history of non-compliance with permitted effluent limits.

The District has a significant interest in ensuring that the discharge from Corix's operations do not harm groundwater quality or the area's drinking water supply. This Draft Permit must provide assurances that both will be protected. Thank you for your attention to this matter. Please do not hesitate to call me if you have any questions.

¹¹ **Exhibit C**, TCEQ Compliance History Worksheet on Enforcement Docket No. 2018-0346-MWD-E, at 3.

¹² *Id.*

¹³ *Id.* at 5 (referring to Enforcement Docket No. 2013-2107-MWD-E).

¹⁴ 30 TAC §305.125(1).

March 13, 2023

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Sincerely,



Natasha J. Martin
LEGAL COUNSEL FOR THE LOST PINES
GROUNDWATER CONSERVATION DISTRICT

NJM/mah

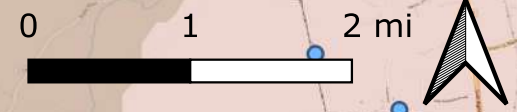
Enclosures:

- Exhibit A: Map of Colorado River & Carrizo-Wilcox Intersection
Exhibit B: Expert Report for the General Manager of the Lost Pines Groundwater Conservation District (Relevant Portions)
Exhibit C: TCEQ Compliance History Worksheet on Enforcement Docket No. 2018-0346-MWD-E

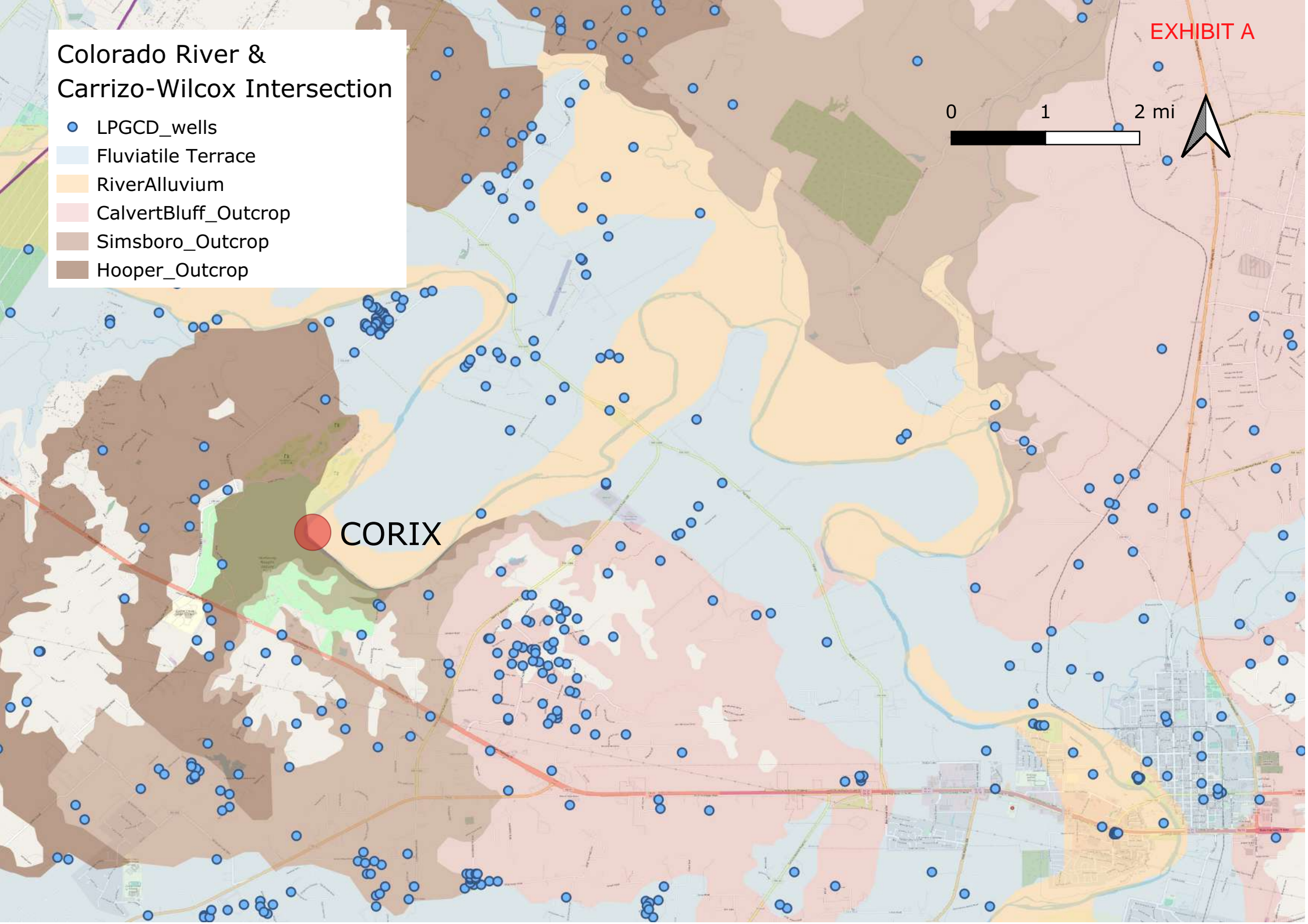
Cc: Client, Lost Pines Groundwater Conservation District
Corix Utilities (Texas) Inc. Bobby.Hicks@corixtexas.com
Garrett Arthur, Office of Public Interest Counsel, TCEQ
garrett.arthur@tceq.texas.gov
Gregory Klaus, Bastrop County Judge gregory.klaus@co.bastrop.tx.us
Senator Charles Schwertner, District 5 Charles.Schwertner@senate.texas.gov
Representative Stan Gerdes, District 17 Stan.Gerdes@house.texas.gov

Colorado River & Carrizo-Wilcox Intersection

- LPGCD_wells
- Fluvatile Terrace
- RiverAlluvium
- CalvertBluff_Outcrop
- Simsboro_Outcrop
- Hooper_Outcrop



 CORIX



GM EXHIBIT 13

**Expert Report for the General Manager of the Lost Pines
Groundwater Conservation District:**

*Application of Lower Colorado River Authority for Operating and
Transport Permits for Eight Wells in Bastrop County, Texas;*

Before the State Office of Administrative Hearings;

SOAH Docket No. 952-19-0705

Prepared for:

James Totten

General Manager

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Prepared by:

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July 25, 2019

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**Expert Report for the General Manager of the Lost Pines
Groundwater Conservation District:**

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Before the State Office of Administrative Hearings;

SOAH Docket No. 952-19-0705

Professional Engineer and Professional Geoscientist Seals

This report documents the work of a licensed Texas Professional Geoscientist and licensed Texas Professional Engineer:

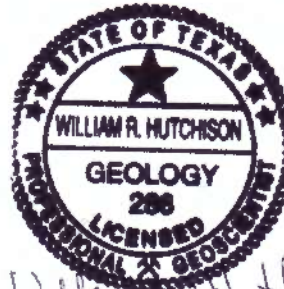
William R. Hutchison, Ph.D., P.E. (96287), P.G. (286)

Dr. Hutchison completed the model simulations and analyses described in this report and was the author of the report.



William R. Hutchison

7/25/2019



William R. Hutchison

7/25/2019

3.3 Groundwater Budgets of Predictive Scenarios

Table 3 presents the groundwater budgets for the two predictive scenarios (Base and Base+LCRA) from 2011 to 2070.

Table 3. Bastrop County Groundwater Budget for Two Predictive Scenarios - 2011 to 2070

Inflow	Base	Base+LCRA
Recharge	62,666	62,666
Williamson	21	21
Total	62,686	62,686

Outflow	Base	Base+LCRA
Pumping	29,546	49,375
Springs	2,707	2,498
River Baseflow	18,053	8,898
Evapotranspiration	172	171
GHB (overlying)	985	979
Caldwell	6,176	6,052
Fayette	13,974	13,722
Lee	9,982	6,907
Total	81,594	88,603

Inflow-Outflow	-18,908	-25,917
Storage Change	-18,908	-25,917
Model Error	0	0

Please note that the proposed LCRA pumping increases total pumping about 20,000 AF/yr (average increase from 2011 to 2070). Because the LCRA pumping is the only change to model input, the changes in output are all attributable to the LCRA pumping. River baseflow is decreased about 9,000 AF/yr (about 18,000 AF/yr to about 9,000 AF/yr). Storage declines increase by about 7,000 AF/yr (about 19,000 AF/yr to about 26,000 AF/yr). The remaining large change is the subsurface outflow to Lee County (reduced about 3,000 AF/yr from about 10,000 AF/yr to about 7,000 AF/yr). These components of the water budget represent the source of about 97 percent of the pumping.

The groundwater budget comparison suggests that about 46 percent of the pumping will be sourced from reduced baseflow to the surface water system in Bastrop County. About 35 percent of the pumping will be sourced from reduced groundwater storage, and about 16 percent will be sourced from decreased subsurface outflow to Lee County.

The results highlight the fact that groundwater pumping results in three impacts: 1) reduced storage (manifested by reduced groundwater levels), 2) induced inflow from surrounding areas and from surface water, and 3) reduced natural outflow to surface water and/or subsurface outflow to surrounding area.

Figure 6 presents the annual surface water-groundwater interaction graph and includes the calibrated model results and the two predictive scenario results. Please note that negative values represent a flow from groundwater to surface water (groundwater discharge to rivers that forms baseflow), and positive values represent a flow from surface water to groundwater (surface water providing recharge water to groundwater).

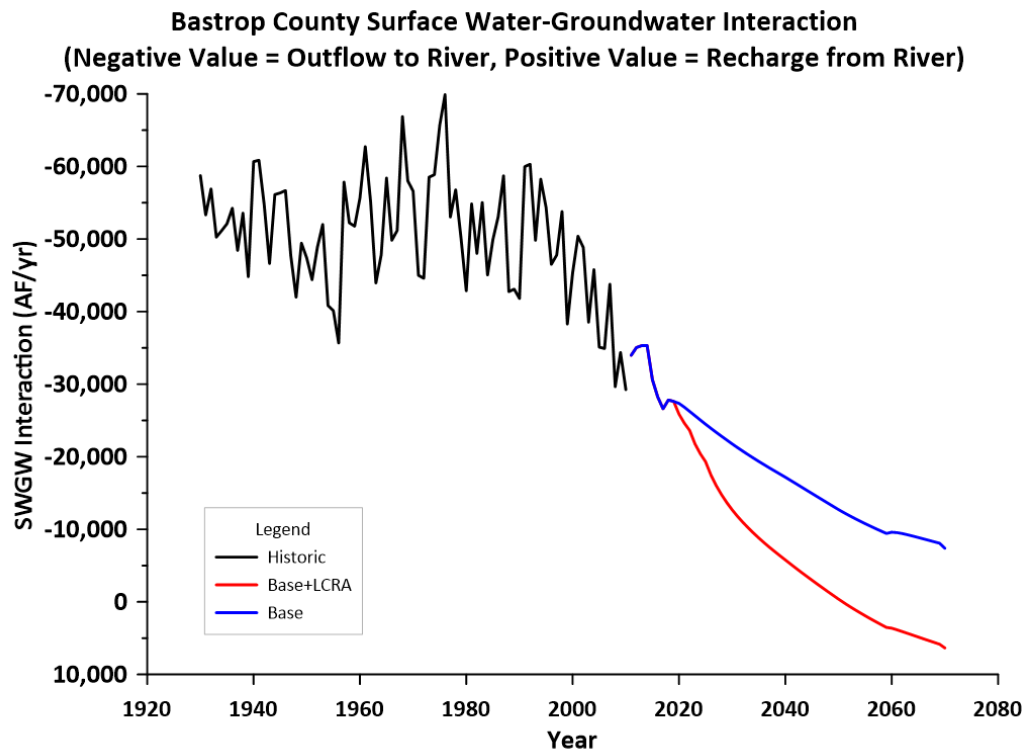


Figure 6. Bastrop County Surface Water-Groundwater Interaction

Please note that prior to about 1990, groundwater discharge to surface water varied without a discernible trend. Beginning in about 1990 a trend begins to be observed where the rate of discharge to surface water declines (from about 60,000 AF/yr to about 30,000 AF/yr in 2010).

The base case simulation shows a continued decline in the rate of discharge, but the Base+LCRA scenario shows that, in about 2040, the discharge is eliminated, and the surface water system begins to act as a recharge source to groundwater.

Based on the groundwater budget for Bastrop County, the two largest sources of the proposed pumped groundwater are reduction in baseflow to surface water and storage decline. The annual contribution to the pumping for each of these components is presented in Figure 7.

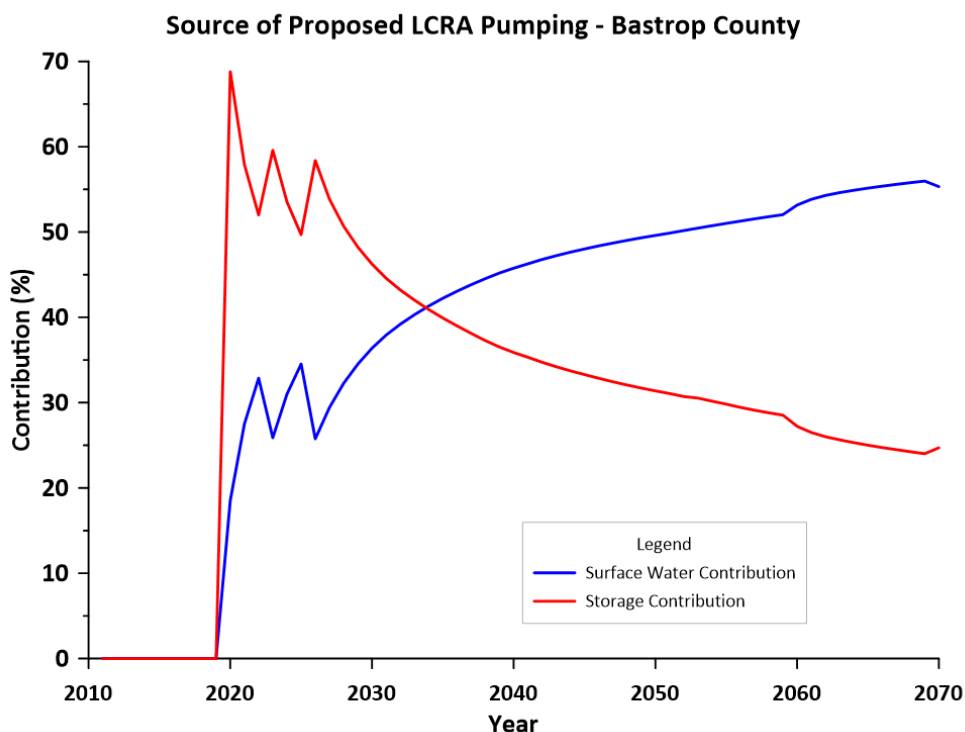


Figure 7. Source of Proposed LCRA Pumping

Please note that when the proposed LCRA pumping begins in 2020, about 70 percent of the pumped water comes from groundwater storage, and the relative contribution from reduced storage declines with time. Conversely, the relative contribution from reduced discharge to surface water/induced recharge from surface water increases with time. The steps in pumping can also be seen in Figure 6. Please note that when the simulated pumping is increased in 2023 and 2026, the initial response is to increase the relative contribution from groundwater storage increases and the relative contribution from surface water decreases. These results suggest that by 2050, over half of the proposed LCRA pumping would be sourced from surface water.

4.0 Groundwater Drawdown Predictions in Registered Wells

4.1 Initial Processing of Registered Well Data

Lost Pines Groundwater Conservation District provided an Excel file with 2,617 registered wells. Registered wells include permitted wells and non-exempt permitted wells (*LPGCD Well export.xlsx*). This file contained data on the latitude, longitude, surface elevation, and depth for each well. For purposes of this analysis, 242 wells without a recorded depth were not used. Also, 344 wells were not used that had the same latitude and longitude (30.5 and -97

average, the actual monitoring data from this well should show about a 50 ft decline in the first year and remains fairly constant for the next two years.

The possible deviation from this prediction could be the result of other pumping in the area, and/or an abnormally wet or dry period. If none of these conditions are true and the drawdown is substantially more or less than 50 feet, it should be concluded that the model is not a good predictor of drawdown and more investigation is warranted, including updating and recalibrating the model.

If, on the other hand, the actual monitoring data from this well and the other wells are substantially the same as the model predictions, then it could be concluded that the model appears to be reasonably accurate and the next phase of pumping should proceed.

6.0 References

Bredehoeft, J.D., 2002. The Water Budget Myth Revisited: Why Hydrogeologists Model Groundwater, Vol. 40, No. 4, pp. 340-345.

Bredehoeft, J.D., Papadopulos, S.S., and Cooper, H.H., 1982. Groundwater: the Water Budget Myth. In *Scientific Basis of water-Resource Management, Studies in Geophysics*, Washington DC: National Academy Press, pp. 51-57.

Harbaugh, A.W., and McDonald, M.G., 1996. User's Guide for MODFLOW-96, an update to the US Geological Survey Modular Finite Difference Ground-Water Flow Model. US Geological Survey Open-File Report 96-485.

Kelley, V.A., Deeds, N.E., Fryar, D.G., Nicot, J.-P., Jones, T.L., Dutton, A.R., Unger-Holtz, T., and Machin, J.L., 2004. Groundwater Availability Models for the Queen City and Sparta Aquifers. Prepared for the Texas Water Development Board. October 2004, 867 p.

Panday, S., Langevin, C.D., Niswonger, R.G., Ibaraki, M. and Hughes, J.D., 2013. MODFLOW-USG Version 1: An Unstructured Grid Version of MODFLOW for Simulating Groundwater Flow and Tightly Coupled Processes Using a Control Volume Finite-Difference Formulation. US Geological Survey Techniques and Methods 6-A45. 78p.

Young, S., Jigmond, M., Jones, T., Ewing, T., Panday, S., Harden, R., and Lupton, D., 2018. Final Report: Groundwater Availability Model for the Central Portion of the Sparta, Queen City, and Carrizo-Wilcox Aquifers. September 2018. 404 p (vol, 1), 538 p (vol 2).



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	12-Mar-2018	Screening	15-Mar-2018	EPA Due	
	PCW	16-Mar-2018				

RESPONDENT/FACILITY INFORMATION	
Respondent	Corix Utilities (Texas) Inc.
Reg. Ent. Ref. No.	RN102334893
Facility/Site Region	11-Austin
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	55843	No. of Violations	1
Docket No.	2018-0346-MWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Chase Davenport
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1**

ADJUSTMENTS (+/-) TO SUBTOTAL 1
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.
Compliance History Adjustment **Subtotals 2, 3, & 7**

Notes: Enhancement for two months of self-reported violations and one order with a denial of liability.

Culpability Enhancement **Subtotal 4**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5**

Economic Benefit Enhancement* **Subtotal 6**
Total EB Amounts Estimated Cost of Compliance *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE Adjustment
Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**
Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY

Screening Date 15-Mar-2018

Docket No. 2018-0346-MWD-E

PCW

Respondent Corix Utilities (Texas) Inc.

Policy Revision 4 (April 2014)

Case ID No. 55843

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102334893

Media [Statute] Water Quality

Enf. Coordinator Chase Davenport

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>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 30%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two months of self-reported violations and one order with a denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 30%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 30%

Screening Date 15-Mar-2018
Respondent Corix Utilities (Texas) Inc.
Case ID No. 55843
Reg. Ent. Reference No. RN102334893
Media [Statute] Water Quality
Enf. Coordinator Chase Davenport
Violation Number 1

Docket No. 2018-0346-MWD-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1), Tex. Water Code § 26.121(a)(1), and Texas Pollution Discharge Elimination System Permit ("TPDES") No. WQ0013977001, Effluent Limitations and Monitoring Requirements No. 1

Violation Description

Failed to comply with permitted effluent limitations. Specifically, the Respondent exceeded the total suspended solids permitted daily average limitation of 5 milligrams per liter ("mg/L") for the monitoring periods ending June 30, 2017 (11 mg/L) and July 31, 2017 (14 mg/L).

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 5.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 61 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$1,250

One quarterly 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 \$1,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$3,958

Violation Final Penalty Total \$1,625

This violation Final Assessed Penalty (adjusted for limits) \$1,625

Economic Benefit Worksheet

Respondent Corix Utilities (Texas) Inc.

Case ID No. 55843

Reg. Ent. Reference No. RN102334893

Media Water Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment	\$30,000	30-Jun-2017	19-May-2019	1.88	\$188	\$3,770	\$3,958
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to purchase a disc filter to achieve compliance with permitted effluent limitations. Date required is the end date of the first month of noncompliance. Final date is 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

\$30,000

TOTAL

\$3,958

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

Compliance History Report for CN604520213, RN102334893, Rating Year 2017 which includes Compliance History (CH) components from September 1, 2012, through August 31, 2017.

Customer, Respondent, or Owner/Operator: CN604520213, Corix Utilities (Texas) Inc. **Classification:** SATISFACTORY **Rating:** 0.98

Regulated Entity: RN102334893, MCKINNEY ROUGHS WWTP **Classification:** SATISFACTORY **Rating:** 2.25

Complexity Points: 4 **Repeat Violator:** NO

CH Group: 08 - Sewage Treatment Facilities

Location: Approximately 1,000 feet north of State Highway 71 at a point 11,500 feet northwest (along State Highway 71) of the intersection of State Highway 71 and Farm-to-Market Road 1209 in Bastrop County, Texas

TCEQ Region: REGION 11 - AUSTIN

ID Number(s):

WASTEWATER PERMIT WQ0013977001

WASTEWATER EPA ID TX0117609

Compliance History Period: September 01, 2012 to August 31, 2017 **Rating Year:** 2017 **Rating Date:** 09/01/2017

Date Compliance History Report Prepared: March 20, 2018

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 20, 2013 to March 20, 2018

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

Name: Chase Davenport

Phone: (512) 239-2615

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? YES
- 3) Who is the current owner/operator? Corix Utilities (Texas) Inc. OWNER since 7/31/2014
- 4) Who was/were the prior owner(s)/operator(s)? Lower Colorado River Authority, OWNER, 3/20/1998 to 7/30/2014

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 07/18/2014 ADMINORDER 2013-2107-MWD-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: Effluent Limits PERMIT
Description: failed to comply with permitted effluent limits

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	May 17, 2013	(1108520)	Item 4	October 17, 2013	(1137086)
Item 2	June 19, 2013	(1112097)			
Item 3	September 18, 2013	(1131333)			

Item 5	November 14, 2013	(1142499)	Item 30	January 18, 2016	(1317393)
Item 6	December 19, 2013	(1148930)	Item 31	February 18, 2016	(1326743)
Item 7	January 17, 2014	(1155019)	Item 32	March 17, 2016	(1333505)
Item 8	March 13, 2014	(1168954)	Item 33	April 19, 2016	(1340649)
Item 9	April 17, 2014	(1176133)	Item 34	May 13, 2016	(1347456)
Item 10	May 19, 2014	(1182365)	Item 35	June 20, 2016	(1353860)
Item 11	June 16, 2014	(1189256)	Item 36	July 19, 2016	(1360856)
Item 12	July 17, 2014	(1194683)	Item 37	September 16, 2016	(1374009)
Item 13	August 26, 2014	(1201193)	Item 38	September 27, 2016	(1367294)
Item 14	September 18, 2014	(1207569)	Item 39	October 18, 2016	(1380160)
Item 15	October 17, 2014	(1213966)	Item 40	November 18, 2016	(1386114)
Item 16	November 18, 2014	(1220214)	Item 41	December 16, 2016	(1392263)
Item 17	December 17, 2014	(1226029)	Item 42	January 19, 2017	(1398866)
Item 18	January 19, 2015	(1233031)	Item 43	February 20, 2017	(1405780)
Item 19	February 20, 2015	(1244024)	Item 44	March 20, 2017	(1412867)
Item 20	March 19, 2015	(1250395)	Item 45	April 19, 2017	(1419363)
Item 21	April 17, 2015	(1257298)	Item 46	May 19, 2017	(1427002)
Item 22	May 19, 2015	(1264070)	Item 47	June 19, 2017	(1432997)
Item 23	June 18, 2015	(1271160)	Item 48	September 19, 2017	(1451833)
Item 24	July 16, 2015	(1278713)	Item 49	October 19, 2017	(1457695)
Item 25	September 15, 2015	(1292006)	Item 50	November 15, 2017	(1463133)
Item 26	September 29, 2015	(1284899)	Item 51	December 15, 2017	(1469560)
Item 27	October 19, 2015	(1298186)	Item 52	January 19, 2018	(1476266)
Item 28	November 20, 2015	(1303629)			
Item 29	December 17, 2015	(1310621)			

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

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

- 1 Date: 06/30/2017 (1441562)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

- 2 Date: 07/31/2017 (1445244)
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CORIX UTILITIES (TEXAS) INC.
RN102334893**

§
§
§
§
§

**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

**AGREED ORDER
DOCKET NO. 2018-0346-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 Corix Utilities (Texas) Inc. (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 together stipulate that:

1. The Respondent owns and operates a wastewater treatment facility located approximately 1,000 feet north of State Highway 71 at a point 11,500 feet northwest (along State Highway 71) of the intersection of State Highway 71 and Farm-to-Market Road 1209 in Bastrop 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 \$1,625 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$1,300 of the penalty and \$325 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be

waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.

II. ALLEGATIONS

During a record review conducted on February 14, 2018, 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 Texas Pollution Discharge Elimination System ("TPDES") Permit No. WQ0013977001, Effluent Limitations and Monitoring Requirements No. 1. Specifically, the Respondent exceeded the total suspended solids permitted daily average limitation of 5 milligrams per liter ("mg/L") for the monitoring periods ending June 30, 2017 (11 mg/L) and July 31, 2017 (14 mg/L).

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 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: Corix Utilities (Texas) Inc., Docket No. 2018-0346-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. The Respondent shall, within 130 days after the effective date of this Order, submit written certification of compliance with the effluent limitations of TPDES Permit No. WQ0013977001, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. The certification shall include detail supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with the permitted effluent limitations. 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:

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

with a copy to:

Water Section Manager
Austin Regional Office
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

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 referenced in this Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of

this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

6. 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 Order Compliance Team at the address listed above.
7. 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.
8. 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.
9. 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

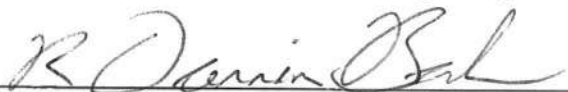
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

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

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

April 23, 2018

Date

R. Darrin Barker

President

Name (Printed or typed)
Authorized Representative of
Corix Utilities (Texas) Inc.

Title

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