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**CITY OF PORT LAVACA**

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**COUNCIL MEETING:** SEPTEMBER 16, 2024

**AGENDA ITEM:**

**DATE:** 9.11.2024

**TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**FROM:** JODY WEAVER, INTERIM CITY MANAGER

**SUBJECT:** NOTICE OF VIOLATION TRACK NO 823013; 30 TAC Chapter 305.125 (1) and 305.126 (a)  
PERMIT WQ0010251001

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Recall, on July 26, 2022 TCEQ made an inspection of the wastewater treatment plant facility and operations which resulted in a Notice of Violation of TCEQ regulations §305.125 (1) and §305.126 (a), which are described below in this memo.

By way of a brief recap, I have attached the following documents:

- September 1, 2022: TCEQ Notice of Violation
- September 28, 2022: Corrective Action Update sent to TCEQ showing progress that AECOM had made on the WWTP Improvement project and the proposed WWTP 2MGD to 4 MGD Expansion project.
- October 14, 2022: Correspondence from TCEQ acknowledging receipt of the above information and stating documentation showing compliance was due by December 30, 2022.
- December 12, 2022: Council awards AECOM a \$494,588.00 contract for the 30% Engineering of the WWTP expansion. Staff memo and minutes of Council meeting.
- December 15, 2022: Compliance Plan Update coversheet submitted to TCEQ showing AECOM had been contracted to provide the 30% Engineering of the WWTP expansion and requesting an 18 month extension for compliance.
- February 16, 2023: Correspondence from TCEQ acknowledging receipt of the above information and providing an extension to January 5, 2024.
- Since that time we have been working with AECOM in submitting an application for a Texas Water Development Board CWSRF loan for the budgeted \$39,315,000 remaining environmental, engineering and construction funding.
- Copy of the email received on August 21, 2024 announcing the award of a commitment for financial assistance from the TWDB for a CWSRF low interest loan.
- TWDB Draft Project Funding Request documentation for Board Action on August 15, 2024
- When asked about any possibility of loan forgiveness, the TWDB stated “Funding for the City of Port Lavaca Project # 73963 was determined based on the State Fiscal Year 2024 Intended Use Plan guidelines. We have reviewed our different funding options to see if the City of Port Lavaca could be an eligible candidate for principal forgiveness. **Unfortunately, the City of Port Lavaca did not meet the requirements to receive Loan Principal Forgiveness.** The TWDB is able to offer a subsidized loan, below market rate”.

Dusty Traylor with RBC Capital Markets, our financial advisor will be in attendance at the meeting on September 16 to review this funding option with Council.

Note: This loan can be repaid with a combination of sewer rates and property taxes. I think it is appropriate for some tax dollars to be used to pay for this plant expansion. Current owners of undeveloped land (who are not utility rate payers) will benefit from this plant expansion, because it will provide additional sewer capacity and thereby allow them to sell their property for future development. You can't have development and growth without adequate water AND sewer capacity. The only mechanism for current owners of undeveloped land to help pay is through property tax, since they are not current utility rate payers. TWDB is estimating a per customer increase of \$46/month to pay for this if we use only sewer rates. We will be contracting with a consultant soon to prepare a Rate Study of both water and sewer to consider our entire operation and cost of water and sewer in order to arrive at a recommended rate.

### 30 TAC Chapter 305.125 (1)

The permittee has a duty to comply with all permit conditions. 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.

### 30 TAC Chapter 305.126 (a)

Whenever flow measurements for any sewage treatment plant facility in the state reaches 75% of the permitted average daily or annual average flow for three consecutive months, the permittee must initiate engineering and financial planning for expansion and/or upgrading of the wastewater treatment and/or collection facilities. Whenever the average daily or annual average flow reaches 90% \*\* of the permitted average daily flow for three consecutive months, the permittee shall obtain necessary authorization from the commission to commence construction of the necessary additional treatment and/or collection facilities. In the case of a wastewater treatment facility which reaches 75% of the permitted average flow for three consecutive months, and the planned population to be served or the quantity of waste produced is not expected to exceed the design limitations of the treatment facility, the permittee will submit an engineering report supporting this claim to the executive director. If in the judgment of the executive director the population to be served will not cause permit noncompliance, then the requirements of this section may be waived. To be effective, any waiver must be in writing and signed by the director of the enforcement division of the commission, and such waiver of these requirements will be reviewed upon expiration of the existing permit; however, any such waiver shall not be interpreted as condoning or excusing any violation of any permit parameter.

\*\*Note: This occurred during the time of COVID and a lot of people were at home and Formosa was underway with a plant expansion and there were a lot of contractors living here working on that project.

The plant saw 90% of the permitted flow for 18 consecutive months: November 2020 to April 2022) and we actually exceed the permitted flow in July - September 2020 and May-July of 2021.



Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Bobby Janecka, *Commissioner*  
Toby Baker, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

September 1, 2022

### EMAIL RECEIPT REQUESTED

The Honorable Jack Whitlow  
Mayor of Port Lavaca  
City of Port Lavaca  
202 N Virginia Street  
Port Lavaca, Texas 77979

Via Email

Re: Notice of Violation for the Comprehensive Compliance, In-House Laboratory Focused, Stormwater Reconnaissance, and Complaint Investigations at:  
City of Port Lavaca Wastewater Treatment Facilities, located at 800 North Commerce Street, Port Lavaca, (Calhoun County), Texas  
Regulated Entity No.: 101612893, TCEQ ID No.: WQ0010251001, EPA ID No.: TX0047562,  
Investigation No.: 1833031, Incident Nos. 382157 & 382271

Dear Mayor Whitlow:

On July 26, 2022, Travis Prater and Anya Stawasz of the Texas Commission on Environmental Quality (TCEQ) Corpus Christi Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for wastewater treatment. Enclosed is a summary which lists the investigation findings. During the investigation, a concern was noted which was an alleged noncompliance that has been resolved as an Area of Concern based on subsequent corrective action. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by October 3, 2022 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

This investigation was the result of a complaint. For information regarding our complaint policies and procedures, please refer to the following website:  
<https://www.tceq.texas.gov/compliance/complaints>.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Corpus Christi Region Office at 361-881-6900 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with

The Honorable Jack Whitlow  
Page 2  
September 1, 2022

environmental regulatory requirements. Self-reported violations may be subject to enforcement, including penalties, upon review by the Enforcement Division. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation documented in this notice. Should you choose to do so, you must notify the Corpus Christi Region Office within 10 days from the date of this letter. At that time, the Water Section Manager will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Mr. Prater in the Corpus Christi Region Office at 361-881-6900.

Sincerely,



Renae DiGuardi, Water Section Work Leader  
Corpus Christi Region Office  
Texas Commission on Environmental Quality

KRD/TP/mjc

Enclosure: Summary of Investigation Findings

cc: William W. Shaffer, Public Works Director - Via email



## Summary of Investigation Findings

CITY OF PORT LAVACA

800 N COMMERCE ST  
PORT LAVACA, CALHOUN COUNTY, TX 77979

Investigation #

1833031  
Investigation Date: 07/26/2022

Additional ID(s): TXR05EZ47  
TX0047562  
WQ0010251001

### OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 823008 Compliance Due Date: 10/03/2022

30 TAC Chapter 305.125(1)

30 TAC Chapter 319.6

30 TAC Chapter 319.9(d)

**PERMIT WQ0010251001, Monitoring Requirements No. 2.a, Pg. 5**

Monitoring Requirements No. 2.a, Pg. 5

Measurements, tests and calculations shall be accurately accomplished in a representative manner.

**EPA ID TX0047562, Monitoring Requirements No. 2.a, Pg. 5**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 09/01/2022

Failed to assure the quality of all measurements through the use of blanks, standards, duplicate analyses, and spikes.

An investigation conducted on July 26, 2022 documented that the facility was not performing a duplicate analysis for dissolved oxygen measurements. Specifically, the facility was measuring the dissolved oxygen twice per week without performing a duplicate.

**Recommended Corrective Action:** The permittee shall assure the quality of all measurements through the use of blanks, standards, duplicate analyses, and spikes. Specifically, a duplicate shall be performed on a 10% basis each day that dissolved oxygen samples are analyzed. If one to 10 samples are analyzed on a particular day, then one duplicate shall be performed for the dissolved oxygen.

Track No: 823013 Compliance Due Date: 10/03/2022

30 TAC Chapter 305.125(1)

30 TAC Chapter 305.126(a)

**PERMIT WQ0010251001, Operational Requirements No. 8.a., Pg. 14**

Whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months, the permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities.

**EPA ID TX0047562, Operational Requirement No. 8.a., Pg. 14**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 09/01/2022

Failed to obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months.

An investigation conducted on July 26, 2022 documented the facility has reached 90% of the permitted annual average flow of 2.0 million gallons per day (MGD) for 18 consecutive months (November 2020 to April 2022) and the permitted daily average flow of 2.0 MGD was exceeded in July 2020, August 2020, September 2020, May 2021, June 2021, and July 2021. Additionally, the permittee has not amended their permit and commenced construction of additional treatment and/or collection facilities.

**Recommended Corrective Action:** The permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

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**Track No:** 823020      **Compliance Due Date:** 10/03/2022

**30 TAC Chapter 305.125(5)**

**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 documented that the Main, Bay Street, North Ann, and Loop 1090 lift stations were not properly maintained. Specifically, the surface areas of the wet wells were 95 to 100 percent caked with solids, grease and debris.

**Recommended Corrective Action:** The permittee shall ensure all lift stations are properly operated and maintained. Specifically, the floating sludge, grease and debris must be removed periodically from the lift station wet wells to prevent an excessive accumulation to allow for the proper operational function of the pumps. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

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**Track No:** 823025      **Compliance Due Date:** 10/03/2022

**30 TAC Chapter 305.125(5)**

**30 TAC Chapter 317.4(g)(4)(A)**

**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained. This includes, but is not limited to, the regular, periodic examination of wastewater solids within the treatment plant by the operator in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained. This includes, but is not limited to, the regular, periodic examination of wastewater solids within the treatment plant by the operator in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control.

An investigation conducted on July 26, 2022 determined that the facility was not properly operated and maintained in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control. Specifically, the process control tests performed during the investigation documented the dissolved oxygen in the three-stage aeration basin No. 3 (re-aeration) was measured at 0.5 mg/L which was below the recommended level of 2.0 mg/L; and the 30 minute settleable solids concentration (SV30) in the aeration basin was 98% greater than the recommended range of 10 to 50 percent. The sludge blanket in both Clarifiers Nos. 1 and 2 was 9 feet in a 14-foot water depth (64.3%), which was greater than the recommended maximum sludge/water ratio of 25% sludge depth.

**Recommended Corrective Action:** The permittee shall ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained and perform the necessary process control tests to effectively operate the wastewater treatment



plant to maintain an appropriate quantity and quality of solids inventory. Additionally, the aeration basins shall be operated to prevent excess sludge and maintain a minimum dissolved oxygen concentration of 2.0 mg/liter throughout the basin at the maximum diurnal organic loading rate and to provide thorough mixing of the mixed liquor. The minimum air volume requirements may be reduced with appropriate supporting performance evaluations from the manufacturer. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

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**Track No:** 823026      **Compliance Due Date:** 10/03/2022

**30 TAC Chapter 305.125(5)**

**30 TAC Chapter 317.4(d)(2)**

**30 TAC Chapter 317.4(d)(3)**

**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 determined that the facility was not properly operating and maintaining the clarifiers (No. 1 and No. 2). Specifically, the investigators documented uneven flow over both clarifier weirs. Additionally, there was excessive scum and debris floating on the surface of clarifier No. 1.

**Recommended Corrective Action:** The permittee shall level the weirs in both clarifiers to prevent short circuiting flow through the clarifiers and the excess scum be collected and properly disposed of. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

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**Track No:** 823028      **Compliance Due Date:** 10/03/2022

**30 TAC Chapter 305.125(5)**

**30 TAC Chapter 317.4(b)(1)**

**30 TAC Chapter 317.4(b)(2)**

**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 determined that the mechanical bar screen and the grit auger were inoperative. Specifically, the facility stated that the grit auger has been inoperable for one year and the mechanical bar screen broke the week prior to this investigation. Additionally, the facility does not have any odor control facilities.

**Recommended Corrective Action:** The permittee shall ensure the mechanical bar screen and the grit auger are operational. Additionally, odor control measures shall be implemented to prevent the wastewater treatment plant from becoming a nuisance. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

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**Track No:** 823032      **Compliance Due Date:** 10/03/2022

**30 TAC Chapter 217.33(a)**

**30 TAC Chapter 305.125(1)**



**PERMIT WQ0010251001, Monitoring Requirements No.5, Pg. 6**

All automatic flow measuring or recording devices and all totalizing meters for measuring flows shall be accurately calibrated by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually unless authorized by the Executive Director for a longer period. Such person shall verify in writing that the device is operating properly and giving accurate results.

**EPA ID TX0047562, Monitoring Requirements No.5, Pg. 6****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to accurately calibrate all automatic flow measuring or recording devices and all totalizing meters for measuring flows by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually.

An investigation conducted on July 26, 2022 documented that the automatic flow meter for Outfall 001 was not being calibrated annually by a trained person. Specifically, the Milltronics Hydromanager electronic flowmeter was last calibrated on February 27, 2020 by Mercer Controls.

**Recommended Corrective Action:** The permittee shall ensure that the automatic flow measuring device is accurately calibrated by a trained person not less often than annually. Such person shall verify in writing that the device is operating properly and giving accurate results. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

Track No: 823034

Compliance Due Date: 10/03/2022

30 TAC Chapter 305.125(1)

30 TAC Chapter 319.7(a)

30 TAC Chapter 319.7(c)

**PERMIT WQ0010251001, Monitoring Requirements No. 3.c., Pg. 6**

Records of monitoring activities shall include the following:

- i. date, time and place of sample or measurement;
- ii. identity of individual who collected the sample or made the measurement.
- iii. date and time of analysis;
- iv. identity of the individual and laboratory who performed the analysis;
- v. the technique or method of analysis; and
- vi. the results of the analysis or measurement and quality assurance/quality control records.

**EPA ID TX0047562, Monitoring Requirements No. 3.c., Pg. 6****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to maintain records of the monitoring activities required by the permit.

An investigation conducted on July 26, 2022 documented that the operators were not recording the effluent sample collection time for pH and dissolved oxygen (DO). Specifically, the operators were only recording the time of sample analysis.

**Recommended Corrective Action:** The permittee shall maintain records of all monitoring activities to include at a minimum the date, time, and place of sample or measurement; identity of individual who collected the sample or made the measurement; date and time of analysis; identity of the individual who performed the analysis; the technique or method of analysis; and the results of the analysis or measurement and quality assurance/quality control records. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

Track No: 823036

Compliance Due Date: 10/03/2022

30 TAC Chapter 305.125(1)

**PERMIT WQ0010251001, Other Requirements No. 7, Pg. 34**

Violations of daily maximum limitations for the Total Copper and Total Zinc pollutants shall be reported orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224).

**EPA ID TX0047562, Other Requirements No. 7, Pg. 34****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to report violations of daily maximum limitations for the Total Copper and Total Zinc pollutants orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224).

An investigation conducted on July 26, 2022 documented that the violations of daily maximum limitations for the Total Copper and Total Zinc pollutants were not reported orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224). Specifically, the Total Copper and Total Zinc daily max exceeded the permitted limit on three occasions (three Total Copper daily maximum - February and April 2022; and one Total Zinc daily maximum - February 2022).

**Recommended Corrective Action:** The permittee shall report violations of daily maximum limitations for the Total Copper and Total Zinc pollutants orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224). To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

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**Track No: 823038 Compliance Due Date: 10/03/2022****30 TAC Chapter 305.125(1)****PERMIT WQ0010251001, Other Requirements No. 8, Pg. 35**

Within 3 months after the first exceedance of the daily average zinc limit or daily max zinc limit, the City of Port Lavaca shall submit to the TCEQ Stormwater & Pretreatment Team (MC-148) a Zinc Reduction Plan ("Plan") for review and approval. The goal of such Plan is to identify the sources(s) of zinc, require best management practices and/or other controls to reduce the zinc loadings to the Lynn Bayou WWTF to a zinc maximum allowable headworks concentration of 208 µg/L per day.

**EPA ID TX0047562, Other Requirements No. 8, Pg. 35****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to obtain approval for the Zinc Reduction Plan.

An investigation conducted on July 26, 2022 documented the Zinc Reduction Plan was not approved by the TCEQ Stormwater & Pretreatment Team. Specifically, a letter to address the Zinc reduction plan was submitted on March 29, 2019 to the TCEQ Standards Implementation Team and not the TCEQ Stormwater & Pretreatment Team. Additionally, the permit required the applicant to submit a study plan to identify the source of zinc coming into their waste collection system. The letter stated that they have no industrial contributors and that they may not be able to identify the source of the zinc; therefore, the plan was to determine the dissolved fraction of zinc that would be bioavailable to aquatic organisms in the receiving waters. Furthermore, the daily maximum for total zinc was 1030.0 µg/L in February 2022.

**Recommended Corrective Action:** The permittee shall obtain approval from the TCEQ Stormwater & Pretreatment Team (MC-148) for the Zinc Reduction Plan. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

**ALLEGED VIOLATION(S) NOTED AND RESOLVED  
ASSOCIATED TO A NOTICE OF VIOLATION**

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**Track No:** 823029**30 TAC Chapter 305.125(1)****30 TAC Chapter 305.125(7)****30 TAC Chapter 305.126(b)****PERMIT WQ0010251001, Operational Requirements No. 8b, Pg. 14**

The plans and specifications for domestic sewage collection and treatment works associated with any domestic permit must be approved by the Commission and failure to secure approval before commencing construction of such works or making a discharge is a violation of this permit and each day is an additional violation until approval has been secured.

**EPA ID TX0047562, Operational Requirements No. 8b, Pg. 14****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to submit a summary transmittal letter for the Lynn Haven lift station.

An investigation conducted on July 26, 2022 documented that the permittee did not submit a summary transmittal letter for the Lynn Haven lift station. Specifically, the construction of the new Lynn Haven lift station began in January 2022 and was completed in August 2022.

**Resolution:** On July 26, 2022, the permittee submitted the plans and specification for the Lynn Haven lift station. The plans were reviewed and approved on August 25, 2022 (Log No. 0722/114).

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**Track No:** 823030**2D TWC Chapter 26.121(a)(1)****30 TAC Chapter 305.125(1)****PERMIT WQ0010251001, Permit Conditions No. 2g, Pg. 9**

There shall be no unauthorized discharge of wastewater or any other waste. For the purpose of this permit, an unauthorized discharge is considered to be any discharge of wastewater into or adjacent to water in the state at any location not permitted as an outfall or otherwise defined in the Other Requirements section of this permit.

**EPA ID TX0047562, Permit Conditions No. 2g, Pg. 9****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to prevent an unauthorized discharge of wastewater or any other waste.

An investigation conducted on July 26, 2022 documented a potential unauthorized discharge from the permittee's collection system. Specifically, sewage odors were detected behind the Loop 1090 lift station near the harbor of refuge drainage ditch along with a small sink hole which indicated a potential wastewater line break. The permittee confirmed the unauthorized discharge on July 28, 2022 due to a cracked force main located 300 feet west of the Loop 1090 lift station. An estimated 5000 to 8,000 gallons was discharged into the harbor of refuge drainage ditch. The line was repaired on July 29, 2022. The area around the break was cleaned and the contaminated water from the ditch (west of FM 1090 culvert) was removed.

**Resolution:** The permittee provided the required notifications along with documentation which adequately addressed the discharge.

**AREA OF CONCERN**

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**Track No:** 823035**30 TAC Chapter 305.125(1)****30 TAC Chapter 319.7(d)**



**PERMIT WQ0010251001, Reporting Requirement No. 1, Pg. 5**

Unless otherwise specified, a monthly effluent report shall be submitted each month, to the Enforcement Division, by the 20th day of the following month for each discharge which is described by this permit whether or not a discharge is made for that month.

**EPA ID TX0047562, Reporting Requirement No. 1, Pg. 5****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to submit the monthly effluent reports by the 20th day of the following month.

An investigation conducted on July 26, 2022 documented that the Discharge Monitoring Report (DMR) was submitted after the 20th day of the following month for December 2021. Specifically, the DMR was submitted on January 21, 2022. In the previous twelve-months reviewed, this was the only late DMR.

**Resolution:** The facility submitted the January to June 2022 DMRs by the 20th day of the following month.

## ADDITIONAL ISSUES

**Description**

Was the permittee compliant with the self-monitored effluent limits?

**Additional Comments**

The permittee reported the following number of effluent permit exceedances at Outfall 001 during the period of July 2021 to June 2022: BOD lb/day (daily average) – 1; BOD mg/L (daily maximum) – 1; TSS lb/day (daily average) – 1; TSS mg/L (daily average) – 2; TSS mg/L (daily maximum) – 2; Total Copper lb/day (daily average) – 3; Total Copper µg /L (daily average) – 3; Total Copper µg /L (daily maximum) – 2; Total Zinc lb/day (daily average) – 2; Total Zinc µg/L (daily average) – 1; Total Zinc µg/L (daily maximum) – 1; Enterococci CFU/100 mL (daily maximum) – 10; and Enterococci CFU/100 mL (daily average) – 5. Self-reported effluent violations may be subject to formal enforcement, including penalties, upon review by the Enforcement Division.

Item one:

During the investigation conducted on July 26, 2022, the investigators documented the permittee did not submit a noncompliance notification to the TCEQ Regional Office for the exceedances that deviated from the permitted effluent limitation by more than 40%. Specifically, the following parameters exceeded the permitted effluent limits by more than 40%: one BOD daily Max (2/22); two TSS daily max (7/21 & 2/22); and eight Enterococci daily max (between 7/21-4/22). These violations are being addressed under Agreed Order, Docket No. 2017-0415-MWD-E; Enforcement Case No. 54191 (VTN: 632986).

*Sent to TCEQ 9.28.22*

# Exhibit B

Track # - 823013

Failed to obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months.

Submitted to TCEQ 9.28.22



AECOM  
19219 Katy Freeway, Suite 100  
Houston, TX 77094  
aecom.com

September 13, 2022

Wayne W. Shaffer  
Director of Public Works  
City of Port Lavaca  
628 W George St.  
Port Lavaca, Texas 77979

**RE: City of Port Lavaca – Water Systems Planning and Lynn’s Bayou Wastewater Treatment Plant Expansion  
Lynn’s Bayou Wastewater Treatment Plant Improvements and Expansion Projects – Progress Update  
AECOM Project No. 60659778**

Mr. Shaffer:

I am writing this letter to provide an update on the progress of the following two projects

**1. Lynn’s Bayou Wastewater Treatment Plant Improvements**

- o Civil, Mechanical and Structural design of this project is about 95% complete.
- o Electrical design of the project is about 90% complete. AECOM is currently coordinating with the local power company to size the transformer required for the project and establish scope of their services.
- o The final design package for the project will be submitted to the City upon completion of a quality control review.
- o Anticipated schedule for the project is as below
  - Final Design Completion: 10/07/22
  - Bid Opening: 11/16/22
  - Award of Construction Contract: 1/18/23
  - Construction Completion: 10/18/23

**2. Lynn’s Bayou Wastewater Treatment Plant 2 MGD to 4 MGD Expansion**

- o AECOM is currently working on the proposal to provide Final Design Services.
- o The proposal will be submitted to the City no later than the end of September 2022.
- o Anticipated preliminary schedule for the project is as below
  - NTP for Final Design: 12/16/22
  - Final Design Completion: 3/16/24
  - Bid Opening: 5/16/24
  - Award of Construction Contract: 7/16/24
  - Construction Completion: 7/16/26





AECOM appreciates the opportunity to be of service to the City of Port Lavaca. Please call me at (281) 675-7668, if you have any questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Vinoth" followed by a stylized "A".

Vinoth Manoharan, P.E.  
Project Manager  
AECOM

Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Bobby Janecka, *Commissioner*  
Toby Baker, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

October 14, 2022

### EMAIL RECEIPT REQUESTED

The Honorable Jack Whitlow  
Mayor of Port Lavaca  
City of Port Lavaca  
202 N Virginia Street  
Port Lavaca, Texas 77979

Via Email

Re: Acceptance of Compliance Plan for: City of Port Lavaca Wastewater Treatment Facilities, located at 800 North Commerce Street, Port Lavaca, (Calhoun County), Texas  
Regulated Entity No.: 101612893, TCEQ ID No.: WQ0010251001, Investigation No.: 1852188

Dear Mayor Whitlow:

The Texas Commission on Environmental Quality (TCEQ) Corpus Christi Region Office has completed a review of the compliance plan and additional information that was submitted on September 28 and October 6, 2022 for resolving the alleged violations dealing with the plant expansion, clarifier maintenance, improvements project at the headworks, and the zinc reduction plan (Track Nos. 823013, 823026, 823028 and 823038, respectively). These alleged violations were noted during the investigation of the above-referenced facility conducted on July 26, 2022. The compliance plan appears to identify necessary corrective action for the alleged violations. We will monitor your progress in implementing the corrective actions. You should submit to our office by December 30, 2022 the required documentation demonstrating that the alleged violations have been resolved. Please be advised, though, that if we determine during follow-up monitoring that you are not working towards compliance or the problem has escalated, further enforcement action will be considered. In addition, we have received acceptable compliance documentation from you for the alleged violations, Track Nos. 823008, 823020, 823025, 823032, 823034, and 823036.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and anticipates that you will resolve the alleged violations as required in order to protect the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Travis Prater in the Corpus Christi Region Office at (361) 881-6900.

Sincerely,

A handwritten signature in cursive script that reads "Renae DiGuardi".

Renae DiGuardi  
Water Section Work Leader  
Corpus Christi Region Office

KRD/TLP/mjc

Enclosure: Summary of Investigation Findings

cc: William W. Shaffer, Public Works Director - Via email

TCEQ Region 14 • 500 N. Shoreline Blvd., Ste. 500 • Corpus Christi, Texas 78401-0318 • 361-881-6900 • Fax 361-881-6901

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# Summary of Investigation Findings

CITY OF PORT LAVACA

800 N COMMERCE ST  
PORT LAVACA, CALHOUN COUNTY, TX 77979

Investigation #

1852188  
Investigation Date: 10/13/2022

Additional ID(s): TX0047562  
WQ0010251001

## OUTSTANDING ALLEGED VIOLATION(S)

Track No: 823013 Compliance Due Date: 12/30/2022

30 TAC Chapter 305.125(1)  
30 TAC Chapter 305.126(a)

**PERMIT WQ0010251001, Operational Requirements No. 8a., Pg. 14**

Whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months, the permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities.

**EPA ID TX0047562, Operational Requirement No. 8.a., Pg. 14**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 09/01/2022

Failed to obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months.

An investigation conducted on July 26, 2022 documented the facility has reached 90% of the permitted annual average flow of 2.0 million gallons per day (MGD) for 18 consecutive months (November 2020 to April 2022) and the permitted daily average flow of 2.0 MGD was exceeded in July 2020, August 2020, September 2020, May 2021, June 2021, and July 2021. Additionally, the permittee has not amended their permit and commenced construction of additional treatment and/or collection facilities.

Investigation: 1852188

Comment Date: 10/13/2022

During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on September 28, 2022 was reviewed. Specifically, the facility submitted documentation which included a progress update on the City of Port Lavaca -Lynn's Bayou Wastewater Treatment Plant improvements and expansion projects. The City has contracted with AECOM to design the project which will include the expansion of the 2.0 million gallons per day (MGD) treatment facility to a 4.0 MGD facility.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to complete and submit the designs for the expansion to TCEQ Plans and Specification Review, Water Quality Division MC - 148. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

**Recommended Corrective Action:** The permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

Track No: 823026 Compliance Due Date: 12/30/2022

30 TAC Chapter 305.125(5)  
30 TAC Chapter 317.4(d)(2)  
30 TAC Chapter 317.4(d)(3)



**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 determined that the facility was not properly operating and maintaining the clarifiers (No. 1 and No. 2). Specifically, the investigators documented uneven flow over both clarifier weirs. Additionally, there was excessive scum and debris floating on the surface of clarifier No. 1.

Investigation: 1852188

Comment Date: 10/13/2022

During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on October 6, 2022 was reviewed. Specifically, the facility submitted documentation which included a quote from RC&ED to clean and level weirs in both clarifiers.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to clean and level weirs in both clarifiers. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

**Recommended Corrective Action:** The permittee shall level the weirs in both clarifiers to prevent short circuiting flow through the clarifiers and the excess scum be collected and properly disposed of. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

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**Track No: 823028      Compliance Due Date: 12/30/2022****30 TAC Chapter 305.125(5)****30 TAC Chapter 317.4(b)(1)****30 TAC Chapter 317.4(b)(2)****PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 determined that the mechanical bar screen and the grit auger were inoperative. Specifically, the facility stated that the grit auger has been inoperable for one year and the mechanical bar screen broke the week prior to this investigation. Additionally, the facility does not have any odor control facilities.

Investigation: 1852188

Comment Date: 10/13/2022

During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on September 28, 2022 was reviewed. Specifically, the facility submitted documentation which included a progress update on the City of Port Lavaca -Lynn's Bayou Wastewater Treatment Plant improvements and expansion projects. The City has contracted with AECOM to design the project which will include the improvements to the current treatment facility.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to complete and submit the designs for the improvements to TCEQ Plans and Specification Review, Water Quality Division MC - 148. A compliance plan acceptance letter was sent to the facility with a new compliance due date of

December 30, 2022.

**Recommended Corrective Action:** The permittee shall ensure the mechanical bar screen and the grit auger are operational. Additionally, odor control measures shall be implemented to prevent the wastewater treatment plant from becoming a nuisance. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

**Track No:** 823038      **Compliance Due Date:** 12/30/2022

**30 TAC Chapter 305.125(1)**

**PERMIT WQ0010251001, Other Requirements No. 8, Pg. 35**

Within 3 months after the first exceedance of the daily average zinc limit or daily max zinc limit, the City of Port Lavaca shall submit to the TCEQ Stormwater & Pretreatment Team (MC-148) a Zinc Reduction Plan ("Plan") for review and approval. The goal of such Plan is to identify the sources(s) of zinc, require best management practices and/or other controls to reduce the zinc loadings to the Lynn Bayou WWTF to a zinc maximum allowable headworks concentration of 208 µg/L per day.

**EPA ID TX0047562, Other Requirements No. 8, Pg. 35**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to obtain approval for the Zinc Reduction Plan.

An investigation conducted on July 26, 2022 documented the Zinc Reduction Plan was not approved by the TCEQ Stormwater & Pretreatment Team. Specifically, a letter to address the Zinc reduction plan was submitted on March 29, 2019 to the TCEQ Standards Implementation Team and not the TCEQ Stormwater & Pretreatment Team. Additionally, the permit required the applicant to submit a study plan to identify the source of zinc coming into their waste collection system. The letter stated that they have no industrial contributors and that they may not be able to identify the source of the zinc; therefore, the plan was to determine the dissolved fraction of zinc that would be bioavailable to aquatic organisms in the receiving waters. Furthermore, the daily maximum for total zinc was 1030.0 µg/L in February 2022.

Investigation: 1852188

Comment Date: 10/13/2022

During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on September 28, 2022 was reviewed. Specifically, the facility retained Plummer Associates, Inc. to review the existing zinc database and the review identified an uncharacteristically high fraction of dissolved zinc as compared to total zinc. Plummer Associates is determining the next steps possible

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to obtain approval from the TCEQ Stormwater & Pretreatment Team (MC-148) for the Zinc Reduction Plan. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

**Recommended Corrective Action:** The permittee shall obtain approval from the TCEQ Stormwater & Pretreatment Team (MC-148) for the Zinc Reduction Plan. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

## ALLEGED VIOLATION(S) NOTED AND RESOLVED

**Track No:** 823008

**30 TAC Chapter 305.125(1)**

**30 TAC Chapter 319.6**

**30 TAC Chapter 319.9(d)**

**PERMIT WQ0010251001, Monitoring Requirements No. 2.a, Pg. 5**

Monitoring Requirements No. 2.a, Pg. 5

Measurements, tests and calculations shall be accurately accomplished in a representative manner.

**EPA ID TX0047562, Monitoring Requirements No. 2.a, Pg. 5****Alleged Violation:**

Investigation: 1833031

Comment Date: 09/01/2022

Failed to assure the quality of all measurements through the use of blanks, standards, duplicate analyses, and spikes.

An investigation conducted on July 26, 2022 documented that the facility was not performing a duplicate analysis for dissolved oxygen measurements. Specifically, the facility was measuring the dissolved oxygen twice per week without performing a duplicate.

Investigation: 1852188

Comment Date: 10/13/2022

A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall assure the quality of all measurements through the use of blanks, standards, duplicate analyses, and spikes. Specifically, a duplicate shall be performed on a 10% basis each day that dissolved oxygen samples are analyzed. If one to 10 samples are analyzed on a particular day, then one duplicate shall be performed for the dissolved oxygen.

**Resolution:** On September 28, 2022, the facility submitted copies of the daily operation records. Specifically, the facility began performing a duplicate analysis for dissolved oxygen on July 28, 2022.

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**Track No:** 823020**30 TAC Chapter 305.125(5)****PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 documented that the Main, Bay Street, North Ann, and Loop 1090 lift stations were not properly maintained. Specifically, the surface areas of the wet wells were 95 to 100 percent caked with solids, grease and debris.

Investigation: 1852188

Comment Date: 10/13/2022

A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall ensure all lift stations are properly operated and maintained. Specifically, the floating sludge, grease and debris must be removed periodically from the lift station wet wells to prevent an excessive accumulation to allow for the proper operational function of the pumps. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

**Resolution:** On September 28 and October 6, 2022, the facility submitted photographs of each wet well. Specifically, the wet wells for the Main, Bay Street, North Ann, and Loop 1090 lift stations were cleaned and free of solids, grease, and debris.

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**Track No:** 823025**30 TAC Chapter 305.125(5)****30 TAC Chapter 317.4(g)(4)(A)**

**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained. This includes, but is not limited to, the regular, periodic examination of wastewater solids within the treatment plant by the operator in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained. This includes, but is not limited to, the regular, periodic examination of wastewater solids within the treatment plant by the operator in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control.

An investigation conducted on July 26, 2022 determined that the facility was not properly operated and maintained in order to maintain an appropriate quantity and quality of solids inventory as described in the various operator training manuals and according to accepted industry standards for process control. Specifically, the process control tests performed during the investigation documented the dissolved oxygen in the three-stage aeration basin No. 3 (re-aeration) was measured at 0.5 mg/L which was below the recommended level of 2.0 mg/L; and the 30 minute settleable solids concentration (SV30) in the aeration basin was 98% greater than the recommended range of 10 to 50 percent. The sludge blanket in both Clarifiers Nos. 1 and 2 was 9 feet in a 14-foot water depth (64.3%), which was greater than the recommended maximum sludge/water ratio of 25% sludge depth.

Investigation: 1852188

Comment Date: 10/13/2022

A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained and perform the necessary process control tests to effectively operate the wastewater treatment plant to maintain an appropriate quantity and quality of solids inventory. Additionally, the aeration basins shall be operated to prevent excess sludge and maintain a minimum dissolved oxygen concentration of 2.0 mg/liter throughout the basin at the maximum diurnal organic loading rate and to provide thorough mixing of the mixed liquor. The minimum air volume requirements may be reduced with appropriate supporting performance evaluations from the manufacturer. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

**Resolution:** On September 28, 2022, the facility submitted copies of the process control records from July 28 to September 9, 2022. The process control tests performed by the facility during this period showed a significant improvement in the operations. Specifically in September 2022, the DO was consistently above 2.0 mg/l in aeration basin No. 3 with an average SV30 of 67% and the sludge blanket in both Clarifiers was measured between 2.3 feet (16%) and 4.6 feet (32%).

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**Track No:** 823032**30 TAC Chapter 217.33(a)****30 TAC Chapter 305.125(1)****PERMIT WQ0010251001, Monitoring Requirements No.5, Pg. 6**

All automatic flow measuring or recording devices and all totalizing meters for measuring flows shall be accurately calibrated by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually unless authorized by the Executive Director for a longer period. Such person shall verify in writing that the device is operating properly and giving accurate results.

**EPA ID TX0047562, Monitoring Requirements No.5, Pg. 6****Alleged Violation:**



Investigation: 1833031

Comment Date: 08/26/2022

Failed to accurately calibrate all automatic flow measuring or recording devices and all totalizing meters for measuring flows by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually.

An investigation conducted on July 26, 2022 documented that the automatic flow meter for Outfall 001 was not being calibrated annually by a trained person. Specifically, the Milltronics Hydromer electronic flowmeter was last calibrated on February 27, 2020 by Mercer Controls.

Investigation: 1852188

Comment Date: 10/13/2022

A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall ensure that the automatic flow measuring device is accurately calibrated by a trained person not less often than annually. Such person shall verify in writing that the device is operating properly and giving accurate results. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

**Resolution:** On September 28, 2022, the facility submitted a copy of the flow meter calibration certification. Specifically, the Milltronics Hydromer electronic flowmeter was calibrated on July 27, 2022 by Mercer Controls, Inc.

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**Track No:** 823034**30 TAC Chapter 305.125(1)****30 TAC Chapter 319.7(a)****30 TAC Chapter 319.7(c)****PERMIT WQ0010251001, Monitoring Requirements No. 3.c., Pg. 6**

Records of monitoring activities shall include the following:

- i. date, time and place of sample or measurement;
- ii. identity of individual who collected the sample or made the measurement.
- iii. date and time of analysis;
- iv. identity of the individual and laboratory who performed the analysis;
- v. the technique or method of analysis; and
- vi. the results of the analysis or measurement and quality assurance/quality control records.

**EPA ID TX0047562, Monitoring Requirements No. 3.c., Pg. 6****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to maintain records of the monitoring activities required by the permit.

An investigation conducted on July 26, 2022 documented that the operators were not recording the effluent sample collection time for pH and dissolved oxygen (DO). Specifically, the operators were only recording the time of sample analysis.

Investigation: 1852188

Comment Date: 10/13/2022

A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall maintain records of all monitoring activities to include at a minimum the date, time, and place of sample or measurement; identity of individual who collected the sample or made the measurement; date and time of analysis; identity of the individual who performed the analysis; the technique or method of analysis; and the results of the analysis or measurement and quality assurance/quality control records. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

**Resolution:** On September 28, 2022, the facility submitted a copy of the daily operational records and field measurement logs which now include both the sample collection and sample analysis times for pH and DO.

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**Track No:** 823036

**PERMIT WQ0010251001, Other Requirements No. 7, Pg. 34**

Violations of daily maximum limitations for the Total Copper and Total Zinc pollutants shall be reported orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224).

**EPA ID TX0047562, Other Requirements No. 7, Pg. 34**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to report violations of daily maximum limitations for the Total Copper and Total Zinc pollutants orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224).

An investigation conducted on July 26, 2022 documented that the violations of daily maximum limitations for the Total Copper and Total Zinc pollutants were not reported orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224). Specifically, the Total Copper and Total Zinc daily max exceeded the permitted limit on three occasions (three Total Copper daily maximum - February and April 2022; and one Total Zinc daily maximum - February 2022).

Investigation: 1852188

Comment Date: 10/13/2022

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A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall report violations of daily maximum limitations for the Total Copper and Total Zinc pollutants orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224). To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

**Resolution:** On September 28, 2022, the facility submitted a copy of the noncompliance notification form and the standard operating procedures (SOP) for monitoring and reporting requirements. Specifically, the SOP states all violations of daily maximum limitations for the Total Copper and Total Zinc pollutants must be submitted orally or by facsimile to TCEQ Region 14 within 24 hours from the time the permittee becomes aware of the violation followed by a written report within five working days to TCEQ Region 14 and the Enforcement Division (MC 224).

## CITY OF PORT LAVACA

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**COUNCIL MEETING: DECEMBER 12, 2022****AGENDA ITEM \_\_**

**DATE:** 12.07.2022  
**TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS  
**FROM:** JODY WEAVER, INTERIM CITY MANAGER  
**SUBJECT:** AECOM Task Order No. 5

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**BACKGROUND:**

The City's wastewater treatment plant (WWTP) has exceeded 75% capacity for 3 or more consecutive months and TCEQ has mandated that engineering design must begin to expand the WWTP capacity. Our initial step down this road was to perform some needed improvements to the plant which were identified in the study performed by AECOM a year ago. That project is currently in the bid phase and is scheduled to bid on December 14. We must now take the next step to begin the engineering for the construction of the WWTP plant expansion, which will provide additional capacity.

AECOM has submitted a proposal for a Task Order No. 5 which includes design work up to 30% complete and assistance as needed to apply for a Texas Water Development Loan for funding for the project if that is the direction we want to go. The total engineering fee for this scope is \$494,588.00.

**FINANCIAL IMPACT:**

The finance committee has reviewed the financial impact for this contract and has agreed that the Public Utility Fund will borrow funds from the General Fund that will be paid back at a later date.

**RECOMMENDATION:** It is staff's recommendation to award to AECOM Task Order No. 5 to AECOM's Master Engineering Services Agreement, dated May 10, 2022 in the amount of \$494,588 to include Basic Services 1, 2 and 3 as outlined in the proposal dated 10/21/2022.

**ATTACHMENTS:**

- AECOM Task Order NO. 5



Voting Nay:  
Councilman District 5 Ward

6. **Consider award of Buyboard Contract No. 581-19 to Brown and Root for the City of Port Lavaca Animal Shelter. Presenter is Jody Weaver**

Interim City Manager Weaver reminded Council that in November, staff was considering a Job Order Contract with Brown & Root to renovate and make various required improvements to the Animal Shelter. The cost for the proposed scope of work was \$440,142.00.

Taking into account discussions during the Council meeting, staff asked Brown & Root to revisit the project design and remove the roll up doors in the CMU walls and install louvers in their place. With this design, the CMU block is reduced from 12" to 8" and all the new steel work needed to bird proof the building is removed since the building would now be fully enclosed. The revised cost is \$306,672.00.

The State did come inspect the shelter a couple weeks ago and held off on taking any action against the shelter since this project was projected to begin after the first of the year. Staff is to notify the inspector once the work begins so he can come inspect and verify that the work is in fact underway.

Staff has budgeted \$250,197.00, so \$56,475 is needed from General Fund Reserves. It is staff's recommendation to award Buy Board Contract #581-19 to Brown & Root for the Base Bid amount of \$306,672.00.

Motion made by Councilman District 5 Ward

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with the recommendation of staff, Council hereby awards Buy Board Contract #581-19 to Brown & Root, for the City of Port Lavaca Animal Shelter Renovation Project, for the Base Bid amount of \$306,672.00 a copy which is on file in the Office of the City Secretary, in its entirety.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute all instruments necessary to effect such agreement.

Seconded by Councilman District 3 Tippit

Voting Yea:  
Councilman District 1 Smith, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

7. **Consider approval of AECOM Task Order No. 5 for the following Scope of Work: City of Port Lavaca Lynn's Bayou Wastewater Treatment Plant Expansion; Basic Services Items 1, 2, 3, in the total amount of \$494,588.00; authorize Budget Amendment for loan to Public Utility Fund from General Fund in the same amount and authorize a Notice to Proceed on December 13, 2022. Presenter is Wayne Shaffer**

Public Works Director Shaffer advised Council that the City's Wastewater Treatment Plant (WWTP) has exceeded 75% capacity for 3 or more consecutive months and Texas Commission on Environmental Quality (TCEQ) has mandated that engineering design must begin to expand the WWTP capacity. The initial step down this road was to perform some needed improvements to the plant which were identified in the study performed by AECOM a year ago. That project is currently in the bid phase and is scheduled to bid on December 14, 2022. Staff must now take the next step to begin the engineering for the construction of the WWTP Plant Expansion, which will provide additional capacity.

AECOM has submitted a proposal for a Task Order No. 5 which includes design work up to 30% complete and assistance as needed to apply for a Texas Water Development Loan for funding for the project if that is the direction we want to go. The total engineering fee for this scope is \$494,588.00.

The Finance Committee has reviewed the financial impact for this contract and has agreed that the Public Utility Fund will borrow funds from the General Fund that will be paid back at a later date. It is staff's recommendation to award to AECOM Task Order No. 5 to AECOM's Master Engineering Services Agreement, dated May 10, 2022 in the amount of \$494,588 to include Basic Services 1, 2 and 3 as outlined in the proposal dated 10/21/2022.

Motion made by Councilman District 6 Barr

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby approves AECOM Task Order No. 5 for the following Scope of Work: City of Port Lavaca Lynn's Bayou Wastewater Treatment Plant Expansion; Basic Services Items 1, 2, 3, in the total amount of \$494,588.00; and also authorizes a Notice to Proceed on December 13, 2022.

BE IT FURTHER RESOLVED, that a Budget Amendment for a loan to the Public Utility Fund from the General Fund, in the amount of \$494,588.00, is hereby authorized.

BE IT ALSO RESOLVED, that the Mayor is hereby authorized to execute all instruments necessary to effect such agreement.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Smith, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

8. **Consider approval of AECOM Task Order No. 6 for Bid and Construction Phase Services for the Lynn's Bayou Wastewater Treatment Plant Improvement project, in the amount of \$127,317.00. Presenter is Wayne Shaffer**

Interim City Manager Weaver advised Council that AECOM Task Order No. 4, approved on May 10, 2021, covered the design and preparation of the Bid Package.





CITY OF  
**PORT LAVACA**

202 N. Virginia, Port Lavaca, Texas 77979-0105 [www.portlavaca.org](http://www.portlavaca.org)  
Main Number: 361-552-9793 Main Facsimile: 361-552-6062

City Manager  
Ext. 222

December 15, 2022

City Secretary  
Ext. 230

Travis Prater

Code Enforcement  
Ext. 229

TCEQ Region 14

500 N. Shoreline Blvd., Ste. 500  
Corpus Christi, Texas 78401-0318

Finance  
Ext. 234

Re: Acceptance of Compliance Plan for: City of Port Lavaca Wastewater Treatment Facilities, located at 800 North Commerce Street, Port Lavaca, (Calhoun County), Texas Regulated Entity No.: 101612893, TCEQ ID No.: WQ0010251001, Investigation No.: 1852188

Inspections/Permits  
Ext. 229

Municipal Court  
Ext. 226

Mr. Prater:

Personnel  
Ext. 224

Utility Billing  
Ext. 238

In response to the City of Port Lavaca compliance plan for the Lynn's

Animal Control  
361-552-5726

Bayou Wastewater Treatment Facilities Track No. 823013 we provide the

Bauer Center  
361-552-1234

following information. On December 12<sup>th</sup>, 2022, during the scheduled council

Fire Station  
361-552-3241

meeting the engineering contract for the expansion of the facilities was awarded

Public Works Director  
361-552-3347

to AECOM engineering group in Houston, TX. Attached you will find a copy of

Parks & Recreation  
361-552-8731

the authorization to proceed that provides a scope and tentative timeline. The City

Police  
361-552-3788

of Port Lavaca Respectfully request a eighteen-month extension on this provision

Streets  
361-552-3347

to achieve compliance.

Utilities Operation  
361-552-3347

William W. Shaffer

Director of Public Works

Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Bobby Janecka, *Commissioner*  
Erin E. Chancellor, *Interim Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

February 16, 2023

### EMAIL RECEIPT REQUESTED

The Honorable Jack Whitlow  
Mayor of Port Lavaca  
City of Port Lavaca  
202 N Virginia Street  
Port Lavaca, Texas 77979

Re: Acceptance of Compliance Plan for:  
City of Port Lavaca Wastewater Treatment Facilities, located at 800 North Commerce Street, Port Lavaca, (Calhoun County), Texas  
Regulated Entity No.: 101612893, TCEQ ID No.: WQ0010251001, Investigation No.: 1868415

Dear Mayor Whitlow:

The Texas Commission on Environmental Quality (TCEQ) Corpus Christi Region Office has completed a review of the compliance plan and additional information that was submitted on December 15 and 20, 2022 to request an extension to the previous compliance plan for resolving the alleged violations dealing with the plant expansion, improvements project at the headworks, and the zinc reduction plan (Track Nos. 823013, 823028 and 823038, respectively). These alleged violations were noted during the investigation of the above-referenced facility conducted on July 26, 2022. The compliance plan appears to identify necessary corrective action for the alleged violations. We will monitor your progress in implementing the corrective actions. You should submit to our office by January 5, 2024, the required documentation demonstrating that the alleged violations have been resolved. Please be advised, though, that if we determine during follow-up monitoring that you are not working towards compliance or the problem has escalated, further enforcement action will be considered. In addition, we have received acceptable compliance documentation from you for the alleged violation, Track No. 823026 (clarifier maintenance).

The Texas Commission on Environmental Quality appreciates your assistance in this matter and anticipates that you will resolve the alleged violations as required in order to protect the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Travis Prater in the Corpus Christi Region Office at (361) 881-6900.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie Edwards".

Melanie Edwards  
Water Section Manager  
Corpus Christi Region Office

ME/TP/mjc

Enclosure: Summary of Investigation Findings

cc: William W. Shaffer, Public Works Director - Via email



# Summary of Investigation Findings

CITY OF PORT LAVACA

800 N COMMERCE ST  
PORT LAVACA, CALHOUN COUNTY, TX 77979

Investigation #

1868415  
Investigation Date: 02/13/2023

Additional ID(s): TX0047562  
WQ0010251001

## OUTSTANDING ALLEGED VIOLATION(S)

Track No: 823013 Compliance Due Date: 01/05/2024

30 TAC Chapter 305.125(1)

30 TAC Chapter 305.126(a)

**PERMIT WQ0010251001, Operational Requirements No. 8a., Pg. 14**

Whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months, the permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities.

**EPA ID TX0047562, Operational Requirement No. 8.a., Pg. 14**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 09/01/2022

Failed to obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or collection facilities whenever the flow reaches 90% of the permitted daily average or annual average flow for three consecutive months.

An investigation conducted on July 26, 2022 documented the facility has reached 90% of the permitted annual average flow of 2.0 million gallons per day (MGD) for 18 consecutive months (November 2020 to April 2022) and the permitted daily average flow of 2.0 MGD was exceeded in July 2020, August 2020, September 2020, May 2021, June 2021, and July 2021. Additionally, the permittee has not amended their permit and commenced construction of additional treatment and/or collection facilities.

Investigation: 1852188

Comment Date: 10/13/2022

During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on September 28, 2022 was reviewed. Specifically, the facility submitted documentation which included a progress update on the City of Port Lavaca -Lynn's Bayou Wastewater Treatment Plant improvements and expansion projects. The City has contracted with AECOM to design the project which will include the expansion of the 2.0 million gallons per day (MGD) treatment facility to a 4.0 MGD facility.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to complete and submit the designs for the expansion to TCEQ Plans and Specification Review, Water Quality Division MC - 148. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

Investigation: 1868415

Comment Date: 02/13/2023

During the file record review conducted on February 13, 2023, the additional information submitted by the facility on December 15, 2022, to justify an extension to the previous compliance plan was reviewed. The City of Port Lavaca requested an extension to allow additional time for the engineering company awarded the bid to complete and submit the design for the expansion to TCEQ Plans and Specification Review, Water Quality Division MC - 148.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until January 5, 2024.

**Recommended Corrective Action:** The permittee shall obtain necessary authorization from the Commission to commence construction of the necessary additional treatment and/or

collection facilities. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement.

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**Track No:** 823028      **Compliance Due Date:** 01/05/2024

**30 TAC Chapter 305.125(5)**

**30 TAC Chapter 317.4(b)(1)**

**30 TAC Chapter 317.4(b)(2)**

**PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 determined that the mechanical bar screen and the grit auger were inoperative. Specifically, the facility stated that the grit auger has been inoperative for one year and the mechanical bar screen broke the week prior to this investigation. Additionally, the facility does not have any odor control facilities.

Investigation: 1852188

Comment Date: 10/13/2022

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During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on September 28, 2022 was reviewed. Specifically, the facility submitted documentation which included a progress update on the City of Port Lavaca -Lynn's Bayou Wastewater Treatment Plant improvements and expansion projects. The City has contracted with AECOM to design the project which will include the improvements to the current treatment facility.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to complete and submit the designs for the improvements to TCEQ Plans and Specification Review, Water Quality Division MC - 148. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

Investigation: 1868415

Comment Date: 02/13/2023

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During the file record review conducted on February 13, 2023, the additional information submitted by the facility on December 20, 2022, to justify an extension to the previous compliance plan was reviewed. The City of Port Lavaca requested an extension to allow additional time to complete the headworks improvement project.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until January 5, 2024.

**Recommended Corrective Action:** The permittee shall ensure the mechanical bar screen and the grit auger are operational. Additionally, odor control measures shall be implemented to prevent the wastewater treatment plant from becoming a nuisance. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

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**Track No:** 823038      **Compliance Due Date:** 01/05/2024

**30 TAC Chapter 305.125(1)**

**PERMIT WQ0010251001, Other Requirements No. 8, Pg. 35**

Within 3 months after the first exceedance of the daily average zinc limit or daily max zinc limit, the City of Port Lavaca shall submit to the TCEQ Stormwater & Pretreatment Team (MC-148) a Zinc Reduction Plan ("Plan") for review and approval. The goal of such Plan is to identify the source(s) of zinc, require best management practices and/or other controls to reduce the zinc loadings to the Lynn Bayou WWTF to a zinc maximum allowable headworks concentration of 208 µg/L per day.

**EPA ID TX0047562, Other Requirements No. 8, Pg. 35**

**Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

Failed to obtain approval for the Zinc Reduction Plan.

An investigation conducted on July 26, 2022 documented the Zinc Reduction Plan was not approved by the TCEQ Stormwater & Pretreatment Team. Specifically, a letter to address the Zinc reduction plan was submitted on March 29, 2019 to the TCEQ Standards Implementation Team and not the TCEQ Stormwater & Pretreatment Team. Additionally, the permit required the applicant to submit a study plan to identify the source of zinc coming into their waste collection system. The letter stated that they have no industrial contributors and that they may not be able to identify the source of the zinc; therefore, the plan was to determine the dissolved fraction of zinc that would be bioavailable to aquatic organisms in the receiving waters. Furthermore, the daily maximum for total zinc was 1030.0 µg/L in February 2022.

Investigation: 1852188

Comment Date: 10/13/2022

During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on September 28, 2022 was reviewed. Specifically, the facility retained Plummer Associates, Inc. to review the existing zinc database and the review identified an uncharacteristically high fraction of dissolved zinc as compared to total zinc. Plummer Associates is determining the next steps possible

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to obtain approval from the TCEQ Stormwater & Pretreatment Team (MC-148) for the Zinc Reduction Plan. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

Investigation: 1868415

Comment Date: 02/13/2023

During the file record review conducted on February 13, 2023, the additional information submitted by the facility on December 20, 2022, to justify an extension to the previous compliance plan was reviewed. The City of Port Lavaca requested an extension to allow additional time for Plummer Associates, Inc. to determine the best course of action to address zinc in the effluent to ensure compliance with Texas Surface Water Quality Standards. Specifically, the initial results of their study indicated that the dissolved fraction of zinc was almost equal to the total fraction (unusual and not the expected result). Additionally, the consultant will be working with the TCEQ Standards Implementation Team (MC-150) as they explore options.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until January 5, 2024, to obtain approval from the TCEQ Standards Implementation Team (MC-150) for the Zinc Reduction Plan.

**Recommended Corrective Action:** The permittee shall obtain approval from the TCEQ Stormwater & Pretreatment Team (MC-148) for the Zinc Reduction Plan. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

## ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 823026

**30 TAC Chapter 305.125(5)****30 TAC Chapter 317.4(d)(2)****30 TAC Chapter 317.4(d)(3)****PERMIT WQ0010251001, Operational Requirements No. 1, Pg. 13**

The permittee shall at all times ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

**EPA ID TX0047562, Operational Requirements No. 1, Pg. 13****Alleged Violation:**

Investigation: 1833031

Comment Date: 08/26/2022

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Failed to ensure that the facility and all of its systems of collection, treatment, and disposal are properly operated and maintained.

An investigation conducted on July 26, 2022 determined that the facility was not properly operating and maintaining the clarifiers (No. 1 and No. 2). Specifically, the investigators documented uneven flow over both clarifier weirs. Additionally, there was excessive scum and debris floating on the surface of clarifier No. 1.

Investigation: 1852188

Comment Date: 10/13/2022

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During the file record review conducted on October 13, 2022, the compliance plan and additional information submitted by the facility on October 6, 2022 was reviewed. Specifically, the facility submitted documentation which included a quote from RC&ED to clean and level weirs in both clarifiers.

The TCEQ Corpus Christi Regional Office has implemented a compliance plan, which gives the City of Port Lavaca until December 30, 2022, to clean and level weirs in both clarifiers. A compliance plan acceptance letter was sent to the facility with a new compliance due date of December 30, 2022.

Investigation: 1868415

Comment Date: 02/13/2023

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A file record review was conducted to evaluate the compliance documentation submitted for this alleged violation.

**Recommended Corrective Action:** The permittee shall level the weirs in both clarifiers to prevent short circuiting flow through the clarifiers and the excess scum be collected and properly disposed of. To verify compliance, please send documentation to the TCEQ Region 14 Office indicating compliance with this requirement by the compliance due date.

**Resolution:** On December 20, 2022, the facility submitted photographs of both clarifiers. Specifically, the clarifiers were cleaned and the weirs level.



## Jody Weaver

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**From:** Lupe Trevino <Lupe.Trevino@twdb.texas.gov>  
**Sent:** Wednesday, August 21, 2024 11:29 AM  
**To:** Jody Weaver; robert.d.traylor@rbccm.com; vinoth.manoharan@aecom.com  
**Cc:** Caaren Skrobarczyk; Marshall Walters; Shubham Aggarwal; David Firgens; Racquel McCoy  
**Subject:** Port Lavaca - CWSRF - 73963 - L1001820  
**Attachments:** Port Lavaca - CWSRF - 73963 - L1001820 - Workbook to Entity.xlsx  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Greetings,

Congratulations on your award of Commitment for financial assistance from the Texas Water Development Board!

The program in which you have received funding authorization requires an Outlay be submitted for all costs incurred.

Attached is your Excel Outlay template for:

Entity:	Port Lavaca
Program:	CWSRF
Project Number:	73963
Commitment Number:	L1001820
Commitment Amount:	\$39,315,000.00
Estimated Closing Date:	11/30/24

For detailed instructions on how to submit Outlays to TWDB, please visit our website at <http://www.twdb.texas.gov/financial/outlay>.

A complete outlay needs to be submitted to [outlays@twdb.texas.gov](mailto:outlays@twdb.texas.gov) at least 15 business days prior to closing.

The TWDB Review Engineer assigned to this project is:

Shubham Aggarwal

[Shubham.Aggarwal@twdb.texas.gov](mailto:Shubham.Aggarwal@twdb.texas.gov)

If you have any questions, please do not hesitate to contact us.

Thank you,



## PROJECT FUNDING REQUEST

**BOARD DATE:** August 15, 2024

**Team Manager:** David Firgens

### ACTION REQUESTED

Consider approving by resolution a request from the City of Port Lavaca (Calhoun County) for \$39,315,000 in financial assistance from the Clean Water State Revolving Fund for planning, design, and construction of wastewater system improvements.

### STAFF RECOMMENDATION

Approve       No Action

### BACKGROUND

The City of Port Lavaca (City) is on the Gulf Coast approximately 80 miles northeast of Corpus Christi. The City provides water and wastewater services to a population of approximately 12,000 residents and approximately 4,859 water and 4,278 water connections.

### PROJECT NEED AND DESCRIPTION

The City's Lynn's Bayou wastewater treatment plant (WWTP) is currently operating at 90% capacity and needs expansion to meet current and future demands, overcome operational challenges, and reduce efficiencies. The WWTP's mechanical and electrical equipment are at the end of their expected service life. In February 2023, the City received a notice of outstanding alleged violation from the Texas Commission on Environmental Quality (TCEQ) due to inadequate capacity.

The City proposes to expand the WWTP capacity from two to four million gallons per day (MGD), modify and upgrade existing processes, centralize instrumentation and control operations, achieve future TCEQ targets for nitrate and phosphorous removal, and lower sludge production. The City will expand capacity in either one or two construction phases.

Task	Schedule Date
Closing	November 1, 2024
Engineering Feasibility Report Completion (End of Planning Phase)	December 31, 2024
Design Phase	February 27, 2026
Start of Construction	May 1, 2026
Construction Completion	May 31, 2028

**COMMITMENT PERIOD:** TWELVE (12) MONTHS TO EXPIRE AUGUST 31, 2025

## **LEGAL/SPECIAL CONDITIONS**

- Adoption of water conservation plan

### Attachments:

1. Financial Review
2. Project Budget
3. Resolution (24- )
4. Water conservation review
5. Location Map

# Financial Review

## City of Port Lavaca

Risk Score: 2B

Audit Reviewed: FY 2023

### Key Indicators

Indicator	Result	Benchmark
Population Growth, Average Annual 2010-2020	City: 0.58%	State: 1.49%
Total Assessed Valuation per capita	\$65,585	\$30,000-\$64,999
Median Household Income as % of State	93%	100%
Days of Cash on Hand (3-year Average)	210 days	30-149 days
Net Fixed Assets/ Annual Depreciation	24 years	12-24 years
Debt Service Coverage Ratio	0.31x	1.00x
Debt-to-Operating Revenues	6.76	4.00-5.99x
Unemployment Rate (May, 2024)	City: 3.20%	State: 3.80%
Working Capital Ratio	2.19	> 1.00

#### Key Risk Score Strengths

- The City's taxable assessed valuation increased by 30 percent from \$556,606,203 to \$723,666,429 from 2018 to 2023. The 30 percent growth in taxable value allows the City to increase tax revenue to service tax support debt without implementing tax rate increases.
- With 210 days of cash on hand, the City has sufficient unrestricted cash and short-term investments available for operating expenses, debt service payments, or to cover unforeseen expenses.
- A high working capital ratio provides the City with ample resources to cover short-term liabilities and shows a strong liquidity position.

#### Key Risk Score Concerns

- Based on the 2023 audited financials, the City does not meet the required 1.1x debt service coverage ratio. However, the City adopted rate increases of \$7.68 for water and \$9.27 for sewer services in January of 2023. Using the current interest and sinking fund tax rate, the City will need to implement additional incremental rate increases starting in 2025 before reaching a maximum projected rate increase of \$46.62 by 2027. Prior to closing, the City will provide evidence of sufficient rates and charges to meet the debt service coverage requirement.

#### PLEDGE

Legal Pledge Name	Ad Valorem Tax and Surplus Revenue
Type of Pledge	<input type="checkbox"/> Tax <input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Tax & Revenue <input type="checkbox"/> Contract <input type="checkbox"/> Other
Revenue Pledge Level	<input type="checkbox"/> First <input type="checkbox"/> Second <input checked="" type="checkbox"/> Third <input type="checkbox"/> N/A



**RATES AND CHARGES**

Average Residential Use	Gallons/Month	Current Rates	Max Projected Rates (2027)	Current Household Cost Factor	Projected Household Cost Factor
Water	7,000	\$49.54	\$49.54	1.78	2.75
Wastewater	4,000	\$36.07	\$82.69		

**TAXES**

	2023 Tax Year Rate	Max Projected Tax Rate (Year 2023)	Maximum Allowable Rate	3-Year Avg Current Tax Collections	Assessed Valuation
Maintenance & Operation	\$0.6986	\$0.6986	\$2.50	97%	\$757,970,744
Interest & Sinking	\$0.0821	\$0.0821			
Total Tax Rate	\$0.7807	\$0.7807			

Cost Savings

Based on a 30-year maturity schedule and current interest rates, the City could save approximately \$12,036,859 over the life of the financing.

## Project Data Summary

<b>Responsible Authority</b>	City of Port Lavaca
<b>Program</b>	CWSRF
<b>Commitment Number</b>	L1001820
<b>Project Number</b>	73963
<b>List Year</b>	2024
<b>Type of Pledge</b>	Combo Tax and Revenue
<b>Pledge Level (if applicable)</b>	Third Lien
<b>Legal Description</b>	\$39,315,000 City of Port Lavaca, Texas Tax & Surplus Revenue Certificates of Obligations, Proposed Series 2024B
<b>Tax-exempt or Taxable</b>	Tax-Exempt
<b>Refinance</b>	No
<b>Outlay Requirement</b>	Yes
<b>Disbursement Method</b>	Escrow
<b>Outlay Type</b>	Outlay <> Escrow Release
<b>Qualifies as Disadvantaged</b>	No
<b>State Revolving Fund Type</b>	Non-Equivalency
<b>Financial Managerial &amp; Technical Complete</b>	N/A
<b>Phases Funded</b>	Planning, Design, and Construction
<b>Pre-Design</b>	Yes
<b>Project Consistent with State Water Plan</b>	N/A
<b>Water Conservation Plan</b>	Approvable
<b>Overall Risk Score</b>	2B

### PROJECT TEAM

Team Manager	Financial Analyst	Engineering Reviewer	Environmental Reviewer	Attorney
David Firgens	Caaren Skrobarczyk	Shubham Aggarwal	Chris Caran	Marshall Walters

ISSUE BEING EVALUATED  
FOR ILLUSTRATION PURPOSES ONLY  
City of Port Lavaca

\$39,315,000 City of Port Lavaca, Texas Tax & Surplus Revenue Certificates of Obligation, Proposed Series 2024B  
 Source: CWSRF-NON-EQUIVALENCY  
 Dated Date: 11/1/2024  
 Delivery Date: 11/1/2024  
 First Interest: 8/15/2025  
 First Principal: 2/15/2026  
 Last Principal: 2/15/2065  
 Fiscal Year End: 09/30  
 Required Coverage: 1.1  
 Rate: 2.77%  
 IUP Year: 2024  
 Case: Tax and Revenue  
 Admin. Fee: \$676,179  
 Admin. Fee Payment Date: 11/1/2024  
 Total Assessed Valuation: \$757,970,744

FISCAL YEAR	CURRENT TAX RATE	TAX WITH COLL. @ 97%	CURRENT TAX REVENUES	PROJECTED NET SYSTEM REVENUES	TOTAL REVENUES	CURRENT DEBT SERVICE	PRINCIPAL PAYMENT	\$39,315,000 ISSUE			TOTAL DEBT SERVICE	COVERAGE
								INTEREST PAYMENT	INTEREST RATE	TOTAL PAYMENT		
2025	\$0.0821	\$603,625	\$2,297,366	\$2,900,991	\$1,828,278	\$0	\$808,987	\$808,987			\$2,637,265	1.10
2026	\$0.0821	603,625	3,534,836	4,137,108	1,830,413	915,000	2.16%	1,015,595	1,930,595		3,761,008	1.10
2027	\$0.0821	603,625	3,534,836	4,138,461	1,831,296	935,000	2.09%	995,942	1,930,942		3,762,237	1.10
2028	\$0.0821	603,625	3,534,836	4,138,461	1,825,106	955,000	2.07%	976,287	1,931,287		3,756,393	1.10
2029	\$0.0821	603,625	3,534,836	4,138,461	1,699,669	975,000	2.05%	956,409	1,931,409		3,691,078	1.14
2030	\$0.0821	603,625	3,534,836	4,138,461	1,699,850	995,000	2.05%	936,216	1,931,216		3,631,066	1.14
2031	\$0.0821	603,625	3,534,836	4,138,461	1,697,819	1,015,000	2.05%	915,614	1,930,614		3,628,433	1.14
2032	\$0.0821	603,625	3,534,836	4,138,461	1,698,900	1,040,000	2.05%	894,550	1,934,550		3,633,450	1.14
2033	\$0.0821	603,625	3,534,836	4,138,461	1,702,863	1,060,000	2.06%	872,972	1,932,972		3,635,835	1.14
2034	\$0.0821	603,625	3,534,836	4,138,461	1,699,238	1,080,000	2.07%	850,876	1,930,876		3,630,114	1.14
2035	\$0.0821	603,625	3,534,836	4,138,461	1,570,300	1,105,000	2.16%	827,764	1,932,764		3,503,064	1.18
2036	\$0.0821	603,625	3,534,836	4,138,461	1,568,150	1,125,000	2.26%	803,118	1,928,118		3,496,268	1.18
2037	\$0.0821	603,625	3,534,836	4,138,461	1,570,575	1,150,000	2.37%	776,778	1,926,778		3,497,353	1.18
2038	\$0.0821	603,625	3,534,836	4,138,461	1,565,550	1,180,000	2.45%	748,695	1,928,695		3,494,245	1.18
2039	\$0.0821	603,625	3,534,836	4,138,461	1,567,950	1,210,000	2.52%	718,994	1,928,994		3,496,944	1.18
2040	\$0.0821	603,625	3,534,836	4,138,461	1,567,550	1,240,000	2.60%	687,628	1,927,628		3,495,178	1.18
2041	\$0.0821	603,625	3,534,836	4,138,461	1,569,225	1,270,000	2.67%	654,554	1,924,554		3,493,779	1.18
2042	\$0.0821	603,625	3,534,836	4,138,461	1,567,600	1,305,000	2.71%	619,916	1,924,916		3,492,516	1.18
2043	\$0.0821	603,625	3,534,836	4,138,461	1,019,200	1,340,000	2.76%	583,742	1,923,742		2,942,942	1.41
2044	\$0.0821	603,625	3,534,836	4,138,461	1,020,000	1,380,000	2.79%	545,999	1,925,999		2,945,999	1.40
2045	\$0.0821	603,625	3,534,836	4,138,461	-	1,415,000	2.82%	506,796	1,921,796		2,941,796	2.15
2046	\$0.0821	603,625	3,534,836	4,138,461	-	1,455,000	2.84%	466,184	1,921,184		2,921,184	2.15
2047	\$0.0821	603,625	3,534,836	4,138,461	-	1,495,000	2.87%	424,069	1,919,069		2,919,069	2.16
2048	\$0.0821	603,625	3,534,836	4,138,461	-	1,540,000	2.89%	380,363	1,920,363		2,920,363	2.16
2049	\$0.0821	603,625	3,534,836	4,138,461	-	1,585,000	2.92%	334,969	1,919,969		2,919,969	2.16
2050	\$0.0821	603,625	3,534,836	4,138,461	-	1,630,000	2.93%	287,949	1,917,949		2,917,949	2.16
2051	\$0.0821	603,625	3,534,836	4,138,461	-	1,680,000	2.94%	239,373	1,919,373		2,919,373	2.16
2052	\$0.0821	603,625	3,534,836	4,138,461	-	1,730,000	2.96%	189,073	1,919,073		2,919,073	2.16
2053	\$0.0821	603,625	3,534,836	4,138,461	-	1,780,000	2.96%	137,125	1,917,125		2,917,125	2.16
2054	\$0.0821	603,625	3,534,836	4,138,461	-	1,830,000	2.97%	83,606	1,913,606		2,913,606	2.16
2055	\$0.0821	603,625	3,534,836	4,138,461	-	1,900,000	2.97%	28,215	1,928,215		2,928,215	2.15
							\$32,099,510	\$39,315,000	\$19,268,353	\$58,583,353	\$90,682,883	

AVERAGE (MATURITY) LIFE	11.67 YEARS
NET INTEREST RATE	2.774%
COST SAVINGS	\$ 12,036,859
AVERAGE ANNUAL REQUIREMENT	\$1,889,786

Disclaimer: This is a working document and is provided as a courtesy. All information contained herein, including the proposed interest rate, is subject to change upon further review of the TWDB in accordance with 31 Texas Administrative Code Chapters 363, 371, 375, or 384, as applicable. The TWDB does not function as a financial advisor to anyone in connection with this financing. The information contained in this document is used by TWDB staff to analyze the application for financing is illustrative only and does not constitute any guaranty of future rates. The TWDB makes no claim regarding the applicability of the information at closing, at which time actual rates will be set.



**Project Budget Summary**  
 City of Port Lavaca  
 73963 - City of Port Lavaca Lynns's Bayou  
 Wastewater Treatment Plant Expansion

Budget Items	TWDB Funds	Total
<b>Construction</b>		
Construction	\$34,361,529.00	\$34,361,529.00
<b>Subtotal for Construction</b>	<b>\$34,361,529.00</b>	<b>\$34,361,529.00</b>
<b>Basic Engineering Services</b>		
Construction Engineering	\$603,421.00	\$603,421.00
Design	\$1,199,525.00	\$1,199,525.00
Planning	\$10,000.00	\$10,000.00
<b>Subtotal for Basic Engineering Services</b>	<b>\$1,812,946.00</b>	<b>\$1,812,946.00</b>
<b>Special Services</b>		
Environmental	\$70,000.00	\$70,000.00
Inspection	\$367,166.00	\$367,166.00
Permits	\$63,500.00	\$63,500.00
Testing	\$78,347.00	\$78,347.00
<b>Subtotal for Special Services</b>	<b>\$579,013.00</b>	<b>\$579,013.00</b>
<b>Fiscal Services</b>		
Bond Counsel	\$15,000.00	\$15,000.00
Financial Advisor	\$20,000.00	\$20,000.00
Fiscal/Legal	\$30,000.00	\$30,000.00
Loan Origination Fee	\$676,179.00	\$676,179.00
<b>Subtotal for Fiscal Services</b>	<b>\$741,179.00</b>	<b>\$741,179.00</b>
<b>Contingency</b>		
Contingency	\$1,820,333.00	\$1,820,333.00
<b>Subtotal for Contingency</b>	<b>\$1,820,333.00</b>	<b>\$1,820,333.00</b>
<b>Total</b>	<b>\$39,315,000.00</b>	<b>\$39,315,000.00</b>