



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TEXAS 75202-2733

FEB 13 2012

CERTIFIED MAIL - RETURN RECEIPT REQUESTED: (7007 1490 0002 3413 7945)

Mr. Walter Dulock
EOL Water Supply Corporation
9226 Elk Road
Axtell, TX 76624-1500

Re: PWS ID Number: TX1550025
Docket Number: SDWA-06-2011-1342

Dear Mr. Dulock:

This letter acknowledges receipt by the U.S. Environmental Protection Agency (EPA) of the arsenic compliance plan and construction schedule submitted by the EOL Water Supply Corporation (EOL WSC) as required by the EPA Administrative Order (AO) Docket Number SDWA-06-2011-1342 (Original AO) issued to you on July 19, 2011. EPA has determined that the plan and the schedule are a satisfactory response to Section B of the Original AO. The plan specifies how EOL WSC will bring its water system into compliance with the maximum contaminant level (MCL) for arsenic. EPA's acceptance of the plan does not guarantee compliance with the Safe Drinking Water Act (SDWA); EOL WSC remains solely responsible for compliance with the SDWA.

As a result of the terms and schedule specified in the plan, EPA has amended the Original AO to include the terms and schedules specified in the plan. As specified in the Amended AO, EOL WSC must achieve compliance with the arsenic MCL requirement by December 16, 2016.

While your arsenic compliance plan meets EPA requirements specified in the Original AO, EOL WSC water system is also responsible for compliance with all applicable Texas regulations in Title 30 Texas Administrative Code (TAC) Chapter 290, Subchapter D. Most treatment options require the submittal of engineering plans and specifications to the Texas Commission on Environmental Quality (TCEQ) for review and approval as indicated in 30 TAC § 290.39(j). The engineering plans and specifications and any pilot study report must be prepared by a Texas licensed professional engineer as required in 30 TAC §§ 290.39(d)(1) and 290.42(g) respectively. Please send submittals to the TCEQ Public Drinking Water section address referenced in paragraph G of the Original AO and all submittals must include the EPA Docket Number.

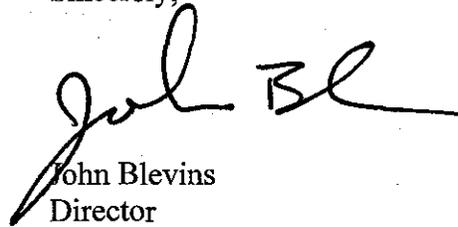
Please be aware that failure to comply with this Amended AO may subject you to additional enforcement action by EPA, including the initiation of legal proceedings to seek monetary penalties.

Re: EOL WSC
Amended Administrative Order

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If you need assistance, or have questions regarding the Amended AO, please contact Mr. Mehdi Taheri, of my staff, at (214) 665-2298.

Sincerely,

A handwritten signature in black ink, appearing to read "John Blevins". The signature is fluid and cursive, with the first name "John" being larger and more prominent than the last name "Blevins".

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

cc: Bryan Sinclair
Director, Enforcement Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Linda Brookins
Director, Water Supply Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

William E. Aston, P.E.
Duff Consulting Engineers, Inc.
4201 N. 19th Street
Waco, TX 76708



U.S. ENVIRONMENTAL PROTECTION AGENCY-REGION 6
FINDINGS OF VIOLATION AND COMPLIANCE ORDER
In the Matter of EOL Water Supply Corporation
Owned/Operated by the EOL Water Supply Corporation, Respondent
Docket No. SDWA-06-2011-1342, PWS ID # TX1550025

STATUTORY AUTHORITY

The following findings are made and an Amended Order ("Amended AO") issued under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA"), by Section 1414(g) of the Safe Drinking Water Act ("Act"), 42 U.S.C. § 300g-3(g). The Administrator delegated the authority to issue this Amended AO to the Regional Administrator of EPA Region 6 who delegated such authority to the Director of the Compliance Assurance and Enforcement Division.

FINDINGS

1. EOL Water Supply Corporation ("Respondent") is a "person," as defined by Section 1401(12) of the Act, 42 U.S.C. § 300f(12).

2. At all times relevant to the violations alleged herein ("relevant time period"), Respondent owned or operated a public water system ("PWS"), as defined by Section 1401(4) of the Act, 42 U.S.C. § 300f(4), located in Axtell, McLennan County; Texas ("facility"), and designated as PWS number TX1550025.

3. As a PWS and a "supplier of water," Respondent is subject to the regulations promulgated by EPA pursuant to Section 1412 of the Act, 42 U.S.C. § 300g-1, entitled "National Primary Drinking Water Regulations."

4. During the relevant time period, Respondent's PWS was a "community water system" as defined by Section 1401(15) of the Act, 42 U.S.C. § 300f(15).

5. The Texas Commission on Environmental Quality ("TCEQ") and the EPA have enforcement authority for the PWS provisions of the Act in the State of Texas. TCEQ and EPA have consulted regarding this Amended AO, and it has been agreed that EPA would initiate this enforcement action.

6. Respondent monitored for arsenic during each of the four quarters in 2010, resulting in a running annual average of 0.015 mg/L that exceeded the arsenic maximum contaminant level ("MCL") of 0.010 mg/L in violation of 40 C.F.R. § 141.62(b)(16).

7. Respondent is required to comply with the arsenic requirements of the Act, as set forth in Section 1412 of the Act, 42 U.S.C. § 300g-1.

8. On July 19, 2011, EPA issued Administrative Order Docket Number SDWA-06-2011-1342 ("Original AO") to Respondent for arsenic MCL violations. The terms of the Original AO are hereby revised in this Amended AO.

9. In compliance with the Original AO, Respondent has 1) provided public notice as required by 40.C.F.R. § 141.201; 2) submitted a plan to EPA detailing how Respondent will return the PWS to compliance with the MCL for arsenic; and 3) provided EPA with an initial progress report on the compliance activities. The terms and schedule specified in the plan are hereby incorporated into this Amended AO.

AMENDED ORDER

Based on these findings and pursuant to the authority of Section 1414(g) of the Act, 42 U.S.C. § 300g-3(g), EPA orders Respondent to take the following actions:

A. Respondent shall comply with the terms and schedule specified in the plan submitted to EPA. The project time shall be followed and completed as the Respondent submitted in the detailed plan:

1. The contract negotiations with City of Waco to purchase water shall be completed no later than June 30, 2012;

2. the project funding shall be obtained from Federal and/or State agencies by September 30, 2012;

3. preliminary construction plans shall be in place by March 31, 2013;

4. Respondent shall obtain land for the plants and inline pump station, and easements for the installation of the pipelines shall be finalized by December 31, 2014;

5. the construction plans and contract documents shall be submitted or completed by December 31, 2014;

6. all plan reviews and revisions shall be completed by March 31, 2015;

7. bids will be advertised and contract award shall be completed by June 30, 2015;
8. all construction shall be completed by September 30, 2016; and
9. the plan project and testing shall be completed by December 31, 2016.

B. Respondent must achieve and maintain compliance with 40 C.F.R. § 141.62(b)(16) by December 16, 2016.

C. Respondent shall provide EPA with quarterly progress reports regarding activities undertaken pursuant to the plan and notify EPA when all activities have been completed.

D. The reporting required by this Amended AO must be provided to EPA at the following address:

Mr. Mehdi Taheri
Water Enforcement Branch (6EN-W)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

GENERAL PROVISIONS

This Amended AO is effective upon receipt by Respondent.

This Amended AO does not constitute a waiver, suspension, or modification of the requirements of 40 C.F.R. Part 141 or other applicable federal and state requirements, which remain in full force and effect. Issuance of this Amended AO is not an election by EPA to forego any civil or any criminal action otherwise authorized under the Act.

Violation of any term of this Amended AO may subject Respondent to an administrative civil penalty of up to \$32,500 under Section 1414(g) of the Act, 42 U.S.C. § 300g-3(g), or a civil penalty of not more than \$37,500 per day per violation, assessed by an appropriate United States District Court under Section 1414(g)(3)(A) of the Act, 42 U.S.C. § 300g-3(g)(3)(A).

This Amended AO shall be binding on the PWS cited herein and all its successors, and assignees. No change in ownership of the PWS shall alter the responsibility of the PWS under this Amended AO.

2.13.12

Date



John Blevins
Director
Compliance Assurance and
Enforcement Division