

KEMP SMITH LLP

ATTORNEYS AT LAW

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512.320.5466 | FAX 512.320.5431 | www.kempsmith.com

SARAH B. FAUST

SFaust@kempsmith.com

April 3, 2013

Kent Cagle
City Manager
City of Leander
P.O. Box 319
Leander, TX 78646-0319

William R. Hinckley
Lookout Partners, L.P.
c/o Jim Plasek
Director of Development
Crystal Falls Communities
1001 Crystal Falls Pkwy.
Leander, TX 78641

RE: Settlement Agreement regarding TCEQ Permit No. WQ0015042001

Dear Mssrs. Cagle and Hinckley:

Please find enclosed the executed Settlement Agreement between the City of Leander, Lookout Partners, L.P., and the Grand Mesa Group.

Please do not hesitate to contact me regarding any questions you might have.

Best regards,

KEMP SMITH LLP



By:

Sarah B. Faust

cc: David Tolkan w/o Encl.
tser
Enclosure

SETTLEMENT AGREEMENT

In the Matter of Application by City of Leander and Lookout Partners, L.P. to the Texas Commission on Environmental Quality for Permit No. WQ0015042001

This Settlement Agreement (“Agreement”) is entered into by and between the City of Leander, Lookout Partners, L.P. (“Applicants”) and the Grand Mesa Group, comprising individual residents and lot owners within the Grand Mesa at Crystal Falls development in Leander, Texas, identified on the signature pages of this Agreement. The Applicants and the Grand Mesa Group are referred to herein as the “Parties.”

Applicants have applied to the Texas Commission on Environmental Quality (“TCEQ”) for Permit No. WQ0015042001 to authorize the construction and operation of facilities for the disposal of treated domestic wastewater at a daily average flow not to exceed 768,000 gallons per day via public access subsurface drip irrigation with a minimum area of 91.43 acres, surface irrigation of 94.26 irrigable acres of grasses on public access land, and surface irrigation of 11.63 acres of native trees with grasses on public access land in the Final Phase (“Facility” or “Facilities”). The wastewater treatment and disposal facilities will serve the proposed Crystal Falls West development and portions of the City of Jonestown. The TCEQ Executive Director has completed a technical review and prepared a draft permit and made a preliminary decision that the permit, if issued, meets all statutory and regulatory requirements. The Draft Permit is attached to this Agreement as Exhibit 1.

The Grand Mesa Group members live and own property in very close proximity to the proposed facilities and desire to protect their property interests and to achieve environmental protection from the operation of the Facilities in the area in which the live and recreate.

NOW THEREFORE, in consideration of the covenants and agreements herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are recognized, the Parties agree as follows:

1. Prohibition on Sludge Composting and Dewatering. Applicants agree there will be no sludge composting nor will there be any dewatering of sludge through belt press, centrifugal watering, or any similar process undertaken at the wastewater treatment plant site.

2. Any Future Expansion. Applicants agree that if the WWTP is expanded beyond 768,000 gallons per day, the restrictions as specified in the “Crystal Falls Wastewater Treatment Plant Design and Operations Oversight Agreement” (attached as Exhibit 2) will apply to such expansion with one exception. The exception being if sludge dewatering is done at the expanded facility, the sludge dewatering operation will be in an enclosed environment under negative pressure and any venting will pass through activated carbon filtration to abate odor. Alternatively, utilization of equivalent or better odor control and abatement technology available in the future is acceptable.

3. Traffic. Applicants will prohibit traffic related to the construction, operations, repair and servicing of the WWTP, effluent storage and irrigation facilities from using Goodnight Trail. The prohibition on the use of Goodnight Trail for construction related traffic will be incorporated into construction contracts and any contracts for ongoing services at the Facilities.

4. TCEQ Submissions and Analyses. Applicants will publish **all** plans, analyses, and reports required to be submitted to TCEQ under the Draft Permit, including but not limited to Special Provisions 23, 44 and 54 of the Draft Permit regarding soil sampling and analyses on the City of Leander website as soon as reasonably possible after the provision of the plans, analyses, and reports to TCEQ. The City of Leander will maintain a webpage as part of its website dedicated to publishing these materials such that a person could easily locate the Crystal Falls West Wastewater Treatment Plant webpage and all published materials would be accessible and downloadable from that page. Each item published to the website will remain available for a minimum of three years.

5. Facility Operations and Lighting. Applicants agree that the wastewater treatment plant and any expansion will be designed, maintained, and operated, including the design and maintenance of all lighting, in accordance with the “Crystal Falls West Wastewater Treatment Plant Design and Operations Oversight” document that is attached as Exhibit 2 and was provided by the Applicants on Feb. 6, 2013, with the exception as stated in Paragraph 5.

6. Walls and Landscaping.

- a. **Wall Surrounding Effluent Storage Ponds.** Applicants will design and construct a custom native stone wall a minimum of 8 ft. tall with a 1.5 ft. trellis as depicted in Exhibit A-1 and A-2. The wall will surround the east and north sides of the effluent storage ponds, and will be constructed with each phase of the ponds in the locations as depicted on Exhibit B.
- b. **Wall surrounding WWTP site.** Applicants will design and construct a split faced CMU limestone colored wall a minimum of 11 ft. tall as depicted in Exhibit C, on the north, south and west sides of WWTP site as depicted on Exhibit B. Applicants will design and construct a native stone custom wall as depicted on Exhibit D with the stone portion of the wall a minimum of 11 ft. tall to surround the east side of WWTP site in the location shown on Exhibit B.
- c. **Wall Construction.** Construction of walls will be completed prior to each phase of the Facility becoming operational. In addition, the walls must meet the standards required by the TCEQ, including a single strand of barbed-wire on the top of the stone walls.
- d. **Landscaping.** Applicants will engage a landscape architect to design and oversee installation of additional screening trees, shrubs and vines as “living fences” to be aesthetically incorporated on the perimeter of the west side of phase 2 of the effluent pond site as shown on Exhibit E. The Landscape design will be substantially similar to the depictions and descriptions attached as Exhibit F. In addition, screening trees

will be installed on the east side of Durango Hills as depicted on Exhibit G and in the locations as shown on Exhibit B. All landscaping depicted on the Exhibits reflect the landscaping at maturity.

e. Landscaping Maintenance. Landscaping installed in accordance with this agreement will be maintained by watering, pruning, and other appropriate measures for the duration of the operation of the Facility.

f. No Homeowners Association Fees. Applicants agree that no Crystal Falls Homeowners Association, Inc. fees will ever be used to support in any way the design, construction, or maintenance of the walls or the design, installation, and maintenance of the landscaping described in this Agreement. If the Crystal Falls Homeowners Association, Inc. is contracted to maintain the landscaping all costs of such maintenance must be provided by Applicants.

7. Refrain From Commenting. The walls and landscaping requirements described in paragraph 6 of this Agreement are contingent on the Grand Mesa Group and each individual member's agreement to refrain from filing a public comment letter or request for contested case hearing on the above referenced application. The Grand Mesa Group and individual members agree that as part of their Agreement to refrain from filing their own comments they will not request that any other parties file comments or request hearing. For the two comments that have been submitted prior to execution of this Agreement by members of the Grand Mesa Group, a withdrawal in writing will be submitted to TCEQ prior to expiration of the deadline for public comment. The withdrawal will include a withdrawal of the comment and the request for public meeting. In addition, it is understood by all parties to this Agreement, that the Walls and Landscaping requirements included in paragraph 6 of this Agreement, are contingent upon the TCEQ not granting a request for contested case hearing on the above referenced application.

8. Assignability. This Agreement is assignable by each individual member of the Grand Mesa Group to a person or entity that purchases their home, as listed on the attached pages.

9. Each party hereto acknowledges that it has read and understands the effect of this Agreement, and executes the same of their own free will and accord and for the purposes and considerations set forth herein.

10. It is understood and agreed that this Agreement contains the entire agreement between the Parties and supersedes any and all prior agreements, arrangements, or understandings between the Parties, and there are no oral understandings, statements, promises or inducements not set forth in this Agreement. This Agreement cannot be changed or terminated orally. No warranties, representations, covenants, amendments, understandings or agreements not expressly set out in this Agreement shall be binding upon the Parties or form the basis of liability for any of the Parties unless subsequently executed in writing by the Parties. The terms of this Agreement are contractual and not a mere recital.

11. This Agreement shall be governed by, construed and enforced in accordance with and subject to the laws of the State of Texas.

12. It is agreed that if any portion of this Agreement is determined to be contrary to the laws of the State of Texas, or otherwise declared unenforceable, it is the Parties' intent that the remaining portions of the Agreement be given full force and effect.

13. The signatories to this Agreement represent and warrant that they are fully authorized to make this Agreement on behalf of the respective persons and entities on whose behalf they purport to act and to bind those entities to the terms and conditions contained in this Agreement.

14. Addresses for Notice, Reports, and other Communications Under The Agreement.

City of Leander:

Kent Cagle
City Manager, City of Leander
P.O. Box 319
Leander, Texas 78646-0319

Lookout Partners, L.P.:

William R. Hinckley
Lookout Partners, L.P.
c/o Jim Plasek
Director of Development
Crystal Falls Communities
1001 Crystal Falls Pkwy.
Leander, Texas 78641

Grand Mesa Group:

Grand Mesa Group
c/o David Tolkan
3610 Goodnight Trail
Leander, TX 78641

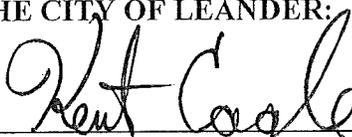
with a copy to:

Sarah B. Faust
Kemp Smith LLP
816 Congress, Ste. 1260
Austin, TX 78701

[signatures on next page]

ACCEPTED, APPROVED, ENTERED INTO, and EFFECTIVE on the date of execution of this Agreement by the Applicants as shown below:

FOR
THE CITY OF LEANDER:



Kent Cagle, City Manager, City of Leander

2/20/13

Date

FOR

LOOKOUT PARTNERS, L.P., a Texas limited partnership
By: Morningside Land & Cattle Company, LLC, a
Texas limited liability company, its General Partner

[Authorized Partner]

William R. Huckle
Operating manager

2/15/2013

Date

FOR
GRAND MESA GROUP
[signatures on attached acknowledgements]

SCOTT & ROBYN BRISCHKE
3616 GOODNIGHT TRAIL
LEANDER, TX 78641

JOHN & TAMMY BURGTORF
1406 ROARING FORK
LEANDER, TX 79641

JOHN & SUSAN CARY
3713 LAJITAS
LEANDER, TX 78641

KYLE & JENNIFER DUNN
3707 GOODNIGHT TRAIL
LEANDER, TX 78641

VLAD & AMANDA GARNER
3717 LAJITAS
LEANDER, TX 78641

STUART & GINGER GILLEN
3716 LAJITAS
LEANDER, TX 78641

MICHAEL & SANDY GREEN
3709 GOODNIGHT TRAIL
LEANDER, TX 78641

JAMES & JONNIE HEFTY
1506 HIGH LONESOME
LEANDER, TX 78641

STEVE HEUER & CANDICE SULLIVAN FAMILY
TRUST
3509 GOODNIGHT TRAIL
LEANDER, TX 78641

THOMAS B. & KAREN PAYNE HUTTON
1309 ROARING FORK
LEANDER, TX 78641

RICK & DWYNNE IGAU
3708 LAJITAS
LEANDER, TX 78641

JEFFREY JAGOE
3710 GOODNIGHT TRAIL
LEANDER, TX 78641

ROBERT L. & PATRICIA L. KANODE
3701 GOODNIGHT TRAIL
LEANDER, TX 78641

WILLIAM E. & JACKIE LAWSON
3704 LAJITAS
LEANDER, TX 78641

RON & SHANNON MACKAY
1408 ROARING FORK
LEANDER, TX 78641

R. DALE & CATHY J. PETTY
2035 SPYGLASS HILL
LEANDER, TX 78641

STEPHEN L. & MARGO M. ROBERTSON
3602 GOODNIGHT TRAIL
LEANDER, TX 78641
and
1102 HIGH LONESOME
LEANDER, TX 78641

WILLIAM & DOMI SCHUTZ
1401 CAMELBACK
LEANDER, TX 78641

CURT & KEENA SHELMIRE
1400 HIGH LONESOME
LEANDER, TX 78641

BEN & KRISTI SMITH
3714 GOODNIGHT TRAIL
LEANDER, TX 78641

THOMAS & MELISSA STERNER
1409 ROARING FORK
LEANDER, TX 78641

KURT & BARBARA STRAUSS
3500 PUMPKIN RIDGE
LEANDER, TX 78641

SCOTT & SANDRA SWANSON
3712 GOODNIGHT TRAIL
LEANDER, TX 78641

DAVID TOLKAN & NANCY BERNALDO
3610 GOODNIGHT TRAIL
LEANDER, TX 78641

MICHAEL S TOOPS
3604 GOODNIGHT TRAIL
LEANDER, TX 78641

CHARLES & KATHLEEN TULLY
3500 BACHELOR GULCH
LEANDER, TX 78641

JOSH VANDENBERG
3504 GOODNIGHT TRAIL
LEANDER, TX 78641

MARTIN & DONNA VAN DER HAGEN
3709 LAJITAS
LEANDER, TX 78641

ALBERT & CATHERINE WERNER
3605 GOODNIGHT TRAIL
LEANDER, TX 78641

MARVIN WOLVERTON
3502 BACHELOR GULCH
LEANDER, TX 78641

PHILIP C WRIGHT
3702 LAJITAS
LEANDER, TX 78641

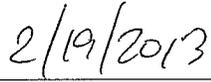
ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Scott & Robyn Brischke
3616 Goodnight Trail
Leander, TX 78641



Signature

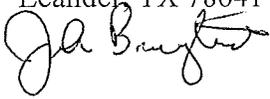


Date

ACKNOWLEDGEMENT

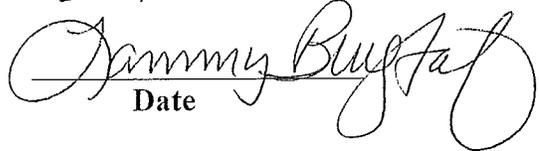
By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

John & Tammy Burgtorf
1406 Roaring Fork
Leander, TX 78641



Signature

3-1-13

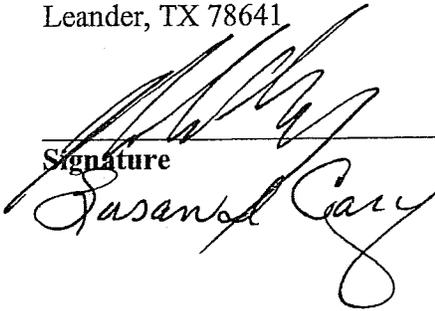


Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

John & Susan Cary
3713 Lajitas
Leander, TX 78641



Signature
Susan Cary

2-20-13
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Kyle & Jennifer Dunn
3707 Goodnight Trail
Leander, TX 78641


Signature

2/27/13
Date



2/27/13

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Vlad & Amanda Garner
3717 Lajitas
Leander, TX 78641

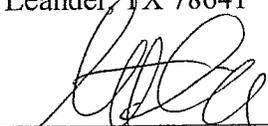

Signature

3/4/13
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Stuart & Ginger Gillen
3716 Lajitas
Leander, TX 78641



Signature

3/15/13

Date

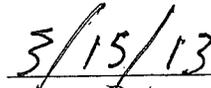
ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Michael & Sandy Green
3709 Goodnight Trail
Leander, TX 78641



Signature

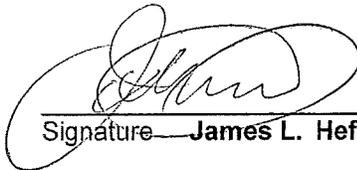


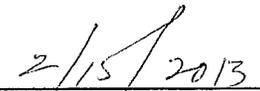
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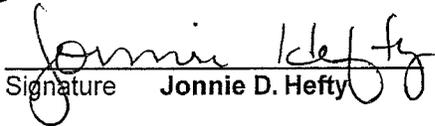
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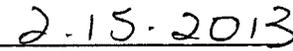
By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

James L. Hefty
Jonnie D. Hefty
1506 High Lonesome Trail
Leander TX, 78641


Signature **James L. Hefty**


Date


Signature **Jonnie D. Hefty**


Date

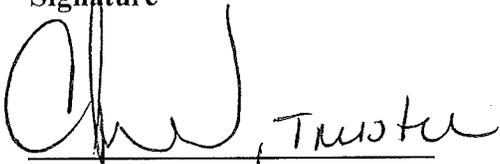
ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Steve Heuer
Candice Sullivan Family Trust
3509 Goodnight Trail
Leander, TX 78641


Signature

3/03/2013
Date


Signature

3/03/13
Date

ACKNOWLEDGEMENT

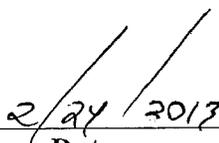
By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Thomas B. Hutton
1309 Roaring Fork
Leander, TX 78641

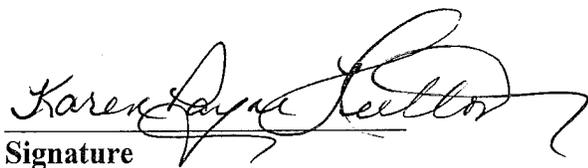
Karen Payne Hutton
1309 Roaring Fork
Leander, TX 78641



Signature



Date



Signature



Date

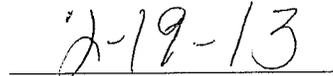
ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Rick & Dwynne Igau
3708 Lajitas
Leander, TX 78641



Signature



Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Jeffrey Jagoe
3710 Goodnight Trail
Leander, TX 78641


Signature


Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Robert L. & Patricia L. Kanode
3701 Goodnight Trail
Leander, TX 78641

Robert L. Kanode
Signature
Patricia L. Kanode

2/20/2013
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

William E. Lawson
3704 Lajitas
Leander, TX 78641

William E. Lawson
Signature

2-20-2013
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Ron & Shannon MacKay
1408 Roaring Fork
Leander, TX 78641

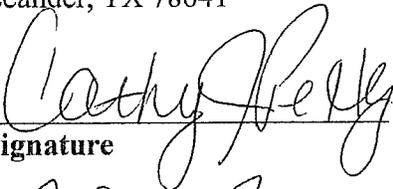

Signature

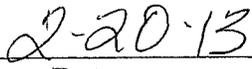
2/20/13
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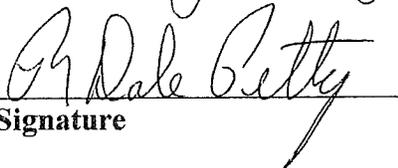
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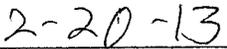
By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

R. Dale & Cathy J. Petty
2035 Spyglass Hill
Leander, TX 78641


Signature


Date


Signature


Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Stephen L. & Margo M. Robertson
3602 Goodnight Trail
Leander, TX 78641

Stephen L. & Margo M. Robertson
1102 High Lonesome
Leander, TX 78641

Stephen L. Robertson
Signature

2/18/2013
Date

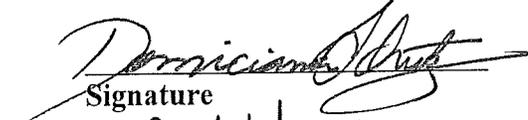
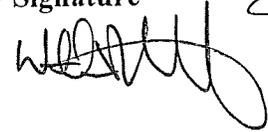
Margo M. Robertson
Signature

2/18/2013
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

William & Domi Schutz
1401 Camelback
Leander, TX 78641


Signature


2/20/2013
Date

2/20/2013

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Curt & Keena Shelmire
1400 High Lonesome
Leander, TX 78641



Signature

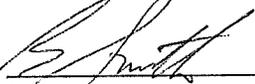
2/23/13

Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Ben & Kristi Smith
3714 Goodnight Trail
Leander, TX 78641



Signature



2/20/13

Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Thomas & Melissa Sterner
1409 Roaring Fork
Leander, TX 78641



Signature

3/12/13

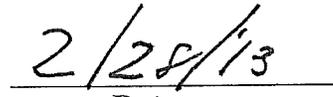
Date

ACKNOWLEDGEMENT

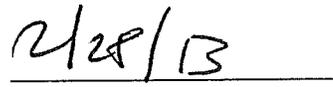
By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Kurt & Barbara Strauss
3500 Pumpkin Ridge
Leander, TX 78641


Signature


Date


Signature


Date

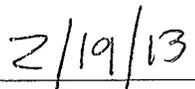
ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Scott & Sandra Swanson
3712 Goodnight Trail
Leander, TX 78641



Signature

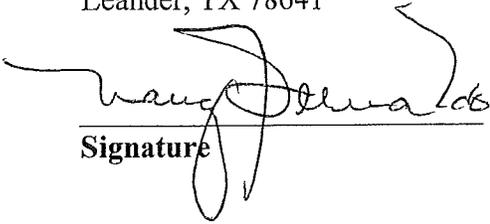


Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

David Tolkan & Nancy Bernaldo
3610 Goodnight Trail
Leander, TX 78641



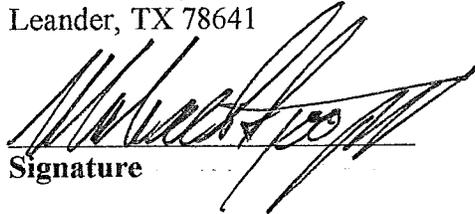
Signature

3-2-2013
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Michael S Toops
3604 Goodnight Trail
Leander, TX 78641


Signature


Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Charles & Kathleen Tully
3500 Bachelor Gulch
Leander, TX 78641



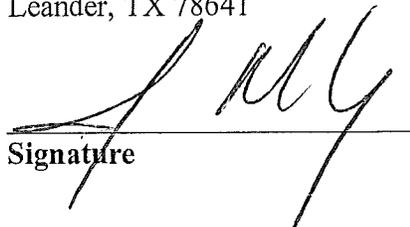
Signature

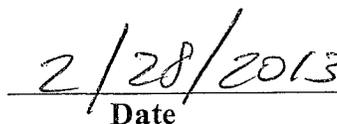
2.20.2013
Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Josh Vandenberg
3504 Goodnight Trail
Leander, TX 78641

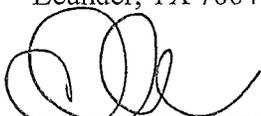

Signature


Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Martin & Donna van der Hagen
3709 Lajitas
Leander, TX 78641



Signature

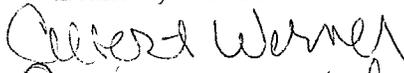
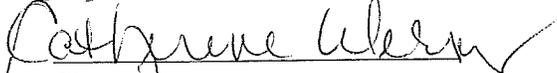
February 19, 2013

Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Albert & Catherine Werner
3605 Goodnight Trail
Leander, TX 78641



Signature

2/23/2013
Date

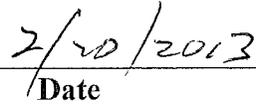
ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Marvin Wolverton
3502 Bachelor Gulch
Leander, TX 78641



Signature



Date

ACKNOWLEDGEMENT

By signing below, I hereby agree to the Settlement Agreement with the City of Leander and the Lookout Partners, L.P. as an individual member of the Residents of Grand Mesa at Crystal Falls Group:

Philip C Wright
3702 Lajitas
Leander, TX 78641


Signature

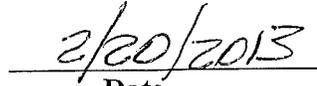

Date

EXHIBIT 1

PERMIT NO. WQ0015042001



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
P.O. Box 13087
Austin, Texas 78711-3087

PERMIT TO DISCHARGE WASTES
under provisions of Chapter 26
of the Texas Water Code

Lookout Partners, L.P. and City of Leander

whose mailing address is

P.O. Box 319
Leander, Texas 78646

Nature of Business Producing Waste: Domestic wastewater treatment operation, SIC Code 1629.

General Description and Location of Waste Disposal System:

Description: The Crystal Falls West Water Reclamation Facility consists of an activated sludge process plant using the Modified Ludzack-Ettiger configuration. Treatment units in the Interim I phase include a bar screen, a rapid mix chamber, an anoxic basin, an aeration basin, a final clarifier, a disc filter, a sludge premix, a sludge gravity thickener, two aerobic sludge digesters, and a chlorine contact chamber. An additional treatment train consisting of an anoxic basin, an aeration basin, a final clarifier, a disc filter, and a chlorine contact chamber will be added for each of the Interim II and Final phases. Additional treatment trains will operate in parallel with the Interim I phase treatment train. Prior to irrigation, effluent is stored in a storage ponds with a total surface area of 3.00 acres and a capacity of 40 acre-feet in the Interim I phase, and a surface area of 4.40 acres and a capacity of 40 acre feet in the Interim II phase, for a total Interim II phase and Final phase surface area of 7.40 acres and total capacity of 80 acre-feet for storage.

The permittee is authorized to dispose of treated domestic wastewater at a daily average flow not to exceed 768,000 gallons per day in the Final phase via public access subsurface drip irrigation with a minimum area of 91.43 acres, surface irrigation of 94.26 irrigable acres of grasses on public access land, and surface irrigation of 11.63 irrigable acres of native trees with grasses on public access land. The permittee is authorized to dispose of treated domestic wastewater on the approved acreage at a daily average flow not to exceed 250,000 gallons per day in the Interim I phase and 600,000 gallons per day in the Interim II phase. Application rates for the irrigated land shall not exceed 0.1 gallons per square foot per day for subsurface drip irrigation, and 3.92 acre-feet per acre per year for surface irrigation.

Location: The wastewater treatment facility and disposal site are located 0.62 mile northwest of the intersection of Vista Rock Drive and Farm-to-Market Road 1431, in Travis County, Texas 78641. (See Attachment A.)

Drainage Area: The wastewater treatment facility and disposal site are located in the drainage basin of Bloody Hollow in Segment No. 1404 of the Colorado River Basin. No discharge of pollutants into water in the State is authorized by this permit.

This permit and the authorization contained herein shall expire at midnight on **December 1, 2017**.

ISSUED DATE:

For the Commission

EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Conditions of the Permit: No discharge of pollutants into water in the State is authorized.

A. Effluent Limitations

Character: Treated Domestic Sewage Effluent

Volume: Daily Average Flow –
 Interim I phase 0.25 MGD from the treatment system
 Interim II phase 0.60 MGD from the treatment system
 Final phase 0.768 MGD from the treatment system

Quality: The following effluent limitations shall be required:

<u>Parameter</u>	<u>Effluent Concentrations</u>			
	<u>(Not to Exceed)</u>			
	<u>Daily Average</u> mg/l	<u>7-Day Average</u> mg/l	<u>Daily Maximum</u> mg/	<u>Single Grab</u> mg/l
Biochemical Oxygen Demand (5-day)	20	30	45	65
Total Suspended Solids	20	30	45	65
<i>E. coli</i> , CFU or MPN	N/A	N/A	N/A	126

The pH shall not be less than 6.0 standard units nor greater than 9.0 standard units.

The effluent shall be chlorinated in a chlorine contact chamber to a residual of 1.0 mg/l with a minimum detention time of 20 minutes. If the effluent is to be transferred to a holding pond or tank, re-chlorination prior to the effluent being delivered into the irrigation system will be required. A trace chlorine residual shall be maintained in the effluent at the point of irrigation application.

B. Monitoring Requirements:

<u>Parameter</u>	<u>Monitoring Frequency</u>	<u>Sample Type</u>
Flow	Continuous	Totalizing Meter
Biochemical Oxygen Demand (5-day)	One/week	Grab
Total Suspended Solids	One/week	Grab
pH		
Interim I	One/month	Grab
Interim II, Final	Two/month	Grab
Chlorine Residual		
Interim I	Five/week	Grab
Interim II, Final	Daily	Grab
<i>E. coli</i>		
Interim I	One/month	Grab
Interim II, Final	Two/month	Grab

The monitoring shall be done after the final treatment unit and prior to storage of the treated effluent. If the effluent is land applied directly from the treatment system, monitoring shall be done after the final treatment unit and prior to land application. These records shall be maintained on a monthly basis and be available at the plant site for inspection by authorized representatives of the Commission for at least three years.

STANDARD PERMIT CONDITIONS

This permit is granted in accordance with the Texas Water Code and the rules and other Orders of the Commission and the laws of the State of Texas.

DEFINITIONS

All definitions in Section 26.001 of the Texas Water Code and 30 TAC Chapter 305 shall apply to this permit and are incorporated by reference. Some specific definitions of words or phrases used in this permit are as follows:

1. Flow Measurements

- a. Daily average flow - the arithmetic average of all determinations of the daily flow within a period of one calendar month. The daily average flow determination shall consist of determinations made on at least four separate days. If instantaneous measurements are used to determine the daily flow, the determination shall be the arithmetic average of all instantaneous measurements taken during that month. Daily average flow determination for intermittent discharges shall consist of a minimum of three flow determinations on days of discharge.
- b. Annual average flow - the arithmetic average of all daily flow determinations taken within the preceding 12 consecutive calendar months. The annual average flow determination shall consist of daily flow volume determinations made by a totalizing meter, charted on a chart recorder and limited to major domestic wastewater discharge facilities with a 1 million gallons per day or greater permitted flow.
- c. Instantaneous flow - the measured flow during the minimum time required to interpret the flow measuring device.

2. Concentration Measurements

- a. Daily average concentration - the arithmetic average of all effluent samples, composite or grab as required by this permit, within a period of one calendar month, consisting of at least four separate representative measurements.
 - i. For domestic wastewater treatment plants - When four samples are not available in a calendar month, the arithmetic average (weighted by flow) of all values in the previous four consecutive month period consisting of at least four measurements shall be utilized as the daily average concentration.
 - ii. For all other wastewater treatment plants - When four samples are not available in a calendar month, the arithmetic average (weighted by flow) of all values taken during the month shall be utilized as the daily average concentration.
- b. 7-day average concentration - the arithmetic average of all effluent samples, composite or grab as required by this permit, within a period of one calendar week, Sunday through Saturday.
- c. Daily maximum concentration - the maximum concentration measured on a single day, by the sample type specified in the permit, within a period of one calendar month.

3. Sample Type

- a. Composite sample - For domestic wastewater, a composite sample is a sample made up of a minimum of three effluent portions collected in a continuous 24-hour period or during the period of daily discharge if less than 24 hours, and combined in volumes proportional to flow, and collected at the intervals required by 30 TAC § 319.9 (a). For industrial wastewater, a composite sample is a sample made up of a minimum of three effluent portions collected in a continuous 24-hour period or during the period of daily discharge if less than 24 hours, and combined in volumes proportional to flow, and collected at the intervals required by 30 TAC § 319.9 (b).
 - b. Grab sample - an individual sample collected in less than 15 minutes.
4. Treatment Facility (facility) - wastewater facilities used in the conveyance, storage, treatment, recycling, reclamation and/or disposal of domestic sewage, industrial wastes, agricultural wastes, recreational wastes, or other wastes including sludge handling or disposal facilities under the jurisdiction of the Commission.
 5. The term "sewage sludge" is defined as solid, semi-solid, or liquid residue generated during the treatment of domestic sewage in 30 TAC Chapter 312. This includes the solids which have not been classified as hazardous waste separated from wastewater by unit processes.
 6. Bypass - the intentional diversion of a waste stream from any portion of a treatment facility.

MONITORING REQUIREMENTS

1. Monitoring Requirements

Monitoring results shall be collected at the intervals specified in the permit. Unless otherwise specified in this permit or otherwise ordered by the Commission, the permittee shall conduct effluent sampling in accordance with 30 TAC §§ 319.4 - 319.12.

As provided by state law, the permittee is subject to administrative, civil and criminal penalties, as applicable, for negligently or knowingly violating the Texas Water Code, Chapters 26, 27, and 28, and Texas Health and Safety Code, Chapter 361, including but not limited to knowingly making any false statement, representation, or certification on any report, record or other document submitted or required to be maintained under this permit, including monitoring reports, records or reports of compliance or noncompliance, or falsifying, tampering with or knowingly rendering inaccurate any monitoring device or method required by this permit or violating any other requirement imposed by state or federal regulations.

2. Test Procedures

- a. Unless otherwise specified in this permit, test procedures for the analysis of pollutants shall comply with procedures specified in 30 TAC §§ 319.11 - 319.12. Measurements, tests and calculations shall be accurately accomplished in a representative manner.
- b. All laboratory tests submitted to demonstrate compliance with this permit must meet the requirements of 30 TAC Chapter 25, Environmental Testing Laboratory Accreditation and Certification.

3. Records of Results

- a. Monitoring samples and measurements shall be taken at times and in a manner so as to be representative of the monitored activity.
- b. Except for records of monitoring information required by this permit related to the permittee's sewage sludge use and disposal activities, which shall be retained for a period of at least five years, monitoring and reporting records, including strip charts and records of calibration and maintenance, copies of all records required by this permit, and records of all data used to complete the application for this permit shall be retained at the facility site, or shall be readily available for review by a TCEQ representative for a period of three years from the date of the record or sample, measurement, report, or application. This period shall be extended at the request of the Executive Director.
- c. 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.

The period during which records are required to be kept shall be automatically extended to the date of the final disposition of any administrative or judicial enforcement action that may be instituted against the permittee.

4. Additional Monitoring by Permittee

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit using approved analytical methods as specified above, all results of such monitoring shall be included in determining compliance with permit requirements.

5. Calibration of Instruments

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. Copies of the verification shall be retained at the facility site and/or shall be readily available for review by a TCEQ representative for a period of three years.

6. Compliance Schedule Reports

Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of the permit shall be submitted no later than 14 days following each schedule date to the Regional Office and the Enforcement Division (MC 224).

7. Noncompliance Notification

- a. In accordance with 30 TAC § 305.125(9), any noncompliance which may endanger human health or safety, or the environment shall be reported by the permittee to the TCEQ. Report of such information shall be provided orally or by facsimile transmission (FAX) to the Regional Office within 24 hours of becoming aware of the noncompliance. A written submission of such information shall also be provided by the permittee to the Regional Office and the Enforcement Division (MC 224) within five working days of becoming aware of the noncompliance. The written submission shall contain a description of the noncompliance and its cause; the potential danger to human health or safety, or the environment; the period of noncompliance, including exact dates and times; if the noncompliance has not been corrected, the time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance, and to mitigate its adverse effects.
- b. The following violations shall be reported under Monitoring and Reporting Requirement 7.a.:
 - i. Unauthorized discharges as defined in Permit Condition 2(g).
 - ii. Any unanticipated bypass which exceeds any effluent limitation in the permit.
- c. In addition to the above, any effluent violation which deviates from the permitted effluent limitation by more than 40% shall be reported by the permittee in writing to the Regional Office and the Enforcement Division (MC 224) within 5 working days of becoming aware of the noncompliance.
- d. Any noncompliance other than that specified in this section, or any required information not submitted or submitted incorrectly, shall be reported to the Enforcement Division (MC 224) as promptly as possible.

8. In accordance with the procedures described in 30 TAC §§ 35.301 - 35.303 (relating to Water Quality Emergency and Temporary Orders) if the permittee knows in advance of the need for a bypass, it shall submit prior notice by applying for such authorization.

9. Changes in Discharges of Toxic Substances

All existing manufacturing, commercial, mining, and silvicultural permittees shall notify the Regional Office, orally or by facsimile transmission within 24 hours, and both the Regional Office and the Enforcement Division (MC 224) in writing within five (5) working days, after becoming aware of or having reason to believe:

- a. That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, of any toxic pollutant listed at 40 CFR Part 122, Appendix D, Tables II and III (excluding Total Phenols) which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
 - i. One hundred micrograms per liter (100 µg/L);
 - ii. Two hundred micrograms per liter (200 µg/L) for acrolein and acrylonitrile; five hundred micrograms per liter (500 µg/L) for 2,4-dinitrophenol and for 2-methyl-4,6-dinitrophenol; and one milligram per liter (1 mg/L) for antimony;

- iii. Five (5) times the maximum concentration value reported for that pollutant in the permit application; or
 - iv. The level established by the TCEQ.
- b. That any activity has occurred or will occur which would result in any discharge, on a nonroutine or infrequent basis, of a toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
- i. Five hundred micrograms per liter (500 µg/L);
 - ii. One milligram per liter (1 mg/L) for antimony;
 - iii. Ten (10) times the maximum concentration value reported for that pollutant in the permit application; or
 - iv. The level established by the TCEQ.

10. Signatories to Reports

All reports and other information requested by the Executive Director shall be signed by the person and in the manner required by 30 TAC § 305.128 (relating to Signatories to Reports).

PERMIT CONDITIONS

1. General

- a. When the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in an application or in any report to the Executive Director, it shall promptly submit such facts or information.
- b. This permit is granted on the basis of the information supplied and representations made by the permittee during action on an application, and relying upon the accuracy and completeness of that information and those representations. After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked, in whole or in part, in accordance with 30 TAC Chapter 305, Subchapter D, during its term for good cause including, but not limited to, the following:
 - i. Violation of any terms or conditions of this permit;
 - ii. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
 - iii. A change in any condition that requires either a temporary or permanent reduction or elimination of the authorized discharge.
- c. The permittee shall furnish to the Executive Director, upon request and within a reasonable time, any information to determine whether cause exists for amending, revoking, suspending or terminating the permit. The permittee shall also furnish to the Executive Director, upon request, copies of records required to be kept by the permit.

2. Compliance

- a. Acceptance of the permit by the person to whom it is issued constitutes acknowledgment and agreement that such person will comply with all the terms and conditions embodied in the permit, and the rules and other orders of the Commission.

- b. The permittee has a duty to comply with all conditions of the permit. Failure to comply with any permit condition constitutes a violation of the permit and the Texas Water Code or the Texas Health and Safety Code, 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.
 - c. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.
 - d. The permittee shall take all reasonable steps to minimize or prevent any discharge or sludge use or disposal or other permit violation which has a reasonable likelihood of adversely affecting human health or the environment.
 - e. Authorization from the Commission is required before beginning any change in the permitted facility or activity that may result in noncompliance with any permit requirements.
 - f. A permit may be amended, suspended and reissued, or revoked for cause in accordance with 30 TAC §§ 305.62 and 305.66 and Texas Water Code Section 7.302. The filing of a request by the permittee for a permit amendment, suspension and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.
 - g. 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 Special Provisions section of this permit.
 - h. The permittee is subject to administrative, civil, and criminal penalties, as applicable, under Texas Water Code §§ 7.051 - 7.075 (relating to Administrative Penalties), 7.101 - 7.111 (relating to Civil Penalties), and 7.141 - 7.202 (relating to Criminal Offenses and Penalties).
3. Inspections and Entry
- a. Inspection and entry shall be allowed as prescribed in the Texas Water Code Chapters 26, 27, and 28, and Texas Health and Safety Code Chapter 361.
 - b. The members of the Commission and employees and agents of the Commission are entitled to enter any public or private property at any reasonable time for the purpose of inspecting and investigating conditions relating to the quality of water in the state or the compliance with any rule, regulation, permit or other order of the Commission. Members, employees, or agents of the Commission and Commission contractors are entitled to enter public or private property at any reasonable time to investigate or monitor or, if the responsible party is not responsive or there is an immediate danger to public health or the environment, to remove or remediate a condition related to the quality of water in the state. Members, employees, Commission contractors, or agents acting under this authority who enter private property shall observe the establishment's rules and regulations concerning safety, internal security, and fire protection, and if the property has management in residence, shall notify management or the person then in

charge of his presence and shall exhibit proper credentials. If any member, employee, Commission contractor, or agent is refused the right to enter in or on public or private property under this authority, the Executive Director may invoke the remedies authorized in Texas Water Code Section 7.002. The statement above, that Commission entry shall occur in accordance with an establishment's rules and regulations concerning safety, internal security, and fire protection, is not grounds for denial or restriction of entry to any part of the facility, but merely describes the Commission's duty to observe appropriate rules and regulations during an inspection.

4. Permit Amendment and/or Renewal

- a. The permittee shall give notice to the Executive Director as soon as possible of any planned physical alterations or additions to the permitted facility if such alterations or additions would require a permit amendment or result in a violation of permit requirements. Notice shall also be required under this paragraph when:
 - i. The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements in Monitoring and Reporting Requirements No. 9;
 - ii. The alteration or addition results in a significant change in the permittee's sludge use or disposal practices, and such alteration, addition, or change may justify the application of permit conditions that are different from or absent in the existing permit, including notification of additional use or disposal sites not reported during the permit application process or not reported pursuant to an approved land application plan.
- b. Prior to any facility modifications, additions, or expansions that will increase the plant capacity beyond the permitted flow, the permittee must apply for and obtain proper authorization from the Commission before commencing construction.
- c. The permittee must apply for an amendment or renewal at least 180 days prior to expiration of the existing permit in order to continue a permitted activity after the expiration date of the permit. If an application is submitted prior to the expiration date of the permit, the existing permit shall remain in effect until the application is approved, denied, or returned. If the application is returned or denied, authorization to continue such activity shall terminate upon the effective date of the action. If an application is not submitted prior to the expiration date of the permit, the permit shall expire and authorization to continue such activity shall terminate.
- d. Prior to accepting or generating wastes which are not described in the permit application or which would result in a significant change in the quantity or quality of the existing discharge, the permittee must report the proposed changes to the Commission. The permittee must apply for a permit amendment reflecting any necessary changes in permit conditions, including effluent limitations for pollutants not identified and limited by this permit.
- e. In accordance with the Texas Water Code § 26.029(b), after a public hearing, notice of which shall be given to the permittee, the Commission may require the permittee, from time to time, for good cause, in accordance with applicable laws, to conform to new or additional conditions.

5. Permit Transfer

- a. Prior to any transfer of this permit, Commission approval must be obtained. The Commission shall be notified in writing of any change in control or ownership of facilities authorized by this permit. Such notification should be sent to the Applications Review and Processing Team (MC 148) of the Water Quality Division.
- b. A permit may be transferred only according to the provisions of 30 TAC § 305.64 (relating to Transfer of Permits) and 30 TAC § 50.133 (relating to Executive Director Action on Application or WQMP update).

6. Relationship to Hazardous Waste Activities

This permit does not authorize any activity of hazardous waste storage, processing, or disposal which requires a permit or other authorization pursuant to the Texas Health and Safety Code.

7. Property Rights

A permit does not convey any property rights of any sort, or any exclusive privilege.

8. Permit Enforceability

The conditions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstances, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

9. Relationship to Permit Application

The application pursuant to which the permit has been issued is incorporated herein; provided, however, that in the event of a conflict between the provisions of this permit and the application, the provisions of the permit shall control.

10. Notice of Bankruptcy.

- a. Each permittee shall notify the Executive Director, in writing, immediately following the filing of a voluntary or involuntary petition for bankruptcy under any chapter of Title 11 (Bankruptcy) of the United States Code (11 USC) by or against:
 - i. the permittee;
 - ii. an entity (as that term is defined in 11 USC, § 101(14)) controlling the permittee or listing the permit or permittee as property of the estate; or
 - iii. an affiliate (as that term is defined in 11 USC, § 101(2)) of the permittee.
- b. This notification must indicate:
 - i. the name of the permittee;
 - ii. the permit number(s);
 - iii. the bankruptcy court in which the petition for bankruptcy was filed; and
 - iv. the date of filing of the petition.

OPERATIONAL REQUIREMENTS

1. 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. Process control, maintenance, and operations records shall be retained at the facility site, or shall be readily available for review by a TCEQ representative, for a period of three years.
2. Upon request by the Executive Director, the permittee shall take appropriate samples and provide proper analysis in order to demonstrate compliance with Commission rules. Unless otherwise specified in this permit or otherwise ordered by the Commission, the permittee shall comply with all applicable provisions of 30 TAC Chapter 312 concerning sewage sludge use and disposal and 30 TAC §§ 319.21 - 319.29 concerning the discharge of certain hazardous metals.
3. Domestic wastewater treatment facilities shall comply with the following provisions:
 - a. The permittee shall notify the Municipal Permits Team, Wastewater Permitting Section (MC 148) of the Water Quality Division, in writing, of any facility expansion at least 90 days prior to conducting such activity.
 - b. The permittee shall submit a closure plan for review and approval to the Municipal Permits Team, Wastewater Permitting Section (MC 148) of the Water Quality Division, for any closure activity at least 90 days prior to conducting such activity. Closure is the act of permanently taking a waste management unit or treatment facility out of service and includes the permanent removal from service of any pit, tank, pond, lagoon, surface impoundment and/or other treatment unit regulated by this permit.
4. The permittee is responsible for installing prior to plant start-up, and subsequently maintaining, adequate safeguards to prevent the discharge of untreated or inadequately treated wastes during electrical power failures by means of alternate power sources, standby generators, and/or retention of inadequately treated wastewater.
5. Unless otherwise specified, the permittee shall provide a readily accessible sampling point and, where applicable, an effluent flow measuring device or other acceptable means by which effluent flow may be determined.
6. The permittee shall remit an annual water quality fee to the Commission as required by 30 TAC Chapter 21. Failure to pay the fee may result in revocation of this permit under Texas Water Code § 7.302(b)(6).
7. Documentation

For all written notifications to the Commission required of the permittee by this permit, the permittee shall keep and make available a copy of each such notification under the same conditions as self-monitoring data are required to be kept and made available. Except for information specified as not confidential in 30 TAC § 1.5(d), any information submitted pursuant to this permit may be claimed as confidential by the submitter. Any such claim must be asserted in the manner prescribed in the application form or by stamping the words

"confidential business information" on each page containing such information. If no claim is made at the time of submission, information may be made available to the public without further notice. If the Commission or Executive Director agrees with the designation of confidentiality, the TCEQ will not provide the information for public inspection unless required by the Texas Attorney General or a court pursuant to an open records request. If the Executive Director does not agree with the designation of confidentiality, the person submitting the information will be notified.

8. Facilities which generate domestic wastewater shall comply with the following provisions; domestic wastewater treatment facilities at permitted industrial sites are excluded.
 - a. Whenever flow measurements for any domestic sewage treatment facility reach 75 percent of the permitted daily average or annual average flow for three consecutive months, the permittee must initiate engineering and financial planning for expansion and/or upgrading of the domestic wastewater treatment and/or collection facilities. Whenever the flow reaches 90 percent 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. In the case of a domestic wastewater treatment facility which reaches 75 percent of the permitted daily average or annual 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 shall submit an engineering report supporting this claim to the Executive Director of the Commission.

If in the judgement of the Executive Director the population to be served will not cause permit noncompliance, then the requirement of this section may be waived. To be effective, any waiver must be in writing and signed by the Director of the Enforcement Division (MC 149) 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.

- b. 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.
 - c. Permits for domestic wastewater treatment plants are granted subject to the policy of the Commission to encourage the development of area-wide waste collection, treatment and disposal systems. The Commission reserves the right to amend any domestic wastewater permit in accordance with applicable procedural requirements to require the system covered by this permit to be integrated into an area-wide system, should such be developed; to require the delivery of the wastes authorized to be collected in, treated by or discharged from said system, to such area-wide system; or to amend this permit in any other particular to effectuate the Commission's policy. Such amendments may be made when the changes required are advisable for water quality control purposes and are feasible on the basis of waste treatment technology, engineering, financial, and related considerations existing at the time the changes are required, exclusive of the loss of investment in or revenues from any then existing or proposed waste collection, treatment or disposal system.

9. Domestic wastewater treatment plants shall be operated and maintained by sewage plant operators holding a valid certificate of competency at the required level as defined in 30 TAC Chapter 30.
10. Facilities which generate industrial solid waste as defined in 30 TAC § 335.1 shall comply with these provisions:
 - a. Any solid waste, as defined in 30 TAC § 335.1 (including but not limited to such wastes as garbage, refuse, sludge from a waste treatment, water supply treatment plant or air pollution control facility, discarded materials, discarded materials to be recycled, whether the waste is solid, liquid, or semisolid), generated by the permittee during the management and treatment of wastewater, must be managed in accordance with all applicable provisions of 30 TAC Chapter 335, relating to Industrial Solid Waste Management.
 - b. Industrial wastewater that is being collected, accumulated, stored, or processed before discharge through any final discharge outfall, specified by this permit, is considered to be industrial solid waste until the wastewater passes through the actual point source discharge and must be managed in accordance with all applicable provisions of 30 TAC Chapter 335.
 - c. The permittee shall provide written notification, pursuant to the requirements of 30 TAC § 335.8(b)(1), to the Environmental Cleanup Section (MC 127) of the Remediation Division informing the Commission of any closure activity involving an Industrial Solid Waste Management Unit, at least 90 days prior to conducting such an activity.
 - d. Construction of any industrial solid waste management unit requires the prior written notification of the proposed activity to the Registration and Reporting Section (MC 129) of the Permitting and Remediation Support Division. No person shall dispose of industrial solid waste, including sludge or other solids from wastewater treatment processes, prior to fulfilling the deed recordation requirements of 30 TAC § 335.5.
 - e. The term "industrial solid waste management unit" means a landfill, surface impoundment, waste-pile, industrial furnace, incinerator, cement kiln, injection well, container, drum, salt dome waste containment cavern, or any other structure vessel, appurtenance, or other improvement on land used to manage industrial solid waste.
 - f. The permittee shall keep management records for all sludge (or other waste) removed from any wastewater treatment process. These records shall fulfill all applicable requirements of 30 TAC Chapter 335 and must include the following, as it pertains to wastewater treatment and discharge:
 - i. Volume of waste and date(s) generated from treatment process;
 - ii. Volume of waste disposed of on-site or shipped off-site;
 - iii. Date(s) of disposal;
 - iv. Identity of hauler or transporter;
 - v. Location of disposal site; and
 - vi. Method of final disposal.

The above records shall be maintained on a monthly basis. The records shall be retained at the facility site, or shall be readily available for review by authorized representatives of the TCEQ for at least five years.

11. For industrial facilities to which the requirements of 30 TAC Chapter 335 do not apply, sludge and solid wastes, including tank cleaning and contaminated solids for disposal, shall be disposed of in accordance with Chapter 361 of the Texas Health and Safety Code.

TCEQ Revision 06/2008

SLUDGE PROVISIONS

The permittee is authorized to dispose of sludge only at a Texas Commission on Environmental Quality (TCEQ) authorized land application site or co-disposal landfill. **The disposal of sludge by land application on property owned, leased or under the direct control of the permittee is a violation of the permit unless the site is authorized by the TCEQ. This provision does not authorize Distribution and Marketing of sludge. This provision does not authorize land application of Class A Sludge. This provision does not authorize the permittee to land apply sludge on property owned, leased or under the direct control of the permittee.**

SECTION I. REQUIREMENTS APPLYING TO ALL SEWAGE SLUDGE LAND APPLICATION**A. General Requirements**

1. The permittee shall handle and dispose of sewage sludge in accordance with 30 TAC Chapter 312 and all other applicable state and federal regulations in a manner which protects public health and the environment from any reasonably anticipated adverse effects due to any toxic pollutants which may be present in the sludge.
2. In all cases, if the person (permit holder) who prepares the sewage sludge supplies the sewage sludge to another person for land application use or to the owner or lease holder of the land, the permit holder shall provide necessary information to the parties who receive the sludge to assure compliance with these regulations.
3. The permittee shall give 180 days prior notice to the Executive Director in care of the Wastewater Permitting Section (MC 148) of the Water Quality Division of any change planned in the sewage sludge disposal practice.

B. Testing Requirements

1. Sewage sludge shall be tested once during the term of this permit in accordance with the method specified in both 40 CFR Part 261, Appendix II and 40 CFR Part 268, Appendix I [Toxicity Characteristic Leaching Procedure (TCLP)] or other method, which receives the prior approval of the TCEQ for the contaminants listed in Table 1 of 40 CFR Section 261.24. Sewage sludge failing this test shall be managed according to RCRA standards for generators of hazardous waste, and the waste's disposition must be in accordance with all applicable requirements for hazardous waste processing, storage, or disposal. Following failure of any TCLP test, the management or disposal of sewage sludge at a facility other than an authorized hazardous waste processing, storage, or disposal facility shall be prohibited until such time as the permittee can demonstrate the sewage sludge no longer exhibits the hazardous waste toxicity characteristics (as demonstrated by the results of the TCLP tests). A written report shall be provided to both the TCEQ Registration and Reporting Section (MC 129) of the Permitting and Remediation Support Division and the Regional Director (MC Region 11) within 7 days after failing the TCLP Test.

The report shall contain test results, certification that unauthorized waste management has stopped and a summary of alternative disposal plans that comply with RCRA standards for the management of hazardous waste. The report shall be addressed to:

Director, Permitting and Remediation Support Division (MC 129), Texas Commission on Environmental Quality, P. O. Box 13087, Austin, Texas 78711-3087. In addition, the permittee shall prepare an annual report on the results of all sludge toxicity testing. This annual report shall be submitted to the TCEQ Regional Office (MC Region 11) and the Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division by September 30 of each year.

2. Sewage sludge shall not be applied to the land if the concentration of the pollutants exceed the pollutant concentration criteria in Table 1. The frequency of testing for pollutants in Table 1 is found in Section I.C.

TABLE 1

<u>Pollutant</u>	<u>Ceiling Concentration</u> (Milligrams per kilogram)*
Arsenic	75
Cadmium	85
Chromium	3000
Copper	4300
Lead	840
Mercury	57
Molybdenum	75
Nickel	420
PCBs	49
Selenium	100
Zinc	7500

* Dry weight basis

3. Pathogen Control

All sewage sludge that is applied to agricultural land, forest, a public contact site, or a reclamation site shall be treated by one of the following methods to ensure that the sludge meets either the Class A or Class B pathogen requirements.

- a. Six alternatives are available to demonstrate compliance with Class A sewage sludge. The first 4 options require either the density of fecal coliform in the sewage sludge be less than 1000 Most Probable Number (MPN) per gram of total solids (dry weight basis), or the density of Salmonella sp. bacteria in the sewage sludge be less than three MPN per four grams of total solids (dry weight basis) at the time the sewage sludge is used or disposed. Below are the additional requirements necessary to meet the definition of a Class A sludge.

Alternative 1 - The temperature of the sewage sludge that is used or disposed shall be maintained at or above a specific value for a period of time. See 30 TAC Section 312.82(a)(2)(A) for specific information.

Alternative 2 - The pH of the sewage sludge that is used or disposed shall be raised to above 12 std. units and shall remain above 12 std. units for 72 hours.

The temperature of the sewage sludge shall be above 52 degrees Celsius for 12 hours or longer during the period that the pH of the sewage sludge is above 12 std. units.

At the end of the 72-hour period during which the pH of the sewage sludge is above 12 std. units, the sewage sludge shall be air dried to achieve a percent solids in the sewage sludge greater than 50 percent.

Alternative 3 - The sewage sludge shall be analyzed for enteric viruses prior to pathogen treatment. The limit for enteric viruses is less than one Plaque-forming Unit per four grams of total solids (dry weight basis) either before or following pathogen treatment. See 30 TAC Section 312.82(a)(2)(C)(i-iii) for specific information. The sewage sludge shall be analyzed for viable helminth ova prior to pathogen treatment. The limit for viable helminth ova is less than one per four grams of total solids (dry weight basis) either before or following pathogen treatment. See 30 TAC Section 312.82(a)(2)(C)(iv-vi) for specific information.

Alternative 4 - The density of enteric viruses in the sewage sludge shall be less than one Plaque-forming Unit per four grams of total solids (dry weight basis) at the time the sewage sludge is used or disposed. The density of viable helminth ova in the sewage sludge shall be less than one per four grams of total solids (dry weight basis) at the time the sewage sludge is used or disposed.

Alternative 5 (PFRP) - Sewage sludge that is used or disposed of shall be treated in one of the processes to Further Reduce Pathogens (PFRP) described in 40 CFR Part 503, Appendix B. PFRP include composting, heat drying, heat treatment, and thermophilic aerobic digestion.

Alternative 6 (PFRP Equivalent) - Sewage sludge that is used or disposed of shall be treated in a process that has been approved by the U.S. Environmental Protection Agency as being equivalent to those in Alternative 5.

- b. Three alternatives are available to demonstrate compliance with Class B criteria for sewage sludge.

Alternative 1 -

- i. A minimum of seven random samples of the sewage sludge shall be collected within 48 hours of the time the sewage sludge is used or disposed of during each monitoring episode for the sewage sludge.
- ii. The geometric mean of the density of fecal coliform in the samples collected shall be less than either 2,000,000 MPN per gram of total solids (dry weight basis) or 2,000,000 Colony Forming Units per gram of total solids (dry weight basis).

Alternative 2 - Sewage sludge that is used or disposed of shall be treated in one of the Processes to Significantly Reduce Pathogens (PSRP) described in 40 CFR Part 503, Appendix B, so long as all of the following requirements are met by the generator of the sewage sludge.

- i. Prior to use or disposal, all the sewage sludge must have been generated from a single location, except as provided in paragraph v. below;

- ii. An independent Texas Licensed Professional Engineer must make a certification to the generator of a sewage sludge that the wastewater treatment facility generating the sewage sludge is designed to achieve one of the PSRP at the permitted design loading of the facility. The certification need only be repeated if the design loading of the facility is increased. The certification shall include a statement indicating the design meets all the applicable standards specified in Appendix B of 40 CFR Part 503;
- iii. Prior to any off-site transportation or on-site use or disposal of any sewage sludge generated at a wastewater treatment facility, the chief certified operator of the wastewater treatment facility or other responsible official who manages the processes to significantly reduce pathogens at the wastewater treatment facility for the permittee, shall certify that the sewage sludge underwent at least the minimum operational requirements necessary in order to meet one of the PSRP. The acceptable processes and the minimum operational and record keeping requirements shall be in accordance with established U.S. Environmental Protection Agency final guidance;
- iv. All certification records and operational records describing how the requirements of this paragraph were met shall be kept by the generator for a minimum of three years and be available for inspection by commission staff for review; and
- v. If the sewage sludge is generated from a mixture of sources, resulting from a person who prepares sewage sludge from more than one wastewater treatment facility, the resulting derived product shall meet one of the PSRP, and shall meet the certification, operation, and record keeping requirements of this paragraph.

Alternative 3 - Sewage sludge shall be treated in an equivalent process that has been approved by the U.S. Environmental Protection Agency, so long as all of the following requirements are met by the generator of the sewage sludge.

- i. Prior to use or disposal, all the sewage sludge must have been generated from a single location, except as provided in paragraph v. below;
- ii. Prior to any off-site transportation or on-site use or disposal of any sewage sludge generated at a wastewater treatment facility, the chief certified operator of the wastewater treatment facility or other responsible official who manages the processes to significantly reduce pathogens at the wastewater treatment facility for the permittee, shall certify that the sewage sludge underwent at least the minimum operational requirements necessary in order to meet one of the PSRP. The acceptable processes and the minimum operational and record keeping requirements shall be in accordance with established U.S. Environmental Protection Agency final guidance;
- iii. All certification records and operational records describing how the requirements of this paragraph were met shall be kept by the generator for a minimum of three years and be available for inspection by commission staff for review;
- iv. The Executive Director will accept from the U.S. Environmental Protection Agency a finding of equivalency to the defined PSRP; and

- v. If the sewage sludge is generated from a mixture of sources resulting from a person who prepares sewage sludge from more than one wastewater treatment facility, the resulting derived product shall meet one of the Processes to Significantly Reduce Pathogens, and shall meet the certification, operation, and record keeping requirements of this paragraph.

In addition, the following site restrictions must be met if Class B sludge is land applied:

- i. Food crops with harvested parts that touch the sewage sludge/soil mixture and are totally above the land surface shall not be harvested for 14 months after application of sewage sludge.
 - ii. Food crops with harvested parts below the surface of the land shall not be harvested for 20 months after application of sewage sludge when the sewage sludge remains on the land surface for 4 months or longer prior to incorporation into the soil.
 - iii. Food crops with harvested parts below the surface of the land shall not be harvested for 38 months after application of sewage sludge when the sewage sludge remains on the land surface for less than 4 months prior to incorporation into the soil.
 - iv. Food crops, feed crops, and fiber crops shall not be harvested for 30 days after application of sewage sludge.
 - v. Animals shall not be allowed to graze on the land for 30 days after application of sewage sludge.
 - vi. Turf grown on land where sewage sludge is applied shall not be harvested for 1 year after application of the sewage sludge when the harvested turf is placed on either land with a high potential for public exposure or a lawn.
 - vii. Public access to land with a high potential for public exposure shall be restricted for 1 year after application of sewage sludge.
 - viii. Public access to land with a low potential for public exposure shall be restricted for 30 days after application of sewage sludge.
 - ix. Land application of sludge shall be in accordance with the buffer zone requirements found in 30 TAC Section 312.44.
4. Vector Attraction Reduction Requirements
- All bulk sewage sludge that is applied to agricultural land, forest, a public contact site, or a reclamation site shall be treated by one of the following alternatives 1 through 10 for Vector Attraction Reduction.
- Alternative 1 - The mass of volatile solids in the sewage sludge shall be reduced by a minimum of 38 percent.

- Alternative 2 - If Alternative 1 cannot be met for an anaerobically digested sludge, demonstration can be made by digesting a portion of the previously digested sludge anaerobically in the laboratory in a bench-scale unit for 40 additional days at a temperature between 30 and 37 degrees Celsius. Volatile solids must be reduced by less than 17 percent to demonstrate compliance.
- Alternative 3 - If Alternative 1 cannot be met for an aerobically digested sludge, demonstration can be made by digesting a portion of the previously digested sludge with a percent solids of two percent or less aerobically in the laboratory in a bench-scale unit for 30 additional days at 20 degrees Celsius. Volatile solids must be reduced by less than 15 percent to demonstrate compliance.
- Alternative 4 - The specific oxygen uptake rate (SOUR) for sewage sludge treated in an aerobic process shall be equal to or less than 1.5 milligrams of oxygen per hour per gram of total solids (dry weight basis) at a temperature of 20 degrees Celsius.
- Alternative 5 - Sewage sludge shall be treated in an aerobic process for 14 days or longer. During that time, the temperature of the sewage sludge shall be higher than 40 degrees Celsius and the average temperature of the sewage sludge shall be higher than 45 degrees Celsius.
- Alternative 6 - The pH of sewage sludge shall be raised to 12 or higher by alkali addition and, without the addition of more alkali shall remain at 12 or higher for two hours and then remain at a pH of 11.5 or higher for an additional 22 hours at the time the sewage sludge is prepared for sale or given away in a bag or other container.
- Alternative 7 - The percent solids of sewage sludge that does not contain unstabilized solids generated in a primary wastewater treatment process shall be equal to or greater than 75 percent based on the moisture content and total solids prior to mixing with other materials. Unstabilized solids are defined as organic materials in sewage sludge that have not been treated in either an aerobic or anaerobic treatment process.
- Alternative 8 - The percent solids of sewage sludge that contains unstabilized solids generated in a primary wastewater treatment process shall be equal to or greater than 90 percent based on the moisture content and total solids prior to mixing with other materials at the time the sludge is used. Unstabilized solids are defined as organic materials in sewage sludge that have not been treated in either an aerobic or anaerobic treatment process.
- Alternative 9 -
- i. Sewage sludge shall be injected below the surface of the land.
 - ii. No significant amount of the sewage sludge shall be present on the land surface within one hour after the sewage sludge is injected.
 - iii. When sewage sludge that is injected below the surface of the land is Class A with

respect to pathogens, the sewage sludge shall be injected below the land surface within eight hours after being discharged from the pathogen treatment process.

Alternative 10-

- i. Sewage sludge applied to the land surface or placed on a surface disposal site shall be incorporated into the soil within six hours after application to or placement on the land.
- ii. When sewage sludge that is incorporated into the soil is Class A with respect to pathogens, the sewage sludge shall be applied to or placed on the land within eight hours after being discharged from the pathogen treatment process.

C. Monitoring Requirements

- Toxicity Characteristic Leaching Procedure (TCLP) Test - once during the term of this permit
- PCBs - once during the term of this permit

All metal constituents and fecal coliform or Salmonella sp. bacteria shall be monitored at the appropriate frequency shown below, pursuant to 30 TAC § 312.46(a)(1):

<u>Amount of sewage sludge (*) metric tons per 365-day period</u>	<u>Monitoring Frequency</u>
0 to less than 290	Once/Year
290 to less than 1,500	Once/Quarter
1,500 to less than 15,000	Once/Two Months
15,000 or greater	Once/Month

() The amount of bulk sewage sludge applied to the land (dry weight basis).*

Representative samples of sewage sludge shall be collected and analyzed in accordance with the methods referenced in 30 TAC § 312.7

SECTION II. REQUIREMENTS SPECIFIC TO BULK SEWAGE SLUDGE FOR APPLICATION TO THE LAND MEETING CLASS A or B PATHOGEN REDUCTION AND THE CUMULATIVE LOADING RATES IN TABLE 2, OR CLASS B PATHOGEN REDUCTION AND THE POLLUTANT CONCENTRATIONS IN TABLE 3

For those permittees meeting Class A or B pathogen reduction requirements and that meet the cumulative loading rates in Table 2 below, or the Class B pathogen reduction requirements and contain concentrations of pollutants below listed in Table 3, the following conditions apply:

A. Pollutant Limits

Table 2

<u>Pollutant</u>	<u>Cumulative Pollutant Loading Rate (pounds per acre)*</u>
Arsenic	36
Cadmium	35
Chromium	2677
Copper	1339
Lead	268
Mercury	15
Molybdenum	Report Only
Nickel	375
Selenium	89
Zinc	2500

Table 3

<u>Pollutant</u>	<u>Monthly Average Concentration (milligrams per kilogram)*</u>
Arsenic	41
Cadmium	39
Chromium	1200
Copper	1500
Lead	300
Mercury	17
Molybdenum	Report Only
Nickel	420
Selenium	36
Zinc	2800

*Dry weight basis

B. Pathogen Control

All bulk sewage sludge that is applied to agricultural land, forest, a public contact site, a reclamation site, shall be treated by either Class A or Class B pathogen reduction requirements as defined above in Section I.B.3.

C. Management Practices

1. Bulk sewage sludge shall not be applied to agricultural land, forest, a public contact site, or a reclamation site that is flooded, frozen, or snow-covered so that the bulk sewage sludge enters a wetland or other waters in the State.
2. Bulk sewage sludge not meeting Class A requirements shall be land applied in a manner which complies with the Management Requirements in accordance with 30 TAC Section 312.44.
3. Bulk sewage sludge shall be applied at or below the agronomic rate of the cover crop.
4. An information sheet shall be provided to the person who receives bulk sewage sludge sold or given away. The information sheet shall contain the following information:
 - a. The name and address of the person who prepared the sewage sludge that is sold or given away in a bag or other container for application to the land.
 - b. A statement that application of the sewage sludge to the land is prohibited except in accordance with the instruction on the label or information sheet.
 - c. The annual whole sludge application rate for the sewage sludge application rate for the sewage sludge that does not cause any of the cumulative pollutant loading rates in Table 2 above to be exceeded, unless the pollutant concentrations in Table 3 found in Section II above are met.

D. Notification Requirements

1. If bulk sewage sludge is applied to land in a State other than Texas, written notice shall be provided prior to the initial land application to the permitting authority for the State in which the bulk sewage sludge is proposed to be applied. The notice shall include:
 - a. The location, by street address, and specific latitude and longitude, of each land application site.
 - b. The approximate time period bulk sewage sludge will be applied to the site.
 - c. The name, address, telephone number, and National Pollutant Discharge Elimination System permit number (if appropriate) for the person who will apply the bulk sewage sludge.
2. The permittee shall give 180 days prior notice to the Executive Director in care of the Wastewater Permitting Section (MC 148) of the Water Quality Division of any change planned in the sewage sludge disposal practice.

E. Record keeping Requirements

The sludge documents will be retained at the facility site and/or shall be readily available for review by a TCEQ representative. The person who prepares bulk sewage sludge or a sewage sludge material shall develop the following information and shall retain the information at

the facility site and/or shall be readily available for review by a TCEQ representative for a period of five years. If the permittee supplies the sludge to another person who land applies the sludge, the permittee shall notify the land applier of the requirements for record keeping found in 30 TAC Section 312.47 for persons who land apply.

1. The concentration (mg/kg) in the sludge of each pollutant listed in Table 3 above and the applicable pollutant concentration criteria (mg/kg), or the applicable cumulative pollutant loading rate and the applicable cumulative pollutant loading rate limit (lbs/ac) listed in Table 2 above.
2. A description of how the pathogen reduction requirements are met (including site restrictions for Class B sludges, if applicable).
3. A description of how the vector attraction reduction requirements are met.
4. A description of how the management practices listed above in Section II.C are being met.
5. The following certification statement:

"I certify, under penalty of law, that the applicable pathogen requirements in 30 TAC Section 312.82(a) or (b) and the vector attraction reduction requirements in 30 TAC Section 312.83(b) have been met for each site on which bulk sewage sludge is applied. This determination has been made under my direction and supervision in accordance with the system designed to ensure that qualified personnel properly gather and evaluate the information used to determine that the management practices have been met. I am aware that there are significant penalties for false certification including fine and imprisonment."

6. The recommended agronomic loading rate from the references listed in Section II.C.3. above, as well as the actual agronomic loading rate shall be retained.

The person who applies bulk sewage sludge or a sewage sludge material shall develop the following information and shall retain the information at the facility site and/or shall be readily available for review by a TCEQ representative indefinitely. If the permittee supplies the sludge to another person who land applies the sludge, the permittee shall notify the land applier of the requirements for record-keeping found in 30 TAC Section 312.47 for persons who land apply.

1. A certification statement that all applicable requirements (specifically listed) have been met, and that the permittee understands that there are significant penalties for false certification including fine and imprisonment. See 30 TAC Section 312.47(a)(4)(A)(ii) or 30 TAC Section 312.47(a)(5)(A)(ii), as applicable, and to the permittee's specific sludge treatment activities.
2. The location, by street address, and specific latitude and longitude, of each site on which sludge is applied.
3. The number of acres in each site on which bulk sludge is applied.
4. The date and time sludge is applied to each site.

5. The cumulative amount of each pollutant in pounds/acre listed in Table 2 applied to each site.
6. The total amount of sludge applied to each site in dry tons.

The above records shall be maintained on-site on a monthly basis and shall be made available to the Texas Commission on Environmental Quality upon request.

F. Reporting Requirements

The permittee shall report annually to the TCEQ Regional Office (MC Region 11) and Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division, by September 30 of each year the following information:

1. Results of tests performed for pollutants found in either Table 2 or 3 as appropriate for the permittee's land application practices.
2. The frequency of monitoring listed in Section I.C. which applies to the permittee.
3. Toxicity Characteristic Leaching Procedure (TCLP) results.
4. Identity of hauler(s) and TCEQ transporter number.
5. PCB concentration in sludge in mg/kg.
6. Date(s) of disposal.
7. Owner of disposal site(s).
8. Texas Commission on Environmental Quality registration number, if applicable.
9. Amount of sludge disposal dry weight (lbs/acre) at each disposal site.
10. The concentration (mg/kg) in the sludge of each pollutant listed in Table 1 (defined as a monthly average) as well as the applicable pollutant concentration criteria (mg/kg) listed in Table 3 above, or the applicable pollutant loading rate limit (lbs/acre) listed in Table 2 above if it exceeds 90% of the limit.
11. Level of pathogen reduction achieved (Class A or Class B).
12. Alternative used as listed in Section I.B.3.(a. or b.). Alternatives describe how the pathogen reduction requirements are met. If Class B sludge, include information on how site restrictions were met.
13. Vector attraction reduction alternative used as listed in Section I.B.4.
14. Annual sludge production in dry tons/year.
15. Amount of sludge land applied in dry tons/year.

16. The certification statement listed in either 30 TAC Section 312.47(a)(4)(A)(ii) or 30 TAC Section 312.47(a)(5)(A)(ii) as applicable to the permittee's sludge treatment activities, shall be attached to the annual reporting form.
17. When the amount of any pollutant applied to the land exceeds 90% of the cumulative pollutant loading rate for that pollutant, as described in Table 2, the permittee shall report the following information as an attachment to the annual reporting form.
 - a. The location, by street address, and specific latitude and longitude.
 - b. The number of acres in each site on which bulk sewage sludge is applied.
 - c. The date and time bulk sewage sludge is applied to each site.
 - d. The cumulative amount of each pollutant (i.e., pounds/acre) listed in Table 2 in the bulk sewage sludge applied to each site.
 - e. The amount of sewage sludge (i.e., dry tons) applied to each site.

The above records shall be maintained on a monthly basis and shall be made available to the Texas Commission on Environmental Quality upon request.

**SECTION III. REQUIREMENTS APPLYING TO ALL SEWAGE SLUDGE
DISPOSED IN A MUNICIPAL SOLID WASTE LANDFILL**

- A. The permittee shall handle and dispose of sewage sludge in accordance with 30 TAC Chapter 330 and all other applicable state and federal regulations to protect public health and the environment from any reasonably anticipated adverse effects due to any toxic pollutants that may be present. The permittee shall ensure that the sewage sludge meets the requirements in 30 TAC Chapter 330 concerning the quality of the sludge disposed in a municipal solid waste landfill.
- B. If the permittee generates sewage sludge and supplies that sewage sludge to the owner or operator of a Municipal Solid Waste Landfill (MSWLF) for disposal, the permittee shall provide to the owner or operator of the MSWLF appropriate information needed to be in compliance with the provisions of this permit.
- C. The permittee shall give 180 days prior notice to the Executive Director in care of the Wastewater Permitting Section (MC 148) of the Water Quality Division of any change planned in the sewage sludge disposal practice.
- D. Sewage sludge shall be tested once during the term of this permit in accordance with the method specified in both 40 CFR Part 261, Appendix II and 40 CFR Part 268, Appendix I (Toxicity Characteristic Leaching Procedure) or other method, which receives the prior approval of the TCEQ for contaminants listed in Table 1 of 40 CFR Section 261.24. Sewage sludge failing this test shall be managed according to RCRA standards for generators of hazardous waste, and the waste's disposition must be in accordance with all applicable requirements for hazardous waste processing, storage, or disposal.

Following failure of any TCLP test, the management or disposal of sewage sludge at a facility other than an authorized hazardous waste processing, storage, or disposal facility shall be prohibited until such time as the permittee can demonstrate the sewage sludge no longer exhibits the hazardous waste toxicity characteristics (as demonstrated by the results of the TCLP tests). A written report shall be provided to both the TCEQ Registration and Reporting Section (MC 129) of the Permitting and Remediation Support Division and the Regional Director (MC Region 11) of the appropriate TCEQ field office within 7 days after failing the TCLP Test.

The report shall contain test results, certification that unauthorized waste management has stopped and a summary of alternative disposal plans that comply with RCRA standards for the management of hazardous waste. The report shall be addressed to: Director, Permitting and Remediation Support Division (MC 129), Texas Commission on Environmental Quality, P. O. Box 13087, Austin, Texas 78711-3087. In addition, the permittee shall prepare an annual report on the results of all sludge toxicity testing. This annual report shall be submitted to the TCEQ Regional Office (MC Region 11) and the Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division by September 30 of each year.

- E. Sewage sludge shall be tested as needed, in accordance with the requirements of 30 TAC Chapter 330.
- F. Record keeping Requirements

The permittee shall develop the following information and shall retain the information for five years.

1. The description (including procedures followed and the results) of all liquid Paint Filter Tests performed.
2. The description (including procedures followed and results) of all TCLP tests performed.

The above records shall be maintained on-site on a monthly basis and shall be made available to the Texas Commission on Environmental Quality upon request.

G. Reporting Requirements

The permittee shall report annually to the TCEQ Regional Office (MC Region 11) and Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division by September 30 of each year the following information:

1. Toxicity Characteristic Leaching Procedure (TCLP) results.
2. Annual sludge production in dry tons/year.
3. Amount of sludge disposed in a municipal solid waste landfill in dry tons/year.
4. Amount of sludge transported interstate in dry tons/year.
5. A certification that the sewage sludge meets the requirements of 30 TAC Chapter 330 concerning the quality of the sludge disposed in a municipal solid waste landfill.
6. Identity of hauler(s) and transporter registration number.
7. Owner of disposal site(s).
8. Location of disposal site(s).
9. Date(s) of disposal.

The above records shall be maintained on-site on a monthly basis and shall be made available to the Texas Commission on Environmental Quality upon request.

SPECIAL PROVISIONS:

1. This permit is granted subject to the policy of the Commission to encourage the development of areawide waste collection, treatment and disposal systems. The Commission reserves the right to amend this permit in accordance with applicable procedural requirements to require the system covered by this permit to be integrated into an areawide system, should such be developed; to require the delivery of the wastes authorized to be collected in, treated by or discharged from said system, to such areawide system; or to amend this permit in any other particular to effectuate the Commission's policy. Such amendments may be made when the changes required are advisable for water quality control purposes and are feasible on the basis of waste treatment technology, engineering, financial, and related considerations existing at the time the changes are required, exclusive of the loss of investment in or revenues from any then existing or proposed waste collection, treatment or disposal system.
2. The permittee shall employ or contract with one or more licensed wastewater treatment facility operators or wastewater system operations companies holding a valid license or registration according to the requirements of 30 TAC Chapter 30, Occupational Licenses and Registrations and in particular 30 TAC Chapter 30, Subchapter J, Wastewater Operators and Operations Companies.

This Category C facility must be operated by a chief operator or an operator holding a Category C license or higher. The facility must be operated a minimum of five days per week by the licensed chief operator or an operator holding the required level of license or higher. The licensed chief operator or operator holding the required level of license or higher must be available by telephone or pager seven days per week. Where shift operation of the wastewater treatment facility is necessary, each shift which does not have the on-site supervision of the licensed chief operator must be supervised by an operator in charge who is licensed not less than one level below the category for the facility.

3. The permittee shall maintain and operate the treatment facility in order to achieve optimum efficiency of treatment capability. This shall include required monitoring of effluent flow and quality as well as appropriate grounds and building maintenance.
4. The permittee shall comply with the requirements of 30 TAC Section 309.13 (a) through (d). In addition, by ownership of the required buffer zone area, the permittee shall comply with the requirements of 30 TAC Section 309.13(e).
5. The permittee shall provide facilities for the protection of its wastewater treatment facilities from a 100-year flood.
6. The permittee shall maintain a long term contract with the owner(s) of the land application site which is authorized for use in this permit, or own the land authorized for land application of treated effluent.
7. The permittee shall either plug public water supply wells identified as G2270168A and G2270168B or shall maintain a minimum buffer of 500 feet between the irrigation fields and these wells.
8. The permittee shall monitor the physical condition of the land application fields on a weekly basis. Any areas with problems such as surface runoff, surficial erosion, stressed or damaged vegetation, etc., will be recorded in the field log kept onsite and corrective measures will be implemented within 24 hours of discovery.

9. Irrigation practices shall be designed and managed so as to prevent ponding of effluent or contamination of ground and surface waters, and to prevent the occurrence of nuisance conditions in the area. Turf grasses, native trees, and golf course grasses shall be established and well maintained in the irrigation area throughout the year for effluent and nutrient uptake by the crop and to prevent pathways for effluent surfacing. Tailwater control facilities shall be provided as necessary to prevent the discharge of any effluent from the irrigated land.
10. Irrigation with effluent shall be accomplished only when the area specified is not in use.
11. Permanent transmission lines shall be installed from the holding pond to each tract of land to be irrigated utilizing effluent from that pond.
12. The permittee shall erect adequate signs stating that the irrigation water is from a non-potable water supply for any area where treated effluent is stored or where there exist hose bibs or faucets. Signs shall consist of a red slash superimposed over the international symbol for drinking water accompanied by the message "DO NOT DRINK THE WATER" in both English and Spanish. All piping transporting the effluent shall be clearly marked with these same signs.
13. Holding or storage ponds shall conform to the design criteria for stabilization ponds with regard to construction and levee design and shall maintain a minimum freeboard of two feet according to 30 TAC Chapter 217, Design Criteria for Wastewater Treatment Systems.
14. The facility overlies the recharge zone of a major aquifer as designated by the Texas Water Development Board. Facilities for the retention or storage of treated or untreated wastewater, such as constructed wetlands, ponds and lagoons, shall be adequately lined to control seepage. The liner shall meet the requirements in 30 TAC § 217.203, Design Criteria for Natural Treatment Facilities and 30 TAC § 309.13(d), related to Unsuitable Site Characteristics.

The permittee shall furnish certification signed and sealed by a Texas Licensed Professional Engineer that the completed pond lining for the Storage Pond meets the appropriate criteria above prior to use of the facilities. The certification shall be submitted to the TCEQ Regional Office (MC Region 11), Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division, Water Quality Assessment Team (MC 150) and Wastewater Permitting Section (MC 148) of the Water Quality Division.

15. Prior to construction of the wastewater treatment facilities for each phase, the permittee shall submit to the TCEQ Wastewater Permitting Section (MC 148) of the Water Quality Division, a summary transmittal letter according to the requirements in 30 TAC Section 217.6(c). If requested by the Wastewater Permitting Section, the permittee shall submit plans, specifications and a final engineering design report which comply with the requirements of 30 TAC Chapter 217, Design Criteria for Wastewater Treatment Systems. The permittee shall clearly show how the treatment system will meet the final permitted effluent limitations required on Page 2 of the permit.
16. Reporting requirements according to 30 TAC Sections 319.1-319.11, and any additional effluent reporting requirements contained in this permit are suspended from the effective date of the permit until plant startup or discharge, whichever occurs first, from the facility

described by this permit. The permittee shall provide written notice to the TCEQ Regional Office (MC Region 11) and the Applications Review and Processing Team (MC 148) of the Water Quality Division at least forty-five (45) days prior to plant startup or anticipated discharge, whichever occurs first and prior to completion of each additional phase on Notification of Completion Form 20007.

17. The permittee shall notify the TCEQ Regional Office (MC Region 11) and the Applications Review and Processing Team (MC 148) of the Water Quality Division in writing at least forty-five (45) days prior to the completion of each phase on Notification of Completion Form 20007.

Subsurface Area Drip Dispersal System Irrigation

18. Application rates shall not exceed 0.1 gallons per square foot per day. The permittee is responsible for providing equipment to determine the application rate and for maintaining accurate records of the volume of effluent applied. According to the requirements of 30 TAC Section 222.161(d), the permittee shall maintain records documenting all activities associated with maintaining the vegetative cover, like planting, over-seeding, mowing height, fertilizing, and harvesting. These records shall be maintained for a minimum of five years and be made available to TCEQ staff upon request.
19. The permittee shall maintain Bermuda grass overseeded with perennial rye grass on the disposal sites. The irrigated crops shall be established and well maintained to provide year-round vegetative growth for effluent and nutrient uptake by the crop and to prevent pathways for effluent surfacing.
20. Based on the requirements of 30 TAC Section 222.151, the subsurface drip irrigation system shall be designed and managed so as to prevent seepage or percolation out of the root zone, other than leaching in the amount required to maintain the health of the vegetative cover. Surfacing and ponding is prohibited. Creating a condition at the treatment facility or the drip dispersal zones that contributes to vector attraction or odor is prohibited.
21. According to the requirements of 30 TAC Section 222.81(a), the permittee shall locate the subsurface area drip dispersal system a minimum horizontal distance of 100 feet from surface waters in the state. The permittee shall locate the subsurface area drip dispersal system a minimum horizontal distance of 500 feet from public water wells, springs, or other similar sources of public drinking water and 150 feet from private water wells as described in 30 TAC Section 309.13(c)(1). The permittee shall not locate a subsurface area drip dispersal system within a floodway according to the requirements of 30 TAC Section 222.81(d).
22. Any recharge feature uncovered by construction activities shall be addressed by the permittee in an updated and certified Recharge Feature Plan (RFP). The RFP must include the best management practices implemented that will prevent impact to recharge features from wastewater application and prevent groundwater contamination. The updated certified RFP shall be submitted to the TCEQ Water Quality Assessment Team (MC-150) and the TCEQ Region 11 Office (MC Region 11) within 30 days of discovery of the new recharge feature.

23. The permittee shall obtain representative soil samples from the root zones of the land application area. Composite sampling techniques shall be used. Each composite sample shall represent no more than 40 acres with no less than two soil cores per drip zone. Subsamples shall be composited by like sampling depth, type of crop and soil type for analysis and reporting. Soil types are soils that have like topsoil or plow layer textures. These soils shall be sampled individually from 0 to 12 inches, and 12 to 24 inches below ground level. The permittee shall sample and analyze soils in December to February of each year. Soil samples shall be analyzed within 30 days of procurement.

Samples shall be analyzed according to the following table:

Parameter	Method	Minimum Analytical Level (MAL)	Reporting units
pH	2:1 (v/v) water to soil mixture	0.1	Standard units
Electrical Conductivity	2:1 (v/v) water to soil mixture	0.01	dS/m (same as mmho/cm)
Nitrate-nitrogen	From a 1 N KCl soil extract	1	mg/kg (dry weight basis) ¹
Total Kjeldahl Nitrogen (TKN)	For determination of Organic plus Ammonium Nitrogen. Procedures that use Mercury (Hg) are not acceptable.	20	mg/kg (dry weight basis)
Total Nitrogen	= TKN plus Nitrate-nitrogen		mg/kg (dry weight basis)
Plant-available: Phosphorus	Mehlich-III with inductively coupled plasma	1	mg/kg (dry weight basis)
Plant-available: Potassium (K) Calcium (Ca) Magnesium (Mg) Sodium (Na) Sulfur (S)	May be determined in the same Mehlich III extract with inductively coupled plasma	5 (K) 10 (Ca) 5 (Mg) 10 (Na) 1 (S)	mg/kg (dry weight basis)

A copy of this soil testing plan shall be provided to the analytical laboratory prior to sample analysis. The permittee shall submit the results of the annual soil sample analyses with copies of the laboratory reports, with a map depicting the permanent sampling fields to the

TCEQ Water Quality Assessment Team (MC 150), the Regional Office (MC Region 11), and the Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division, no later than September 1st of each sampling year. If wastewater is not applied in a particular year, the permittee shall notify the same TCEQ offices and indicate that wastewater has not been applied on the approved land irrigation site(s) during that year.

24. The permittee shall maintain a minimum rootable soil depth below the drip irrigation lines of 12 inches. The drip irrigation lines shall be installed at least 6 inches below ground level. If imported soils are utilized, the permittee shall submit no later than 90 days prior to construction to the TCEQ Water Quality Assessment Team (MC 150) and the Wastewater Permitting Section (MC 148) of the Water Quality Division a plan for review/revision and approval describing how the imported soils will be incorporated into the native soils and how soil erosion will be prevented in the affected areas.
25. The permittee shall dose the drip zones a minimum of three times in a 24-hour period with sufficient rest times between dosings to prevent seepage or surfacing.
26. Emitters and tubing spacing must be on not less than one-foot centers and on not greater than three-foot centers. The subsurface area drip dispersal system must utilize a PC-based drip irrigation system, capable of remote management, with audible and visual alarms that will activate in case of a problem with the system.
27. The permittee shall ensure that the velocity of the flush water shall be at least two feet per second at the end of each dispersal zone or return line during the flushing operations.
28. Drip irrigation lines shall be installed on the contour and lateral slopes of the tubing shall not exceed 1 percent. The permittee can apply for a variance to this provision by providing justification in the detailed design criteria per Chapter 222 indicating how uneven application of effluent due to back draining will be avoided. The permittee shall notify the TCEQ Region 11 office 30 days prior to installation of the drip lines.
29. The subsurface drip irrigation system shall consist of a sufficient number of different dispersal zones. In the event of effluent surfacing due to damage to the drip irrigation lines, effluent application shall be shut-off to the drip irrigation zone and public access to the zone shall be restricted.
30. Each dispersal zone shall have at least one moisture sensing device placed at 12 inches below the drip lines in the topographic low of each zone that will automatically shut off irrigation to the zone when the soil becomes saturated.
31. The permittee shall design and install temporary storage that equals at least three days of the design flow of the facility for times when the subsurface area drip dispersal system is out of service due to an emergency or scheduled maintenance. In addition, the permittee shall pump and haul wastewater from the facility to prevent the discharge of treated or untreated wastewater if complete shutdown of the wastewater treatment facility becomes necessary or if the storage capacity is exceeded.
32. The permittee shall use cultural practices to promote and maintain the health and propagation of the common Bermuda grass (warm season) and ryegrass (cool season) grass crops and avoid plant lodging. The permittee shall harvest the crops (cut and remove it from

the field) at least one time during the year. Harvesting and mowing dates shall be recorded in a log book kept on site to be made available to TCEQ personnel upon request.

33. Berms or other diversion devices shall be constructed to prevent run-on to the dispersal zones. The dispersal zones must be designed with linear and convex slopes to encourage run-off.
34. Subsurface area drip irrigation shall not be effected on areas with slopes greater than 30 percent.
35. Permanent transmission lines shall be installed from the treatment system to each drip irrigation zone of the subsurface drip irrigation system. According to 30 TAC Section 222.153, the permittee shall flush the subsurface area drip dispersal system from the dispersal zone and return the flush water to a point preceding the treatment system at least once every two months.
36. Prior to construction of the subsurface area drip dispersal system, the permittee shall submit to the TCEQ Wastewater Permitting Section (MC148) of the Water Quality Division an engineering report, including plans and specifications, that meets the requirements in 30 TAC Chapter 222, Subsurface Drip Dispersal Systems, Subchapter D: Design Criteria.
37. According to 30 TAC Section 222.163, Closure Requirements, the permittee shall close the system under the standards set forth in this section.
38. According to the requirements of 30 TAC Section 222.43, the permittee shall notify the TCEQ Regional Office (MC Region 11) for each of the following activities:
 - a. At least 30 days prior to the date the field layout and/or construction startup is scheduled to begin for the proposed subsurface drip irrigation system.
 - b. At least 30 days prior to the date that construction is projected to be complete.
 - c. Within 30 days after operation of the proposed subsurface drip irrigation system.
 - d. If soils are imported, at least 30 days prior to completion of the soil importing project.
39. According to the requirements of 30 TAC Section 222.45, the permittee shall submit a copy of the issued permit to the health department with jurisdiction in the area where the system is located before commencing operation of the proposed subsurface drip irrigation system. The permittee shall retain proof of delivery for the duration of the permit.

Over-Tree Irrigation

40. The permittee shall maintain native trees with grasses on the disposal sites. Application rates shall not exceed 3.92 acre-feet per acre per year. The permittee is responsible for providing equipment to determine application rates and maintaining accurate records of the volume of effluent applied. These records shall be made available for review by the Texas Commission on Environmental Quality and shall be maintained for at least three years.

41. All open areas between trees shall be planted with Bermuda grass and ryegrass. The permittee shall use cultural practices to promote and maintain the health and propagation of the common Bermuda grass (warm season) and rye grass (cool season) grass crops and avoid plant lodging. The permittee shall harvest the grass crops (cut and remove it from the field) at least one time during the year. Harvesting and mowing dates shall be recorded in a log book kept on site to be made available to TCEQ personnel upon request.
42. Effluent shall not be applied for irrigation during rainfall events or when the ground is frozen or saturated.
43. Berms or other diversion devices shall be constructed to prevent run-on to and runoff from the forested spray areas.
44. The permittee shall obtain representative soil samples from the root zones of the land application area. Composite sampling techniques shall be used. Each composite sample shall represent no more than 19 acres with no less than 15 subsamples representing each composite sample. Subsamples shall be composited by like sampling depth, type of crop and soil type for analysis and reporting. Soil types are soils that have like topsoil or plow layer textures. These soils shall be sampled individually from 0 to 6 inches, 6 to 18 inches, and 18 to 30 inches below ground level. The permittee shall sample and analyze soils in December to February of each year. Soil samples shall be analyzed within 30 days of procurement.

The permittee shall provide annual soil analyses of the land application area according to the following table:

Parameter	Method	Minimum Analytical Level (MAL)	Reporting units
pH	2:1 (v/v) water to soil mixture	0.1	Standard units
Electrical Conductivity	Obtained from the SAR water saturated paste extract	0.01	dS/m (same as mmho/cm)
Nitrate-nitrogen	From a 1 N KCl soil extract	1	mg/kg (dry weight basis)
Total Kjeldahl Nitrogen (TKN)	For determination of Organic plus Ammonium Nitrogen. Procedures that use Mercury (Hg) are not acceptable.	20	mg/kg (dry weight basis)
Total Nitrogen	= TKN plus Nitrate-nitrogen		mg/kg (dry weight basis)

Plant-available: Phosphorus	Mehlich III with inductively coupled plasma	1	mg/kg (dry weight basis)
Plant-available: Potassium (K) Calcium (Ca) Magnesium (Mg) Sodium (Na) Sulfur (S)	May be determined in the same Mehlich III extract with inductively coupled plasma	5 (K) 10 (Ca) 5 (Mg) 10 (Na) 1 (S)	mg/kg (dry weight basis)
Water-soluble: Sodium (Na) Calcium (Ca) Magnesium (Mg)	Obtained from the SAR water saturated paste extract	1 (Na) 1 (Ca) 1 (Mg)	Water soluble constituents are reported in mg/L
Sodium Adsorption Ratio (SAR)	$SAR = \frac{Na}{\sqrt{\frac{(Ca + Mg)}{2}}}$		Express concentrations of Na, Ca and Mg in the water saturated paste extract in milliequivalents/liter (meq/L) to calculate the SAR. The SAR value is unit less. If the SAR is greater than 10, amendments (e.g., gypsum) shall be added to the soil to adjust the SAR to less than 10.
Amendment addition, e.g., gypsum	Recommendation from analytical laboratory		Report in short tons/acre in the year effected

A copy of this soil testing plan shall be provided to the analytical laboratory prior to sample analysis. The permittee shall submit the results of the annual soil sample analyses with copies of the laboratory reports with a map depicting the permanent sampling fields to the TCEQ Water Quality Assessment Team (MC 150), the Regional Office (MC Region 11) and the Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division, no later than the end of September of each sampling year. If wastewater is not applied in a particular year, the permittee shall notify the same TCEQ offices and indicate that wastewater has not been applied on the approved land irrigation site(s) during that year.

- 45. Spray irrigation shall not be effected on areas with slopes greater than 12 percent.
- 46. Overtree spray shall not be effected at wind speeds greater than 10 miles per hour. Overtree spray shall not be effected within 100 feet of the spray boundary and a habitable property. The spray operation shall be effected in such a way to keep spray drift from human contact.
- 47. Spray fixtures for the irrigation system shall be of such design that they cannot be operated by unauthorized personnel.

48. The permittee shall comply with buffer zone requirements of 30 TAC Section §309.13(c). A wastewater treatment plant unit and land application field must be located a minimum horizontal distance of 150 feet from a private well and a minimum horizontal distance of 500 feet from a public water well site as provided by §290.41(c)(1)(C) of this title, spring, or other similar sources of public drinking water.
49. The permittee shall submit an irrigation management plan (IMP) for the over-tree spray areas. This report shall be submitted for review/revision and approval to the Water Quality Assessment Team (MC 150), the Regional Office (MC Region 11) and the Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division within 90 days of permit issuance. No irrigation may be effected in the forested areas until this plan is approved. The IMP shall contain at a minimum a description of the sprinkler system and location of the tree irrigation areas; a dosing schedule; a construction schedule for the initial, intermediate and final phase of the sprinkler system; best management practices to control soil erosion and spray drift; and management of the tree growth. The permittee shall submit an annual report by the end of September with the above information including the most recent soil analysis results and assessment for the over-tree spray areas.

Surface Irrigation of Grasses and Golf Course Irrigation

50. The permittee shall maintain Bermuda grass and ryegrass on the disposal sites. Golf course grasses will include Bermuda, ryegrass, and other turf grasses. Application rates shall not exceed 3.92 acre-feet per acre per year. The permittee is responsible for providing equipment to determine application rates and maintaining accurate records of the volume of effluent applied. These records shall be made available for review by the Texas Commission on Environmental Quality and shall be maintained for at least three years.
51. The permittee shall comply with buffer zone requirements of 30 TAC Section §309.13(c). A wastewater treatment plant unit and land application field must be located a minimum horizontal distance of 150 feet from a private well and a minimum horizontal distance of 500 feet from a public water well site as provided by §290.41(c)(1)(C) of this title, spring, or other similar sources of public drinking water.
52. The permittee shall maintain minimum buffers of 100-feet between spray irrigation areas and waters in the state, including onsite creeks and ponds. The golf course shall be exempt from this buffer requirement. This permit does not authorize overspray from the irrigation areas into the creeks and ponds along the golf course, nor does it authorize any runoff into these waters in the state.
53. Effluent shall not be applied for irrigation during rainfall events or when the ground is frozen or saturated.
54. The permittee shall obtain representative soil samples from the root zones of the land application area. Composite sampling techniques shall be used. Each composite sample shall represent no more than 80 acres with no less than 15 subsamples representing each composite sample. Subsamples shall be composited by like sampling depth, type of crop and soil type for analysis and reporting. Soil types are soils that have like topsoil or plow layer textures. These soils shall be sampled individually from 0 to 6 inches, 6 to 18 inches, and 18 to 30 inches below ground level. The permittee shall sample and analyze soils in December to February of each year. Soil samples shall be analyzed within 30 days of procurement.

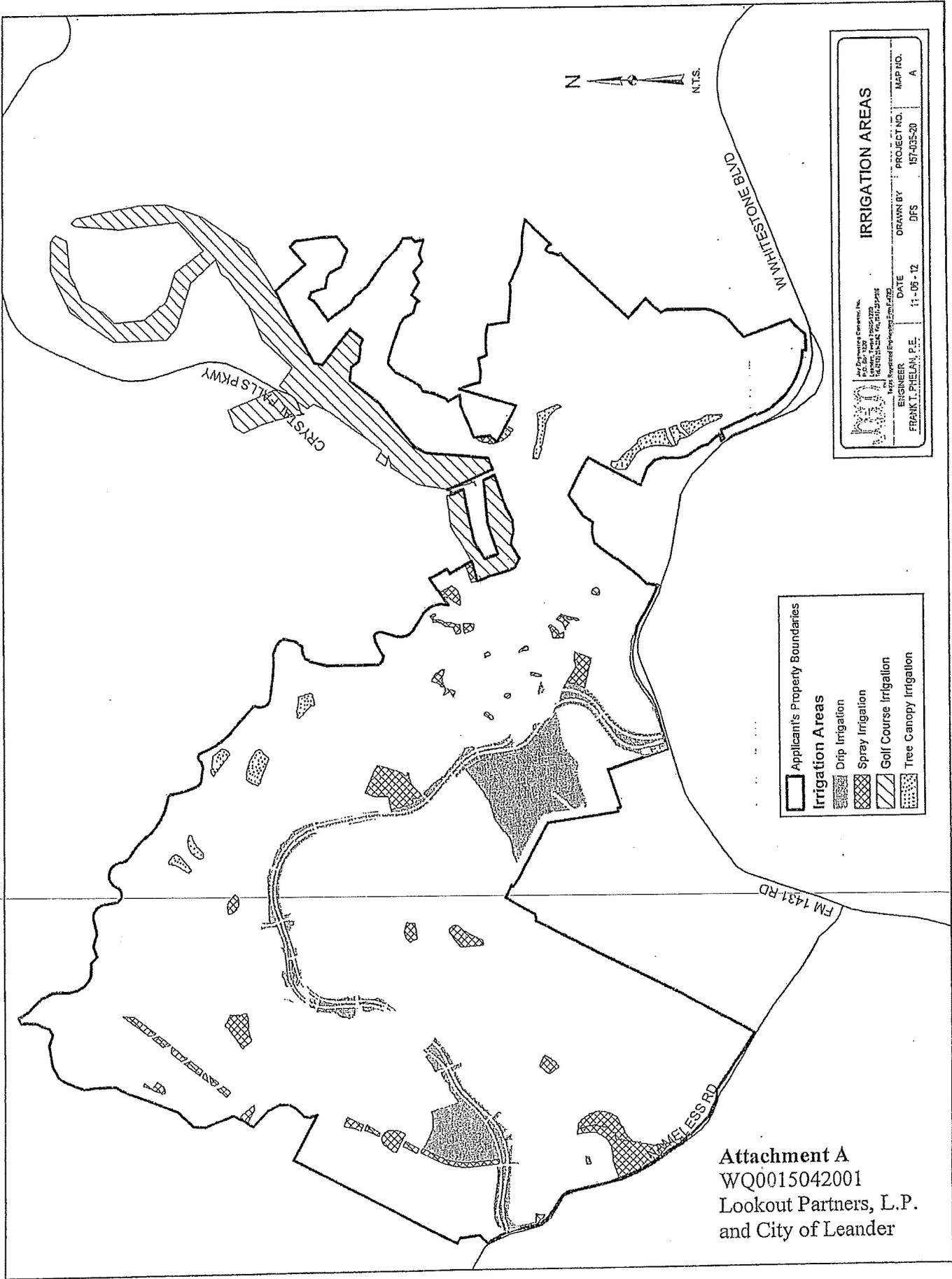
The permittee shall provide annual soil analyses of the land application area according to the following table:

Parameter	Method	Minimum Analytical Level (MAL)	Reporting units
pH	2:1 (v/v) water to soil mixture	0.1	Standard units
Electrical Conductivity	Obtained from the SAR water saturated paste extract	0.01	dS/m (same as mmho/cm)
Nitrate-nitrogen	From a 1 N KCl soil extract	1	mg/kg (dry weight basis)
Total Kjeldahl Nitrogen (TKN)	For determination of Organic plus Ammonium Nitrogen. Procedures that use Mercury (Hg) are not acceptable.	20	mg/kg (dry weight basis)
Total Nitrogen	= TKN plus Nitrate-nitrogen		mg/kg (dry weight basis)
Plant-available: Phosphorus	Mehlich III with inductively coupled plasma	1	mg/kg (dry weight basis)
Plant-available: Potassium (K) Calcium (Ca) Magnesium (Mg) Sodium (Na) Sulfur (S)	May be determined in the same Mehlich III extract with inductively coupled plasma	5 (K) 10 (Ca) 5 (Mg) 10 (Na) 1 (S)	mg/kg (dry weight basis)
Water-soluble: Sodium (Na) Calcium (Ca) Magnesium (Mg)	Obtained from the SAR water saturated paste extract	1 (Na) 1 (Ca) 1 (Mg)	Water soluble constituents are reported in mg/L
Sodium Adsorption Ratio (SAR)	$SAR = \frac{Na}{\sqrt{\frac{Ca + Mg}{2}}}$		Express concentrations of Na, Ca and Mg in the water saturated paste extract in milliequivalents/liter (meq/L) to calculate the SAR. The SAR value is unit less.

Sodium Adsorption Ratio (continued)			If the SAR is greater than 10, amendments (e.g., gypsum) shall be added to the soil to adjust the SAR to less than 10.
Amendment addition, e.g., gypsum	Recommendation from analytical laboratory		Report in short tons/acre in the year effected

A copy of this soil testing plan shall be provided to the analytical laboratory prior to sample analysis. The permittee shall submit the results of the annual soil sample analyses with copies of the laboratory reports with a map depicting the permanent sampling fields to the TCEQ Water Quality Assessment Team (MC 150), the Regional Office (MC Region 11) and the Water Quality Compliance Monitoring Team (MC 224) of the Enforcement Division, no later than the end of September of each sampling year. If wastewater is not applied in a particular year, the permittee shall notify the same TCEQ offices and indicate that wastewater has not been applied on the approved land irrigation site(s) during that year.

- 55. Spray fixtures for the irrigation system shall be of such design that they cannot be operated by unauthorized personnel.



IRRIGATION AREAS

J&J Engineering Company, Inc.
 P.O. Box 1529 78622-01529
 14000 Highway 291, Suite 200
 Houston, Texas 77058-4200
 www.jandjeng.com/eng

ENGINEER: **FRANK T. PHELAN, P.E.**
 DATE: 11-05-12
 DRAWN BY: DFS
 PROJECT NO.: 157-005-20
 MAP NO.: A

Applicant's Property Boundaries
Irrigation Areas
 Drip Irrigation
 Spray Irrigation
 Golf Course Irrigation
 Tree Canopy Irrigation

Attachment A
WQ0015042001
Lookout Partners, L.P.
and City of Leander

EXHIBIT 2

CRYSTAL FALLS WEST WASTEWATER TREATMENT PLANT DESIGN AND OPERATIONS OVERSIGHT

In the State of Texas the operation and maintenance of wastewater treatment plants is regulated by the Texas Commission on Environmental Quality (TCEQ). This State agency has the authority to review and grant new and renewal permits for plants, oversee the operation of the plants and issue fines if the operation of permitted facilities do not comply with the requirements of State law and the individual facility permits.

Operators of the facilities are licensed by the TCEQ to operate different types of public utilities. A facility permit issued by the TCEQ mandates the type and level of State operator's certification required to run the permitted facility. Operators are required to have specific amounts of experience and education to operate a given facility. Continuing education is also required for renewal of operators' licenses.

Permits issued by the TCEQ include the approved processes utilized for treatment and provisions governing the type and frequency of compliance testing necessary to demonstrate permit compliance. The provisions include the specific sampling and analysis protocols for identified parameters, reporting requirements and record keeping standards. Non-compliance notification requirements are detailed in the permit for violation or non-compliant condition events. The TCEQ receives and monitors all required reports (monthly, annual and episodic) and maintains an online database of results and violations and is available to the public at: <http://www.epa.gov/enviro/>. On the EPA website, click on Water under topic searches. In the PCS/ICIS search window enter Travis County and hit enter. Click on List and Map Facilities Reporting in This View. Select the City of Leander facility and click on the Detailed Report Link. The page contains facility information, permit tracking data, limits, measurements, violations and compliance schedules. Presently data is only available for the existing City plant on FM 2243 east of town. Data will be added for the Crystal Falls West facility once it is completed and placed on line.

The Crystal Falls West plant will be monitored continuously via a radio telemetry survey control and data acquisition (SCADA) system. Should any monitored alarm condition arise, the system will automatically alert operations staff 24-7. Critical equipment (such as lift stations) will also have local audible alarms and flashing red beacons. Alarm conditions are not cleared until they are acknowledged by operations staff. The plant and lift stations will also have redundant pump systems and redundant power supplies (via dedicated generator sets with automatic transfer switches) to provide backup systems should there be a critical equipment failure. SCADA systems will also have battery backups to ensure operator notification in the event of a combined power failure and a backup power system failure.

Should anyone detect an operational problem at the facility or with any other City of Leander utility system (odors, outages, spills, etc.) the City of Leander has 24-hour emergency crews on-call year-round and can be reached at 259-2640, or after hours through the Leander Police Department at 528-2800. Additionally, the TCEQ has an environmental complaints hotline (888)777-3186 that is routed automatically to the closest TCEQ regional office.

All wastewater plants are inspected by the TCEQ on a regular basis throughout the permit period. Onsite inspections include thorough documentation reviews, verification of licensure, and operational

compliance testing and process observation. Wastewater permits are issued for no more than five years before they must be renewed.

ODOR CONTROL

Design of wastewater treatment facilities for Crystal Falls West was performed in accordance with 30 TAC Chapter 309 and 217 and includes compliant provisions for odor control and mitigation. For the Crystal Falls West project, the facility location and design concept incorporated buffers and processes that minimized the potential for odor nuisance conditions. The selected treatment facility site utilizes natural buffers of creek beds, floodplains and LCRA buffer zones to the west, south and east to buffer the plant from adjacent properties. To the north the plant site will be buffered by an arterial road, the golf course and the proposed irrigation ponds. The site is located on the leeward side of a cliff in a low spot in the drainage basin, minimizing potential for windborne transmission of odors. The minimum buffer zone required by the TCEQ between treatment works and the nearest residential property is 150'. The proposed facility exceeds the minimum requirement by a factor of 8 with respect to the Grand Mesa subdivision, as the treatment works are more than 1,200' away from the closest lot in the subdivision.

Treatment processes such as anaerobic sludge digestion, flow equalization, and on-site sludge composting were specifically excluded from the design to minimize odor potential. Additionally design of collection system lift stations and forced mains minimized hydraulic detention times, negating odor controls. Regardless, odor controls have been added to the design of the lift stations to further reduce odor potential. Each station will be vented through an activated carbon filter that will absorb any odors produced within the station. The City of Leander has agreed to require the inclusion of a plat note on the final plat for the Crystal Falls, Section 1 subdivision that states there will not be any on-site sludge dewatering beyond digestion (such as pressing, or centrifugal dewatering), with all sludge liquid hauled from the site to an offsite facility for final processing and disposal. Tanker trucks used to haul the liquid sludge will access the plant via FM 1431 through Crystal Falls West; and will not use Goodnight Trail as a trucking route.

NOISE ABATEMENT

Aerated wastewater treatment plants utilize blower equipment to provide the necessary air for mixing and oxygen supply for treatment. Because of their size and the amount of work performed by blowers, they typically generate most of the noise produced at a treatment plant. To mitigate the noise produced by blowers in the Crystal Falls West project site location, plant configuration and blower selection were carefully considered to minimize potential nuisance noise conditions. The buffer zone considerations mentioned above aided in minimizing noise nuisance conditions by maximizing distances to residential structures and using natural vegetative and topographic buffers.

The plant configuration locates the blowers on the south-southeast side of the plant, placing the plant walls between the blowers and the established residential neighborhoods to the north. Additionally, a

masonry wall will be constructed on the east side of the plant that will act as a sound barrier. To the south is a cliff wall and to the west are large a wooded floodplain and LCRA buffer zone that will function as natural sound barriers. The blowers will be located under a concrete roofed blower shelter, with wooden paneled fencing sections along the south and east sides (not directly facing plant walls) which will further reduce sound levels. The blowers will also be fully enclosed in custom sound attenuating insulated enclosures. All lift station pumps/motors will be submersed in the lift station wet wells. Comparatively all other plant equipment and motors (such as gear drives, and fractional horsepower motors) do not generate any appreciable noise.

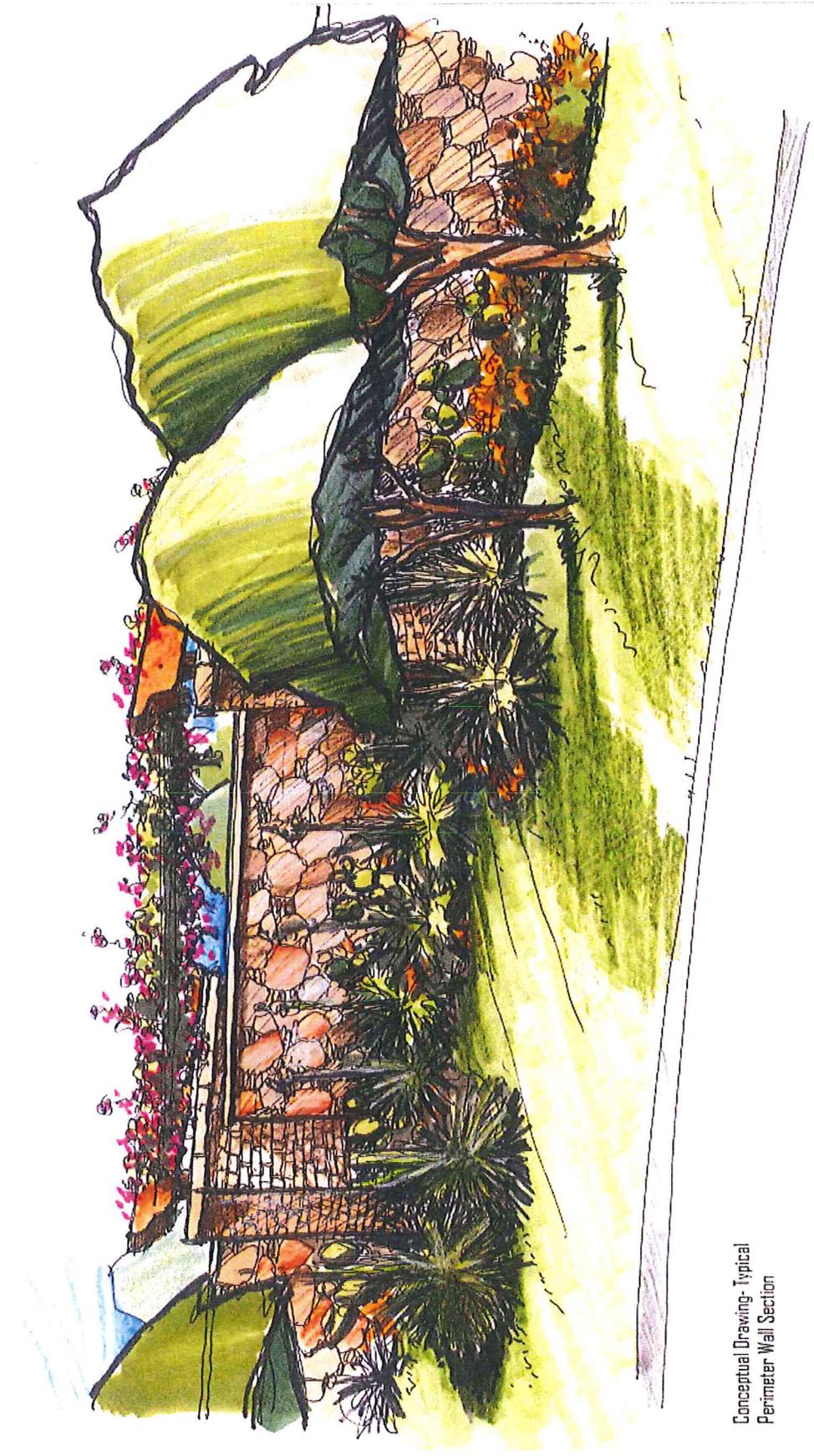
LIGHTING FIXTURES

The proposed plant will have several different types of lighting fixtures with a total combined wattage of less than 2,000 Watts. All fixtures are "dark sky" rated and comply with City of Leander ordinances because they have vertical cutoff optics that direct all illumination in a downward direction. Under normal operating conditions the plant will not be illuminated at night, with the exception of two 70-Watt security lights at the control building located at the southwest corner of the plant and three 150 watt area lights at the east and west end of the plant illuminating parking areas and the stairs up to the plant.

The looped driveway will have a total of five (5) 150-Watt high pressure sodium lights to provide illumination. The lights will be bronze colored and mounted on 15' tall bronze colored posts. One fixture will be installed at each of the two entry gates to provide driveway illumination at the gates. One fixture will be mounted near the access stairs at the head (east end) of the plant to illuminate access to the plant and a double fixture will be mounted near the other (west) end of the plant to illuminate the parking area and access to the plant. The area lights at the entrances will have photo cells and motion sensors, so they will only be lit at night when movement is detected at the site.

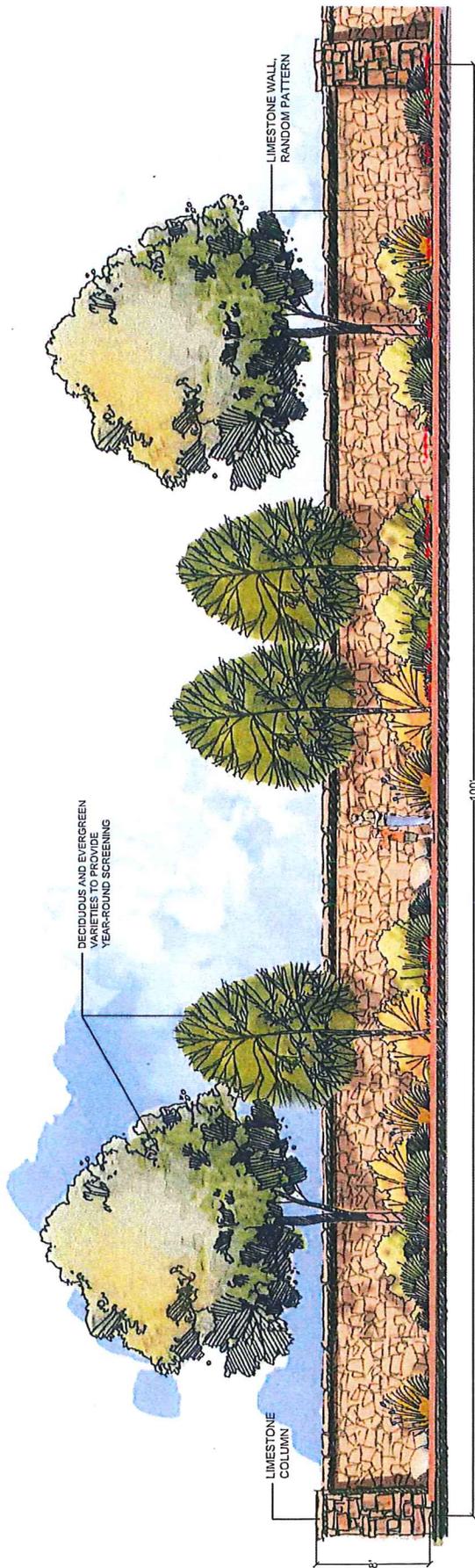
Under normal operating conditions, the plant will not be lit at night. Should an operator need to work on the plant at night (a rare occurrence) the plant can be illuminated with five (5) 38-Watt LED stanchion lights that will be switched at the access stairs to the plant. The stanchion lights will be mounted on poles along the catwalks and will have vertical cutoffs and hoods to direct light downward.

The underside of two equipment shelters will be lit with fluorescent fixtures. The plant lift station will have one double 40-Watt fluorescent fixture mounted under a shelter for the control panel. The blower shelter will have six double 40-Watt fluorescent fixtures mounted on the underside of the shelter roof to illuminate the equipment. These lights will be switched off during normal operating conditions.

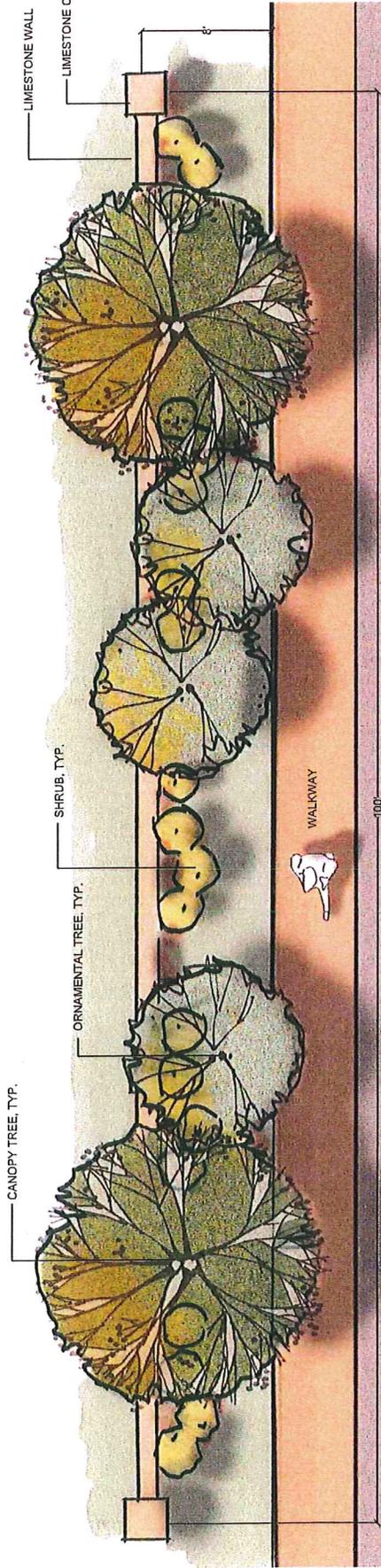


Conceptual Drawing- Typical
Perimeter Wall Section

EX. A-1



MASONRY WALL ELEVATION
Scale: 3/32" = 1'



PROTOTYPICAL LANDSCAPE TREATMENT PER 100 L.F.
Scale: 3/32" = 1'

TYPICAL PLANTING PER 100 L.F.
2 CANOPY TREES
3 ORNAMENTAL TREES
20 SHRUBS

EX. A-2

DURANGO HILLS WEST
PROTOTYPICAL MASONRY PERIMETER WALL
CRYSTAL FALLS WEST
LEANDER, TEXAS

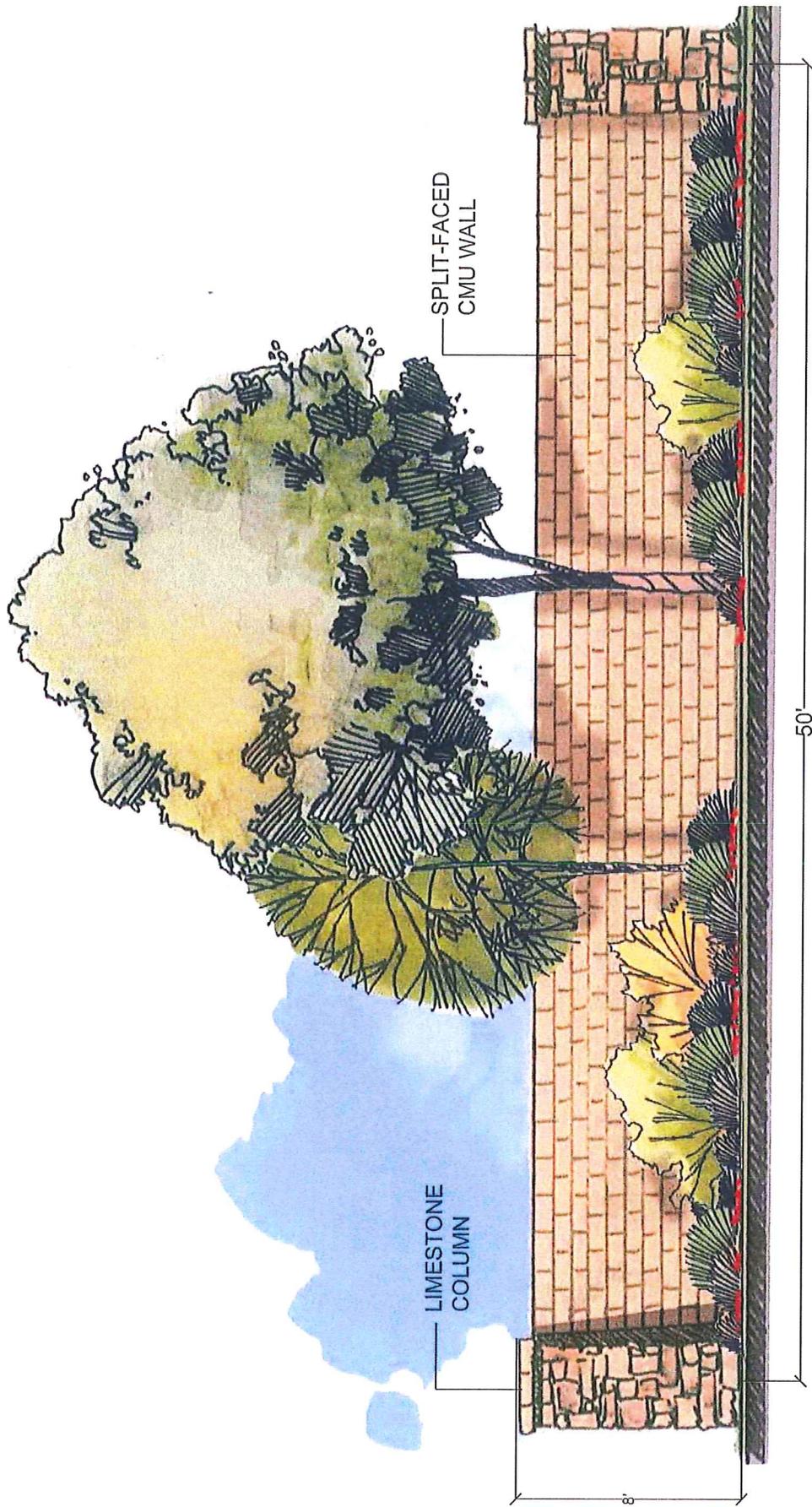
SEC Planning, LLC
Land Planning + Landscape Architecture + Community Branding



Date: February 5, 2013
SHEET FILE #13020721.DWG
Basic mapping compiled from best available information. All map data should be considered as preliminary, in need of verification, and subject to change. This land plan is conceptual in nature and does not represent any regulatory approval. Plan is subject to change.



EX. B



SPLIT-FACED
CMU WALL

LIMESTONE
COLUMN

50'

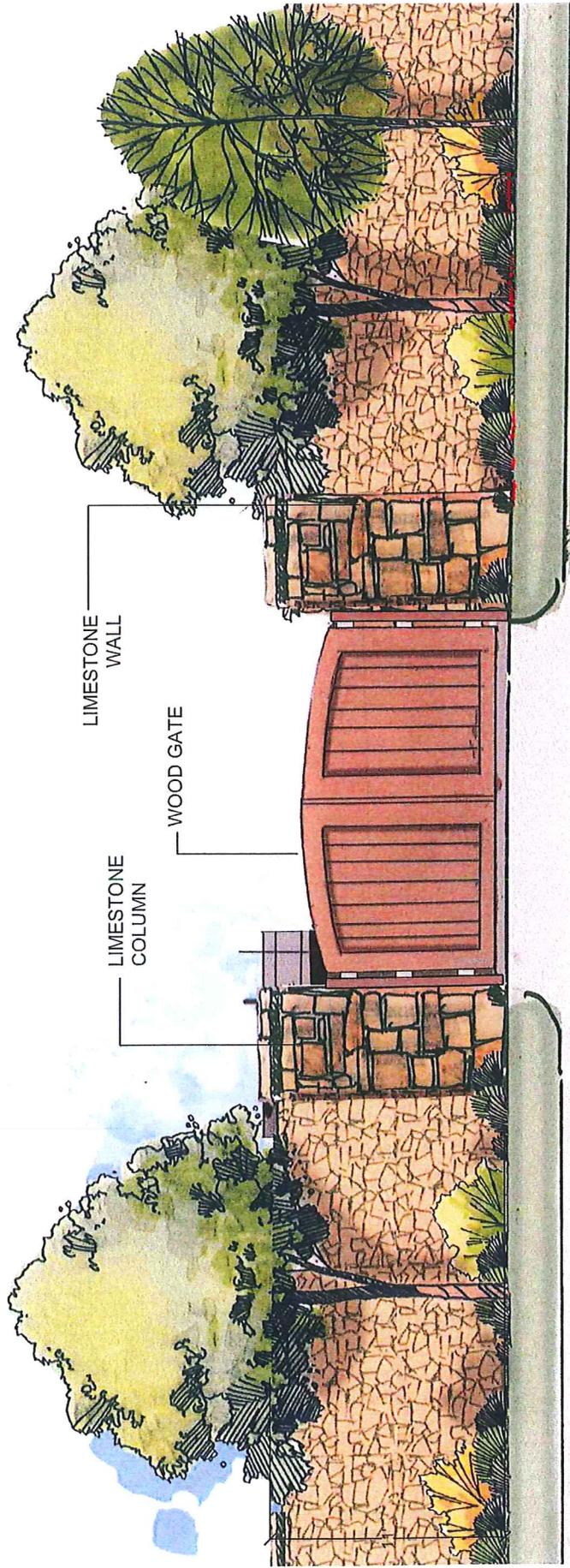
EX.C

PROTOTYPICAL SPLIT FACE CMU PERIMETER WALL
CRYSTAL FALLS WEST
LEANDER, TEXAS

Scale: 3/16" = 1'
Date: February 5, 2013
SHEET FILE: P:\2013\20130205\Crystal Falls West.dwg
Base mapping compiled from various sources. All map data should be considered as preliminary, in need of verification, and subject to change. This land plan is conceptual in nature and does not represent any regulatory approval. Plan is subject to change.

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ASSTON, TEXAS
1112 N. 20th St. • P.O. Box 2791
www.secplanning.com • 817.486.1111





LIMESTONE WALL

WOOD GATE

LIMESTONE COLUMN

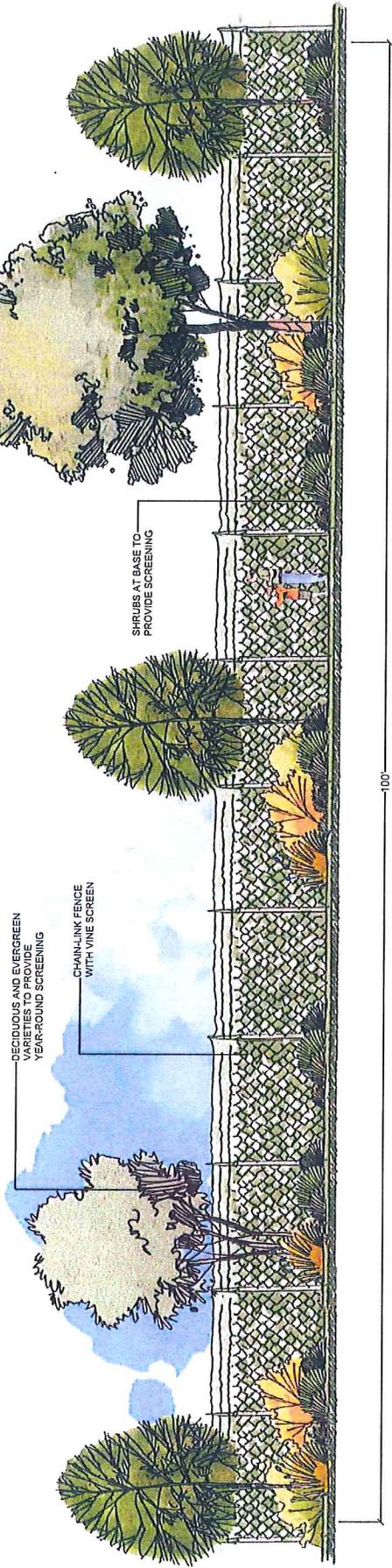
EX.D

TREATMENT PLANT PERIMETER WALL AND GATE
 CRYSTAL FALLS WEST
 LEANDER, TEXAS

Scale: 3/16" = 1'
 Date: February 5, 2013

SHEET FILE #1302013.L00000041.bw.dwg
 Basic message compiled from best available information. All map data should be considered as preliminary, in need of verification, and subject to change. This land plan is conceptual in nature and does not represent any regulatory approval. Plan is subject to change.

III



100'

TYPICAL PLANTING PER 100 L.F.
 2 CANOPY TREES
 3 ORNAMENTAL TREES
 20 SHRUBS

EX. E



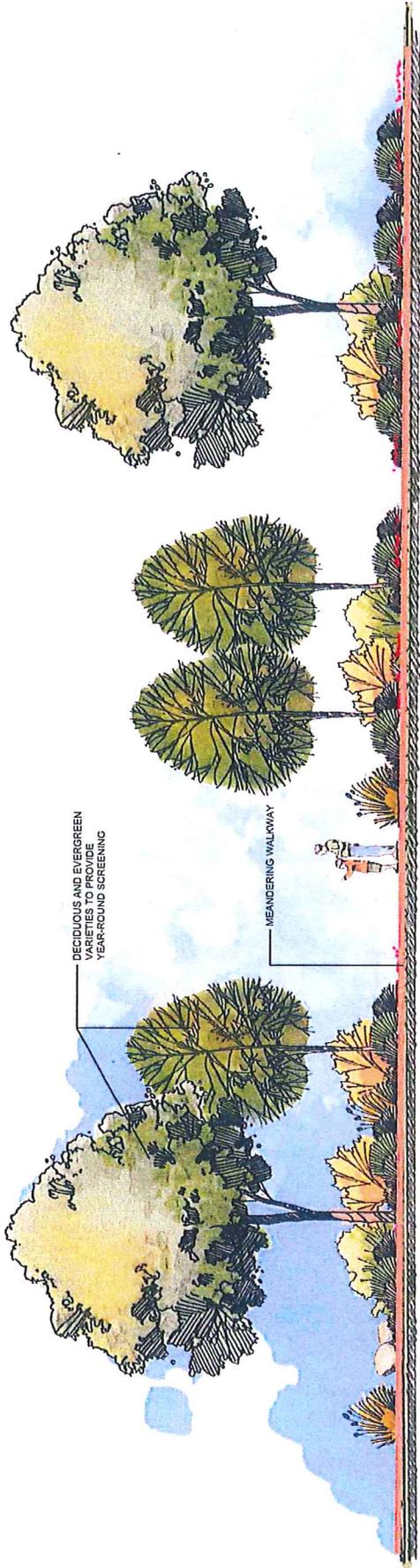
EX.F

CONCEPTUAL VIEW OF DURANGO HILLS
CRYSTAL FALLS WEST
LEANDER, TEXAS

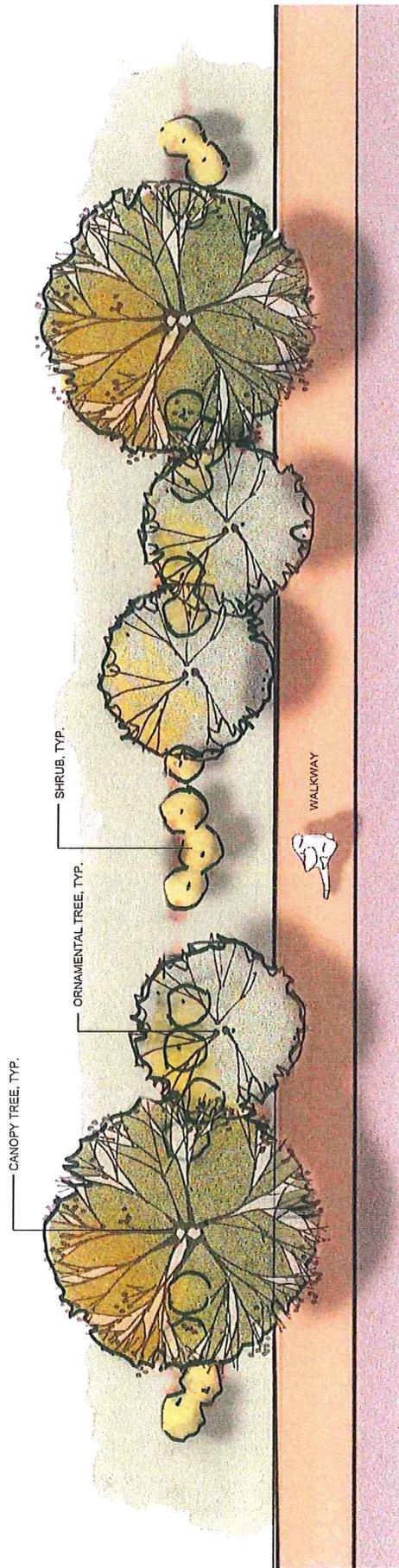
SEC Planning, LLC
Land Planning + Landscape Architecture + Community Branding
AUSTIN, TEXAS
1-817-251-2771
www.secplanning.com • www.secplanning.com

Date: February 5, 2013

SEC Planning, LLC is a registered professional engineering firm. Base mapping compiled from best available information. All map data should be considered as preliminary. In need of verification, and subject to change. This base plan is conceptual in nature and does not represent any regulatory approval. Plan is subject to change.



MASONRY WALL ELEVATION
Scale: 3/32" = 1'



PROTOTYPICAL LANDSCAPE TREATMENT PER 100 L.F.
Scale: 3/32" = 1'

TYPICAL PLANTING PER 100 L.F.
2 CANOPY TREES
3 ORNAMENTAL TREES
20 SHRUBS

EX. 6

DURANGO HILLS EAST
PROTOTYPICAL MASONRY PERIMETER WALL
CRYSTAL FALLS WEST
LEANDER, TEXAS

AFFIDAVIT OF SARAH BAKER FAUST

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority on this day personally appeared SARAH BAKER FAUST, who, after being by me duly sworn, upon her oath did state the following:

“My name is SARAH BAKER FAUST. I am over the age of 18 years, I have personal knowledge of the facts stated herein, and I am in all ways qualified to make this Affidavit.

I was responsible for compilation of the documents composing the Settlement Agreement, Exhibits, and Signature Pages for the Settlement Agreement in the Matter of Application by City of Leander and Lookout Partners, L.P. to the Texas Commission on Environmental Quality (“Settlement Agreement”). Because all of the pages composing the entire Settlement Agreement are not sequentially numbered, I have prepared this Affidavit to describe the contents of the Settlement Agreement.

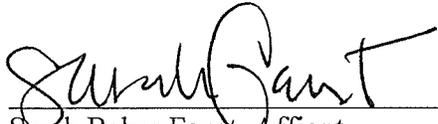
In its entirety, the Settlement Agreement includes all of the following documents:

- Settlement Agreement and Signature Pages on Numbered Pages 1-9
- 31 Non-Numbered Pages each titled “Acknowledgement” with the Signature of Each Individual Member of the Grand Mesa Group as listed on Numbered Page 6-9
- Exhibit 1 (TCEQ Draft Permit WQ0015042001)
- Exhibit 2 (Crystal Falls West Wastewater Treatment Plant Design and Operations Oversight)
- Ex. A-1 (Image)
- Ex. A-2 (Image)
- Ex. B (Image)
- Ex. C (Image)
- Ex. D (Image)
- Ex. E (Image)
- Ex. F (Image)
- Ex. G (Image)
- Affidavit.

The entire document compiled is 95 pages including this affidavit.

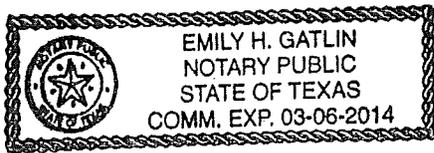
A copy of the Settlement Agreement in its entirety was provided in hard copy and as a PDF to the individuals for notice for each party as described in paragraph 14 of the Settlement Agreement.

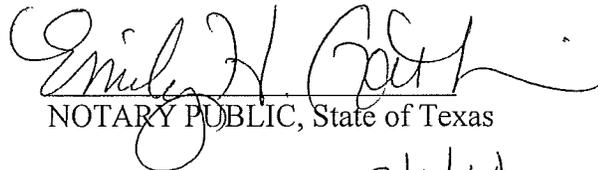
Further, the Affiant sayeth naught.”



Sarah Baker Faust, Affiant

SIGNED AND SWORN TO before me on this the 2nd day of April, 2013.





NOTARY PUBLIC, State of Texas
My Commission expires: 3/6/14