



AGENDA MEMORANDUM

Action Item for the City Council Meeting June 17, 2025

DATE: June 17, 2025

TO: Peter Zaroni, City Manager

FROM: Wesley Nebgen, Director of Water System Infrastructure
WesleyN@cctexas.com
361-826-3111

Agreed Order with TCEQ for improvements at Oso Wastewater Treatment Plant in lieu of administrative penalty

CAPTION:

Resolution to authorize City Manager to execute Texas Commission on Environmental Quality Agreed Order in Docket No. 2021-0986-MWD-E which allows credit for improvements underway at Oso Wastewater Treatment Plant in lieu of \$236,955.00 administrative penalty.

SUMMARY:

In April 2021, TCEQ conducted investigation at the Oso Wastewater Treatment Plant (WWTP) and made findings of corrective actions needed which will be resolved in accordance with the proposed Agreed Order.

BACKGROUND AND FINDINGS:

The TCEQ conducted its investigation at the Oso WWTP facility in April 2021 which documented findings at the facility including the following: a) West and East train experienced offline clarifiers and missing skimmer arms; b) need to maintain appropriate quality and quantity of solids inventory to properly operate; c) screening and grit storage containers at the 4 chlorine contract chambers were uncovered; d) discharge exceedance from the facility into the outfall of Blind Oso Bay; e) no notification was provided to TCEQ Region 14 office when conditions at the facility resulted in partially treated wastewater and sludge to discharge into Blind Oso Bay on April 2, 2021.

Subsequent to the investigation in 2021, repairs to the west and east clarifiers were completed and replacements skimmer system was installed. In addition, procedures were reviewed and additional employee training was conducted regarding TCEQ notification requirements.

In 2023, TCEQ staff provided an initial proposed Agreed Order to resolve its enforcement action. The City requested changes to the initial proposed AO to specifically include corrective actions taken by the City and submitted a request for a Supplemental Environmental Project in lieu of an administrative

penalty. In December 2024, TCEQ staff provided a revised Agreed Order (AO) which incorporated the requested changes. In lieu of an administrative penalty of \$236,955, the AO allows the City to implement and complete a Supplemental Environmental Project for Scum and Slotted Skimmer Improvements in the amount of \$236,955 to offset the penalty in its entirety. This Project for Scum and Slotted Skimmer Improvements is to purchase and install six skimmer pipes for secondary clarifiers. The AO also requires replacement of West Clarifier No.1. Both projects must be completed within 360 days of final TCEQ approval. These projects are included in the on-going CIP construction project of Oso WRP Process Upgrade & Breakpoint Chlorination Facility Decommissioning awarded by City Council in March 2024. The AO also requires development of solids management plan and additional employee training on the plan. The City's compliance with the AO will result in improvements to the Oso WWTP with no financial penalty to be paid.

ALTERNATIVES:

If the AO is not approved, then the TCEQ may continue enforcement action against the City.

FISCAL IMPACT:

Funding Detail:

Fund:

Organization/Activity:

Department:

Project # (CIP Only):

Account:

RECOMMENDATION:

Approve the TCEQ Agreed Order

LIST OF SUPPORTING DOCUMENTS:

Resolution

TCEQ Agreed Order