32. SAWS may implement Condition Remedial Measures Work generated by the Condition Assessment or other condition assessment activities conducted consistent with Appendix C prior to submittal of the Condition Remedial Measures Plan. SAWS may also implement projects that include both Condition Remedial Measures and Capacity Remedial Measures prior to approval of the Condition Remedial Measures Plan. Condition Remedial Measures (other than Early Action Program Work) implemented prior to approval of the Condition Remedial Measures Plan shall be documented in the Annual Report for the year in which those Measures are completed; and for Large Diameter multi-year projects, the progress toward completing those Measures shall be documented in subsequent Annual Reports until the Measures are completed.

D. CAPACITY ASSESSMENT AND REMEDIAL MEASURES PROGRAM

33. SAWS shall conduct a system-wide Capacity Assessment, consistent with the Capacity Program in Appendix D, to identify Capacity Constraints within the WCTS that have caused or significantly contributed to previous SSO, and/or, are likely to cause or significantly contribute to the future occurrence of SSOs. This Capacity Assessment shall be completed within four (4) years of the Date of Lodging of this Consent Decree. The Capacity Assessment shall evaluate the capacity of the WCTS through a series of hydraulic modeling and investigative steps, including the following specific activities, each as more fully described in Paragraphs 34 through 38 and Paragraph 40 herein and reflected in the process and guidelines in Appendix D:

a. System-wide and ongoing hydraulic modeling activities that account for all flows within the WCTS in order to identify discrete components, or groups of components, of the WCTS that are projected to have a substantial probability of experiencing a capacity-related SSO at existing population and peak wet weather modeled flows;

b. Evaluation of discrete portions of the WCTS or discrete pipes within the WCTS that have experienced Wet Weather SSOs;

c. Field Investigations, where appropriate; and,

d. Remedial Measures Alternatives Analyses for verified Capacity Constraints.

34. SAWS shall conduct the Capacity Assessment consistent with the process and guidelines described in Appendix D (Capacity Program). Information sources for the Capacity Assessment may include, but are not limited to: information gathered from the development of other assessments, reports and plans, including the Condition Assessment activities conducted under Subsection V(C) of this Consent Decree; SAWS evaluation of its Lift Stations; data regarding Wet Weather SSOs; and other appropriate analyses performed by SAWS.

35. Wet Weather SSO Verification. SAWS has implemented and shall complete a Wet Weather SSO Verification process to verify whether SSOs that occurred during wet weather were wholly or partially caused by Capacity Constraints in the WCTS. SAWS shall evaluate each Wet Weather SSO in the SAWS database since January 1, 2003, through the calendar date that is four (4) years after the Date of Lodging. SAWS shall complete the evaluative activities appropriate to each Wet Weather SSO consistent with Appendix D, including, but not limited to, review of available records regarding the Wet Weather-Related SSO event; discussions with staff that performed the post-SSO investigation; and referrals to cleaning and repair crews to address maintenance issues or structural defects found at the SSO site. When the verification process confirms that maintenance issues and/or condition-related issues caused, or likely caused or significantly contributed to an SSO that occurred during wet weather, SAWS shall address such issues consistent with Appendices B and/or C, as appropriate; and, SAWS shall implement measures as warranted consistent with Appendix B and/or C, as appropriate, to prevent

recurrence of those SSOs. For each verified Wet Weather SSO, SAWS shall perform the appropriate Field Investigation activities as described in Paragraph 38, consistent with Appendix D.

36. Hydraulic Modeling Evaluation. SAWS shall use the ongoing Hydraulic Modeling Evaluation process to estimate the hydraulic capacities of the WCTS and compare these estimates to existing and projected average and peak dry weather and wet weather flow estimates. SAWS shall use the model to identify potential Capacity Constraints in discrete components or groups of components of the WCTS that are likely to cause or significantly contribute to the future occurrence of SSOs. Modeling procedures shall be in accordance with Appendix D. The hydraulic model shall use dynamic hydraulic modeling software package(s) and shall use current and updated WCTS information as inputs to the model. The model shall evaluate flows within the entire WCTS. SAWS shall also calibrate the hydraulic model from time to time as warranted with updated information, consistent with Appendix D.

37. The Wet Weather SSO Verification and Hydraulic Modeling Evaluation processes shall serve as screening tools to identify portions of the WCTS that have potential Capacity Constraints that may have caused or significantly contributed to previous SSOs; and/or, that may cause or significantly contribute to the future occurrence of SSOs. All such Capacity Constraint locations shall be prioritized and, as warranted, further evaluated with appropriate Field Investigations as described more fully in Paragraph 38 below and using criteria described in Appendix D.

38. Field Investigations. At all locations identified and verified by the Wet Weather SSO Verification Process and/or identified by the Hydraulic Modeling Evaluation process as having a potential Capacity Constraint that warrants analysis through Field Investigation, SAWS shall

conduct appropriate Field Investigations. Within four (4) years of the Date of Lodging, SAWS shall complete appropriate Field Investigations for each Priority 1-4 potential Capacity Constraint that has been identified by SAWS as of the Date of Lodging, unless removed as a Priority 1-4 potential Capacity Constraint based on updated modeling consistent with Appendix D. The specific investigation activities for each such location shall be determined based on the available information for each location, consistent with the process described in Appendix D. For each Field Investigation location, SAWS shall monitor the Capacity Constraint location until a significant wet weather event as defined in Appendix D occurs and, based on whether the location exhibits a significant wet weather response, shall verify whether a Capacity Constraint exists. If no such wet weather event occurs at a Field Investigation location within three (3) and a half (1/2) years from the Date of Lodging, SAWS shall continue to monitor that location under CMOM. SAWS shall conduct the Field Investigations consistent with Appendix D using investigative tools that may include, but are not limited to, one or more of the following:

a. Collection of smart cover data during wet weather events;

b. Collection of additional flow monitoring data during wet weather events;

c. Visual inspections and chalking during wet weather events;

d. Dye testing;

e. Smoke testing;

f. CCTV to determine high water mark and/or current flow level or sources of infiltration for future remedial measures planning (to be used if the capacity issue is verified, and it is determined that flow reduction may be an effective option to remediate the capacity issue);

g. Manhole inspections; and

h. Other appropriate capacity assessment tools, including new technologies or methods that may become available after the Date of Lodging of this Decree.

39. Capacity Assessment Report. Within four (4) and a half (1/2) years of the Date of Lodging, SAWS shall submit to EPA for review and comment a Capacity Assessment Report that summarizes the Capacity Assessment activities undertaken as of four (4) years after the Date of Lodging. Specifically, the Capacity Assessment Report shall summarize the Capacity Assessment activities undertaken pursuant to Paragraphs 33 through 38 within forty-eight (48) months of the Date of Lodging. The Capacity Assessment Report shall adhere to the format and content of the Capacity Assessment Report Template provided in Appendix G. The Capacity Assessment Report shall be provided to EPA for review and comment in accordance with Section VII (Review and Approval).

a. If the Wet Weather SSO Verification Process confirmed that an SSO that occurred during wet weather was most likely caused by a maintenance issue or condition-related issue, the Capacity Assessment Report shall summarize how those SSO locations have been addressed consistent with Appendix B (Cleaning Program) and/or Appendix C (Condition Program), as appropriate.

40. Remedial Measures Alternatives Analysis. Following submittal of the Capacity Assessment Report, SAWS shall complete a Remedial Measures Alternatives Analysis consistent with the process and guidelines identified in Appendix D. Where Field Investigations indicate that a Capacity Constraint exists that has caused or significantly contributed to previous SSOs; and/or, that is likely to cause or significantly contribute to the future occurrence of SSOs, SAWS shall perform an alternatives analysis for each Capacity Constraint location to select an appropriate Capacity Remedial Measure or other action consistent with Appendix D. SAWS

shall determine the most practical solution and timeframe for resolving Capacity Constraints considering both the long-term performance of the Pipe Segment and the life-cycle cost for maintaining the Pipe Segment in permanent service. The range of solutions and techniques shall be consistent with Appendix D. The potential Remedial Measures that SAWS shall evaluate may include flow rate reduction, capacity upgrades, or other appropriate capacity remediation measures including, but not limited to, the following:

a. Re-routing a portion of upstream wastewater flows;

b. Reducing flows entering the WCTS;

c. Reduction of Inflow;

d. Reduction of Infiltration;

e. Increasing conveyance capacity of the WCTS;

f. Decreasing peak flows and/or increasing storage in the WCTS through construction of upstream flow detention facilities; or

g. Continued monitoring, if appropriate.

These analyses shall include consideration of the then-current 20-year growth projection, as appropriate.

41. Capacity Remedial Measures Plan. Within twelve (12) months of submitting the Capacity Assessment Report, SAWS shall provide to EPA for review and approval a Capacity Remedial Measures Plan that summarizes SAWS recommended Capacity Remedial Measures that were prioritized and selected in accordance with Appendix D to address verified Capacity Constraints in the WCTS that were identified in the Capacity Assessment Report as having caused or significantly contributed to previous SSOs; and/or, as likely to cause or significantly contribute to the future occurrence of SSOs. SAWS prioritization and selection of Capacity

Remedial Measures shall be based on appropriate factors such as the severity of Capacity Constraints identified, frequency and history of SSOs, pipe size, age and material, appropriate grouping of WCTS assets for bid packages, scheduling practicalities and other appropriate factors. The Capacity Remedial Measures Plan shall describe SAWS plans to implement the selected Capacity Remedial Measures on a balanced annual basis during the term of the Decree, taking into account practical planning considerations such as permitting requirements, easement acquisition, contractor capacity, preparation of public bidding documents, the bidding and awards process for public contracts and required decision making procedures for public bid contracts. The Capacity Remedial Measures Plan shall adhere to the format and content of the Capacity Remedial Measures Plan Template provided in Appendix G. The Capacity Remedial Measures Plan shall be provided to EPA for review and approval in accordance with Section VII (Review and Approval).

42. Capacity Remedial Measures Implementation. In general, SAWS shall plan and implement the approved Capacity Remedial Measures in accordance with the process and guidelines identified in Appendix D. Following receipt of EPA's written approval, SAWS shall begin implementation of the Capacity Remedial Measures Plan on a balanced annual basis. SAWS shall complete all approved Small Diameter and Large Diameter Gravity Sewer Main Capacity Remedial Measures within four (4) and a half (1/2) years of receipt of EPA's written approval of the Capacity Remedial Measures Plan. Should a specific Large Diameter Capacity Remedial Measures project require SAWS to obtain new easements and/or acquire land for more than twenty-five (25) percent of the length of that project or more than 2,500 feet, whichever is less, SAWS may at its option elect to complete that Large Diameter Capacity Remedial Measures project within up to six (6) and a half (1/2) years of receipt of EPA's written approval

of the Condition Remedial Measures Plan. SAWS shall advise EPA in the Capacity Remedial Measures Plan of any specific Large Diameter Condition Remedial Measures projects that SAWS wishes to complete in a maximum of six (6) and a half (1/2) years instead of four (4) and a half (1/2) years. For those projects that SAWS wishes to complete within six (6) and a half (1/2) years, SAWS shall explain in the Capacity Remedial Measures Plan the reasons why the need for new easements or land acquisition could not be avoided. Any modifications to the approved Capacity Remedial Measures Plan shall be in accordance with Section XVIII (Modification).

43. SAWS may implement Capacity Remedial Measures Work generated by the Capacity Assessment or other capacity assessment activities conducted consistent with Appendix D prior to approval of the Capacity Remedial Measures Plan. SAWS may also implement projects that include both Capacity Remedial Measures and Condition Remedial Measures prior to approval of the Capacity Remedial Measures Plan. Capacity Remedial Measures (other than Early Action Program Work) implemented prior to submittal of the Capacity Remedial Measures Plan shall be documented in the Annual Report for the year in which those Measures are completed and for Large Diameter multi-year projects the progress toward completing those Measures shall be documented in subsequent Annual Reports until the Measures are completed.

E. LIFT STATION REHABILITATION AND ELIMINATION PROGRAM

44. Prior to the Date of Lodging of this Consent Decree, SAWS initiated a program to assess the condition of all of its Lift Stations and has made or will make determinations for each such Lift Station to improve or eliminate it based on these assessments. SAWS shall complete the assessment and the determination to improve or eliminate each of its Lift Stations over a period not exceeding four (4) years after the Date of Lodging of this Consent Decree. The results of

these Lift Station assessments have been and are being used to develop and implement SAWS Lift Station Rehabilitation and Elimination Program. SAWS has implemented portions of, and shall complete the remaining portions of, the Lift Station Rehabilitation and Elimination Program over a period not exceeding ten (10) years after the Date of Lodging of this Consent Decree. In completing this Program, SAWS shall give first priority to improving or eliminating, as applicable, those Lift Stations that have experienced an SSO prior to the Date of Lodging, as follows:

a. SAWS shall give priority to rehabilitation for those Lift Stations that have experienced an SSO for those Lift Stations for which rehabilitation is not already complete or already under construction contract. The Lift Stations that SAWS shall prioritize for rehabilitation are Lift Stations 26, 105, 137, 166, 167, 187 and 201. If SAWS determines, consistent with Appendix E, to rehabilitate rather than eliminate certain Lift Stations that have experienced an SSO, then SAWS shall also prioritize Lift Stations 303-305, 307-313, 315-326 and 328-331.

b. SAWS shall give priority to elimination of Lift Stations that have experienced an SSO if Gravity Sewer Mains are constructed near the Lift Station that allow elimination to occur.

45. A summary of the Lift Station Program is set forth in Appendix E. Lift Station assessment, repair, rehabilitation, replacement and elimination activities associated with the Lift Station Rehabilitation and Elimination Program conducted prior to the Date of Lodging as reflected in Appendix E shall be credited towards SAWS compliance with the requirements of this Subsection. Lift Station capacity assessment efforts and findings shall be presented in the Annual Report for the year in which the assessment efforts are performed. Updates to Appendix

E to reflect the completion of Lift Station Rehabilitation and Elimination activities will also be reported in the Annual Report.

F. FORCE MAIN ASSESSMENT PROGRAM

46. SAWS shall conduct an assessment of its Force Mains over a period not exceeding ten (10) years after the Date of Lodging, as specified herein. SAWS shall prepare an inventory listing each Force Main in the WCTS indicating the associated Force Main construction material, age or installation date, diameter, length, special corrosion protection measures, if any, such as sacrificial anodes or impressed current, and typical flow rates. The inventory shall include any redundant or standby Force Mains and indicate the carrying capacity of the redundant Force Main (as a percentage of the Lift Station discharge) and the typical operating mode (i.e., emergency standby, wet weather standby or other mode). SAWS shall assess each Force Main in the inventory by reviewing past maintenance records, physically examining the air release valves, and visually inspecting the ground surface over the entire length of the Force Main to the extent practicable. All Force Main Condition Assessment efforts completed within four (4) years of the Date of Lodging shall be presented in the Condition Assessment Report described in Paragraph 28. Remedial Measures planned or implemented for Force Mains identified in the Condition Assessment Report as having structural defects that have caused or significantly contributed to previous SSOs; and/or, that are likely to cause or significantly contribute to the future occurrence of SSOs shall be presented in the Condition Remedial Measures Plan. All other Force Main Condition Assessment and Remedial Measures Work regarding structural defects that have caused or significantly contributed to previous SSOs; and/or, that are likely to cause or significantly contribute to the future occurrence of SSOs that is conducted after four (4) years of the Date of Lodging shall be presented in the Annual Report for the Calendar Year in

which the assessment was performed and the Annual Report for the Calendar Year in which the Work was completed.

G. PORTION OF THE WCTS LOCATED IN THE EARZ

47. Nothing in the System-Wide Cleaning Program, Condition Assessment and Remedial Measures Program, the Capacity Assessment and Remedial Measures Program, Lift Station Rehabilitation and Elimination Program, or any other provision of this Consent Decree shall modify in any way applicable state law requirements pursuant to 30 Tex. Admin. Code Ch. 213 for any activities conducted under this Consent Decree for those portions of the WCTS that are located in the Edwards Aquifer Recharge Zone (EARZ). The State of Texas retains sole jurisdiction to determine SAWS compliance with these state law requirements. Applicable state law requirements shall not modify in any way the terms of this Consent Decree.

H. WWTP EFFLUENT VIOLATION CORRECTIVE ACTIONS

48. Appendix H contains a list of SAWS reported effluent limitation violations during the period between March 1, 2003 and December 31, 2012 at its Dos Rios, Salado Creek, Medio Creek and Leon Creek WWTPs and at Mitchell Lake. Within three (3) months from Date of Lodging, SAWS shall complete an analysis of the causes of effluent violations at its WWTPs, listed in Appendix H, and implement all corrective actions necessary to prevent future effluent violations. No later than three (3) months from Date of Lodging, SAWS shall submit a report to EPA that summarizes the findings of the analysis and the corrective actions implemented by SAWS to prevent future effluent violations.

I. WATER QUALITY PROGRAM

49. Water Quality Program Plan. Within six (6) months of the Date of Lodging of this

Consent Decree, SAWS shall submit to EPA a Water Quality Program Plan designed to detect and quantify the extent of bacterial concentrations in select receiving waters within its service area by performing the actions described in Paragraph 50 of this Decree. The Water Quality Program Plan shall include a map of the locations of the proposed outfalls to be sampled, rationale for selecting these outfalls, and all field collection, analytical, and quality assurance and quality control objectives proposed for sampling and analysis. SAWS shall consider the results of past water quality studies, a review of all known data for bacterial concentrations in the respective sub-watersheds, and WTCS system age and condition in selecting the outfalls to be sampled. The Water Quality Program Plan shall describe SAWS proposed efforts to detect and quantify the extent of bacterial concentrations using *Esherichia coli (E. coli)* and the human *Bacteriodales* marker using a quantifiable polymerase chain reaction (qPCR) method. The Water Quality Program Plan shall be submitted to EPA for review and comment in accordance with Section VII (Review and Approval).

50. Sampling Outfall Locations and Analysis. SAWS shall propose between twenty-five (25) and thirty (30) stormwater outfalls located in designated sub-watersheds to be sampled during dry and wet weather. The outfalls shall be distributed through the Upper San Antonio River Watershed, Salado Creek Watershed and Medio Creek Watershed based on the considerations evaluated during development of the Water Quality Program Plan. All sampling outfalls shall be within the SAWS service area. For each designated outfall, SAWS shall collect two (2) dry weather grab samples and analyze these samples to detect and quantify the concentrations of *E. coli* present and to detect the presence of the human *Bacteriodales* marker in the discharge. For dry weather sampling, SAWS shall perform a visual inspection of each outfall during dry weather. If a discharge is not detected at the time of the dry weather inspection, the inspection

shall count as a non-detect sampling event. When a discharge is observed at an outfall during a dry weather inspection, a grab sample shall be collected. The wet weather sample shall be collected during first flush of a wet weather event, if technically feasible consistent with safety and legal requirements. A wet weather event is defined as precipitation of greater than 0.25 inches that occurs during daylight hours. First flush is defined as runoff occurring within the first hour of precipitation. Each individual dry and wet weather sampling attempt for a given outfall shall be at least seven (7) days apart. All dry weather sampling shall be completed within two (2) years after the Date of Lodging of this Consent Decree. If two (2) wet weather qualifying events do not occur within two (2) years after the Date of Lodging, SAWS shall inform EPA in writing and the period of sampling shall be extended until qualifying wet weather events occur.

51. Water Quality Program Report. Within six (6) months following completion of all sampling, SAWS shall submit to EPA for review and comment a Water Quality Program Report that includes the results of the sampling and analysis. The Water Quality Program Report shall rank the outfall locations using sampling results for both *E. coli* and the human *Bacteroidales* marker, giving the highest ranking to outfalls that have both high *E. coli* concentrations and the presence of the human *Bacteriodales* marker. The Water Quality Program Report shall include the dates and documentation associated with the sample collection, chain-of-custody, laboratory analyses, and conformance with quality assurance and quality control objectives. The Water Quality Program Report shall describe any variances from the approved Water Quality Program Plan. The Water Quality Program Report shall be submitted to EPA for review and comment in accordance with Section VII (Review and Approval). The sampling results of analysis or other Work performed in connection with the Water Quality Program Plan and the Water Quality

Program Report shall not be used to require SAWS to perform any additional Work under the terms of this Consent Decree or to create any other obligations under the terms of this Consent Decree.

VI. REPORTING REQUIREMENTS

52. Annual Reports. On June 30 of each year during the term of this Consent Decree, until this Consent Decree is terminated, SAWS shall submit to EPA for review and comment an Annual Report that addresses all Work completed in the previous Calendar Year. For any Large Diameter multi-year projects, SAWS shall also report the progress for each project, including anticipated completion date if different than previously reported. The Annual Report shall contain a summary of the status and progress of all programs required by Section V (Compliance Requirements) of this Decree as follows:

a. Early Action Program. The Annual Report shall provide the status of the Early Action Program Work completed in the previous Calendar Year, including progress on multi-year projects, and the anticipated completion date of those projects as listed in Appendix F.

b. CMOM Program. The Annual Report shall include a summary of activities under the CMOM Program under Subsection V(A) completed during the preceding Calendar Year. SAWS shall include the following information in the CMOM Annual Report:

i. SSO Reporting. SAWS shall provide SSO documentation pursuant to Paragraphs 12.c and 12.d of the Consent Decree.

ii. Fats, Oils, and Grease (FOG) Control Program. SAWS shall summarize

the implementation and enforcement activities it carried out under the FOG Control Program during the previous Calendar Year, including the number of permitted Food Service Establishments inspected and a report on enforcement and compliance assistance actions undertaken to ensure compliance with the FOG Control Program.

iii. Sewer Cleaning. The Annual Report shall report the number of miles of Small Diameter Gravity Sewer Mains cleaned in the previous Calendar Year, the number of miles of Large Diameter Gravity Sewer Mains cleaned or inspected in the previous Calendar Year, and the number of miles of Small Diameter Gravity Sewer Mains that were repeat cleaned in the previous Calendar Year. Additionally, the Annual Report shall identify the percent of the Small Diameter and Large Diameter Gravity Sewer Mains cleaned in the previous calendar year and cumulatively since the Date of Lodging of the Consent Decree.

iv. Private Laterals. The Annual Report shall summarize SAWS activities and provide any information provided by the City to SAWS regarding remediated laterals, Notices of Abatement, fines or termination of service conducted by the City in the preceding Calendar Year.

c. Condition Assessment. The Annual Report shall include for the previous Calendar Year:

i. The number of miles of Small Diameter and Large Diameter Gravity Sewer Mains inspected by CCTV, Pole Camera Inspections and Visual Inspections, with a map depicting the relevant locations;

ii. The number of manholes inspected; and,

iii. A summary of the Gravity Sewer Main mileage and number of manholes identified for Remedial Measures Alternatives Analysis, monitoring and maintenance consistent with the process and guidelines included in Appendix C. The summary shall identify the inspection method used to identify the asset (e.g., CCTV, Pole Camera Inspections and/or Visual Inspections) and shall summarize how SAWS applied the process and guidelines in Appendix C for those assets that do not require Remedial Measures Alternatives Analysis.

d. Condition Remedial Measures. The Annual Report shall summarize Condition Remedial Measures completed within the previous Calendar Year to address assets requiring Remedial Measures, as defined in Appendix C (Condition Program), including the number of miles of Small Diameter and Large Diameter Gravity Sewer Mains and manholes SAWS has remediated in the previous Calendar Year under Subsection V(C). For each Small Diameter and Large Diameter Gravity Sewer Main and manhole Remedial Measure, SAWS shall provide the following information if available:

i. The asset identification number and type of asset;

ii. Whether the asset was rehabilitated, repaired or replaced;

iii. The length of the sewer line at issue, if applicable;

iv. The pipe material, if applicable;

v. The diameter of the pipe, if applicable;

vi. The manhole type, if applicable;

vii. The original installation date of the asset;

viii. An overview map depicting the location of each Condition Remedial Measure; and

ix. Description of any Condition Remedial Measures that were coordinated with Capacity Remedial Measures.

e. Capacity Assessment. The Annual Report shall include for the previous Calendar Year the number of potential Capacity Constraints identified by SAWS through Wet Weather SSO verification, Hydraulic Modeling and Field Investigation activities under Subsection V(D) and the process and guidelines identified in Appendix D (Capacity Program). For each potential Capacity Constraint identified SAWS shall report the Priority (1-5) assigned and the Field Investigation technique that is used to verify the Capacity Constraint, per Appendix D, if determined within the reporting period.

f. Capacity Remedial Measures. The Annual Report shall summarize Capacity Remedial Measures completed within the previous Calendar Year to address Capacity Constraints as defined in Appendix D, including the number of miles of Small Diameter and Large Diameter Gravity Sewer Mains SAWS has remediated in the previous Calendar Year under Subsection V(D). For each Small Diameter and Large Diameter Gravity Sewer Main Remedial Measure, SAWS shall provide the following information if available:

i. The asset identification number and type of asset;

ii. Whether SAWS addressed the Capacity Constraint through pipe rehabilitation/replacement, increased conveyance capacity, increased

storage, amalgamation with Condition Remedial Measures or other Capacity Remedial Measures;

iii. The length of the sewer line at issue, if applicable;

iv. The pipe material, if applicable;

v. The diameter of the pipe, if applicable;

vi. The original installation date of the asset at issue;

vii. An overview map depicting the locations of each Capacity Remedial Measure; and

viii. For those locations where Capacity Constraints were suspected to be present but through Field Investigations were found not to exist, SAWS shall provide a summary of the specific Field Investigations performed, the findings of those Investigations and the efforts SAWS will undertake to maintain, repair, and/or monitor these locations in the future per Appendix D.

g. Lift Station Rehabilitation and Elimination Program. The Annual Report shall summarize the activities completed under the Lift Station Rehabilitation and Elimination Program under Subsection V(E) during the preceding Calendar Year. As part of this reporting, SAWS shall update the completion dates listed in the Lift Station Rehabilitation and Elimination Program table included in Appendix E, as applicable.

h. Force Main Assessment Program. The Annual Report shall summarize the activities completed under the Force Main Assessment Program under Subsection V(F) during the preceding Calendar Year.

i. Water Quality Program. The Annual Report shall summarize the Water Quality Program activities conducted in the preceding Calendar Year.

j. Work Completed in Low Income Census Tract Areas. The Annual Report shall summarize Work completed by SAWS in the preceding calendar year within census tracts in the City identified using 2010 U.S. Census data that contain more than 300 households with income estimated to be below 125 percent of the poverty level. The Report shall contain:

i. A narrative summary of the miles of pipe inspected, cleaned or remediated, as reported under subparagraphs 52.a, b.iii, c, d, e, f, g and h, located in these low income areas; and

ii. Indication on the corresponding maps for those activities required by the Annual Report Template in Appendix G of the location of these low income areas.

53. Provisions Applicable to All Reports:

a. All reports shall be certified in accordance with Section XIX (Certification) of this Consent Decree.

b. All reports except reports submitted under Paragraphs 12.a and 12.b shall be submitted electronically in a searchable format.

c. All reports shall be submitted to the persons designated in Section XV (Notices) of this Consent Decree.

d. The reporting requirements of this Consent Decree do not modify in any way or relieve SAWS of any reporting obligations required under the Clean Water Act or its implementing regulations or any other federal, State, or local law, regulation,

permit, or other requirement.

VII. REVIEW AND APPROVAL

54. Each Deliverable is subject to review by EPA. Select Deliverables are subject to review and approval, as detailed in Paragraph 55 below. All other Deliverables are subject to review and comment, as detailed in Paragraph 56 below. Select Deliverables are subject only to EPA review, as detailed in Paragraph 57 below. EPA agrees to use its best efforts to expeditiously review and either approve or comment on Deliverables that SAWS is required to submit to EPA for either approval or comment pursuant to the terms and provisions of this Consent Decree.

55. Deliverables Subject to Review and Approval. The Condition Remedial Measures Plan, the Capacity Remedial Measures Plan, and the Capacity, Management Operations, and Maintenance (CMOM Plan) shall be subject to the review and approval process described in Paragraph 58 below. The Phase II Early Action Program shall also be subject to the review and approval process described in Paragraph 58 below, or the review and comment process described in Paragraph 59, as appropriate.

56. Deliverables Subject to Review and Comment. The Condition Assessment Report, the Capacity Assessment Report, the Water Quality Program Plan, and the Sewer Overflow Response Plan (SORP) shall be subject to Review and Comment, as detailed in Paragraph 59.

57. Other Deliverables. All other Deliverables required under this Consent Decree, including the Monthly Compliance Reports (Paragraph 12.a), Five-Day Reports (Paragraph 12.b), WWTP effluent violation analysis (Paragraph 48) and Annual Reports (Paragraph 52) are subject to EPA review at its option.

58. EPA Action on Deliverables Subject to Review and Approval. After review of any Deliverable that is required to be submitted pursuant to Paragraph 55 and after consultation with

TCEQ, EPA shall in writing: (i) approve the Deliverable, in whole or in part; (ii) approve the Deliverable upon specified conditions; (iii) disapprove the Deliverable, in whole or in part, providing comments identifying deficiencies and directing SAWS to modify the Deliverable, in whole or in part; or (iv) any combination of the above.

a. Approved Deliverables. If a whole Deliverable is approved by EPA pursuant to Paragraph 58, SAWS shall take all actions required by the Deliverable in accordance with the schedules and requirements of the Deliverable as approved. If the Deliverable is approved only in part pursuant to Paragraph 58, SAWS shall, upon written direction from EPA, after consultation with TCEQ, take all actions required by the approved Deliverable that EPA, after consultation with TCEQ, determines are technically severable from any disapproved portions, subject to SAWS right to dispute only the specified conditions or the disapproved portions, under Section XI (Dispute Resolution) of this Decree. Following EPA approval of any Deliverable or portion thereof, such Deliverable or portion thereof so approved shall be incorporated into, and become enforceable under, this Consent Decree.

b. Disapproved Deliverables. If the Deliverable is disapproved in whole or in part pursuant to Paragraph 58, SAWS shall, within thirty (30) Days or such other time as EPA and SAWS agree to in writing, correct all deficiencies and resubmit to EPA the Deliverable, or disapproved portion thereof, for approval, in accordance with Paragraph 58, and subject to Subparagraph 58.d. If the resubmission is approved in whole or in part, SAWS shall proceed in accordance with Subparagraph 58.a. For any Deliverable that is disapproved in whole or in part, EPA shall provide a written explanation of how the Deliverable does not meet the requirements of the Consent

Decree.

c. Stipulated Penalties Accruing. Any Stipulated Penalties applicable to the original Deliverable, as provided in Section IX (Stipulated Penalties) of this Decree, shall accrue during the thirty (30) Day period or other specified period, but shall not be payable unless the resubmitted Deliverable is untimely or is disapproved in whole or in part; provided that, if the original submission was so deficient as to constitute a material breach of SAWS obligations under this Decree, the stipulated penalties applicable to the original submission shall be due and payable notwithstanding any subsequent resubmission.

d. Resubmitted Deliverable. If a resubmitted Deliverable, or portion thereof, is disapproved in whole or in part, EPA, after consultation with TCEQ, may again require SAWS to correct any deficiencies, in accordance with Subparagraph 58.b. EPA and TCEQ retain the right to modify or develop any disapproved or conditioned portion of the resubmitted Deliverable. SAWS will implement any such Deliverable as modified or developed by EPA and TCEQ, subject only to SAWS right to invoke Dispute Resolution under Section XI of this Consent Decree. If, upon resubmission, a Deliverable is disapproved or modified in whole or in part by EPA and TCEQ due to a material defect previously identified and not corrected, SAWS shall be deemed to have failed to submit the Deliverable timely and adequately unless SAWS invokes the dispute resolution procedures set forth in Section XI (Dispute Resolution), and (i) EPA and TCEQ agree to modify their earlier position or (ii) the Court adopts SAWS position. If EPA's and TCEQ's disapproval or modification is upheld by the Court, Stipulated Penalties shall

accrue for such violation from the date on which the initial Deliverable was originally required. Upon either EPA's approval of SAWS resubmitted Deliverable or SAWS receipt of EPA's modified or new Deliverable, that Deliverable will be incorporated into and become enforceable under this Consent Decree and shall be implemented by SAWS according to the approved schedule subject to SAWS right to invoke Dispute Resolution.

59. Deliverables For Which EPA Provides Written Comments. EPA may choose to provide written comments on the Deliverables subject to Paragraph 56. If EPA provides comments that identify deficiencies in such a Deliverable, and EPA specifically requests a response from SAWS, then SAWS shall provide a written response to EPA within thirty (30) days of receipt of such request.

a. Stipulated Penalties Accruing. If SAWS fails to substantively address EPA comments for which EPA specifically requests a response from SAWS, such failure is subject to Stipulated Penalties as provided in Section IX.

60. Public Document Repository. SAWS shall post to its website all final EPA-reviewed and/or -approved plans, reports or other submissions required by Section V (Compliance Requirements) and Section VI (Reporting Requirements). Each submission shall remain on the website or by link or other accepted method for at least three (3) years.

VIII. CIVIL PENALTY

61. SAWS shall pay a total Civil Penalty of $2.6 million, with one half, $1.3 million, payable to the United States and one half, $1.3 million, payable to the State of Texas as set forth in Paragraphs 62 and 64.

62. Within sixty (60) Days after the Effective Date of this Consent Decree, SAWS shall pay

to the United States $1.3 million of the Civil Penalty due by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice in accordance with written instructions to be provided to SAWS, following Lodging of the Consent Decree, by the Financial Litigation Office of the U.S. Attorney's Office for the Western District of Texas, San Antonio Division, 601 NW Loop 410, Suite 600, San Antonio, TX 78216; phone number (210) 384-7100. At the time of payment, SAWS shall send a copy of the EFT authorization form and the EFT transaction record, together with a transmittal letter, which shall state that the payment is for the Civil Penalty owed pursuant to the Consent Decree in United States et al. v. San Antonio Water System, and shall reference the civil action number and DOJ case number [90-5-1-1-09215], to the United States in accordance with Section XV (Notices); by email to acctsreceivable.CINWD@epa.gov; and by mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

63. In the event that full cash payment to the United States is not made within sixty (60) Days after the Effective Date of this Consent Decree, SAWS shall pay to the United States interest on the balance due from the original due date to the date of full payment, at the rate calculated pursuant to 28 U.S.C. § 1961.

64. SAWS shall make payment as directed by the State as follows:

SAWS shall pay the State $1.3 million by wire transfer to the Texas Comptroller of Public Accounts – Federal Reserve Clearing Account for the Office of the Attorney General:

Financial Institution (short name):	TX COMP AUSTIN
Routing Number:	114900164
Account Name:	Comptroller of Public Accounts Treasury Operations
Account Number to Credit:	463600001

Reference:	[Remitter's Name], AG Case # 082508284, Jon Niermann, Chief, Environmental Protection Division
Attention:	Office of the Attorney General, Kristy Lerma, Financial Rptg

At the time of payment, SAWS shall send a copy of the wire transfer authorization form and the wire transaction record, together with a transmittal letter, which shall state that the payment is for the Civil Penalty owed pursuant to the Consent Decree in United States et al. v. San Antonio Water System, and shall reference the civil action number and Reference: AG # 082508284 to the State in accordance with Section XV (Notices).

IX. STIPULATED PENALTIES

65. Failure to Submit Timely and Complete Deliverables. SAWS shall be liable to pay Stipulated Penalties to the United States for each Day it fails to submit and/or complete the Deliverables required under Section V (Compliance Requirements), as set forth below, for each Day it fails to submit a Deliverable by the specified due dates or to make any required material changes to such Deliverables within the required time frames. The Stipulated Penalties for failure to meet each Deliverable submission date shall be as follows:

Period of Noncompliance	Penalty Per Violation per Day
1st to 30th Day	$500.00
31st to 60th Day	$1,500.00
More than 60 Days	$2,500.00

66. Remedial Requirements. SAWS shall be liable to pay Stipulated Penalties to the United States as set forth below for each Day SAWS fails to satisfy any of the remedial requirements of Paragraphs 21.a, b, and c (Implementation of Phase I and Phase II Early Action Program), 31 (Condition Remedial Measures Implementation), and 42 (Capacity Remedial Measures

Implementation) of this Consent Decree. The Stipulated Penalties for failure to meet each remedial requirement shall be as follows:

Period of Noncompliance	Penalty Per Violation per Day
1st to 30th Day	$750.00
31st to 60th Day	$1,500.00
61st to 180th Days	$2,500.00
More than 180 Days	$4,000.00

67. SSOs that Reach Waters of the United States or State Water. For each overflow from the WCTS that reaches waters of the United States or State water, as defined in Section 11.021 of the Texas Water Code, SAWS shall be liable to pay a Stipulated Penalty to the United States and the State, as provided in Paragraph 73. The Stipulated Penalties for Paragraph 67 shall be as follows:

If SSO occurs	Penalty Per Violation Per Day
Within 4 years of Date of Lodging	$500
Between 4 and 7 years of Date of Lodging	$1,500.00
More Than 7 years from Date of Lodging	$3,000.00

68. SSOs that Do Not Reach Waters of the United States or State Water. For each overflow from the WCTS that does not reach either waters of the United States or State water, as defined in Section 11.021 of the Texas Water Code, and falls within the definition of SSO for this Consent Decree, SAWS shall be liable to pay a Stipulated Penalty to the United States and the State, as provided in Paragraph 73. The Stipulated Penalties for Paragraph 68 shall be as follows:

If SSO occurs	Penalty Per Violation Per Day

Within 4 years of Date of Lodging	$350.00
Between 4 and 7 years of Date of Lodging	$750.00
More than 7 years from the Date of Lodging	$1,500.00

69. Reporting Requirements. SAWS shall be liable to pay Stipulated Penalties to the United States for each Day for each violation of Section VI (Reporting Requirements) of this Consent Decree:

Period of Noncompliance	Penalty Per Violation Per Day
1st through 14th Day	$350.00
15th through 30th Day	$750.00
31st Day and beyond	$1,500.00

70. Delay in Payment of Penalty. SAWS shall be liable to pay the United States and the State $2,000 for each Day that SAWS is late in paying the penalty required under Section VIII (Civil Penalty), payable $1,000 to the United States and $1,000 to the State.

71. Stipulated Penalties shall automatically begin to accrue on the first Day that an event occurs for which a Stipulated Penalty is payable as provided in Paragraphs 65, 66, 67, 68, 69 and 70 and shall continue to accrue through the final Day of correction of the noncompliance. Stipulated Penalties shall accrue simultaneously for separate violations of this Consent Decree.

72. SAWS shall pay Stipulated Penalties that accrue pursuant to Paragraphs 65, 66, and 69 to the United States within thirty (30) Days of receipt of a written demand by the United States. Payment of Stipulated Penalties as set forth above shall be in addition to any other rights or remedies which may be available to the United States or the State by reason of SAWS failure to comply with requirements of this Consent Decree, and any applicable Federal, State or local laws, regulations, NPDES Permit and all other applicable permits.

73. SAWS shall pay Stipulated Penalties that accrue pursuant to Paragraphs 67, 68 and 70 to the United States and the State, within thirty (30) Days of receipt of a written demand by either Plaintiff. Only one (1) penalty amount per violation per day shall be payable. Prior to either Plaintiff making a written demand for Stipulated Penalties pursuant to Paragraphs 67, 68 and 70, the Plaintiffs shall consult. Where the Plaintiffs jointly pursue Stipulated Penalties pursuant to Paragraphs 67, 68 or 70, SAWS shall pay 50 percent of the total penalty owed to the United States and 50 percent of the total penalty owed to the State. Where only one Plaintiff, the United States or the State, pursues Stipulated Penalties, only that Plaintiff shall recover the full amount of the penalty described in Paragraphs 67 and 68 (or any reduced amount pursuant to Paragraph 76), and the Plaintiff not joining in the pursuit of Stipulated Penalties shall be deemed to have waived such penalties under Paragraph 76. The Plaintiff making a demand for payment of Stipulated Penalties shall simultaneously send a copy of the demand to the other Plaintiff.

74. Stipulated Penalties that accrue pursuant to Paragraphs 65, 66 and 69 and for Stipulated Penalties that accrue pursuant to Paragraphs 67, 68 and 70 that EPA has chosen to pursue, such penalties shall continue to accrue as provided in Paragraph 90 during any Dispute Resolution, but need not be paid until the following:

a. If the dispute is resolved by agreement or by a decision of EPA that is not appealed to the Court, SAWS shall pay accrued penalties determined to be owing, together with interest, to the United States within thirty (30) Days of the effective date of the agreement or the receipt of EPA's decision.

b. If the dispute is appealed to the Court and the United States prevails in whole or in part, SAWS shall pay all accrued penalties determined by the Court to be owing,

together with interest, within sixty (60) Days of receiving the Court's decision or order, except as provided in Subparagraph 74.c, below.

c. If any Party appeals the District Court's decision, SAWS shall pay all accrued penalties determined to be owing, together with interest, within thirty (30) Days of receiving the final appellate court decision.

75. Stipulated Penalties that accrue pursuant to Paragraphs 67, 68 and 70 that the State has chosen to pursue and EPA has chosen not to pursue shall continue to accrue as provided in Paragraph 90 during any Dispute Resolution, but need not be paid until the following:

a. If the dispute is resolved by agreement or by a decision of the State that is not appealed to the Court, SAWS shall pay accrued penalties determined to be owing, together with interest, to the State within thirty (30) Days of the effective date of the agreement or the receipt of the State's decision.

b. If the dispute is appealed to the Court and the State prevails in whole or in part, SAWS shall pay all accrued penalties determined by the Court to be owing, together with interest, within sixty (60) Days of receiving the Court's decision or order, except as provided in Subparagraph 75.c, below.

c. If any Party appeals the District Court's decision, SAWS shall pay all accrued penalties determined to be owing, together with interest, within thirty (30) Days of receiving the final appellate court decision.

76. The United States, the State, or both, may, in the unreviewable exercise of their discretion, reduce or waive Stipulated Penalties otherwise due under this Consent Decree.

77. SAWS shall be liable to pay Stipulated Penalties owing to the United States and/or the State in the manner set forth and with the confirmation notices required by Section VIII (Civil

Penalty) except that the transmittal letters shall state that the payment is for Stipulated Penalties and shall state for which violation(s) the penalties are being paid.

78. If SAWS fails to pay Stipulated Penalties according to the terms of this Consent Decree, SAWS shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing as of the date payment became due. Nothing in this Section shall be construed to limit the United States and/or the State from seeking any remedy otherwise provided by law for SAWS failure to pay any Stipulated Penalties.

79. Subject to the provisions of Section XIII (Effect of Settlement/Reservation of Rights) of this Consent Decree, the Stipulated Penalties provided for in this Consent Decree shall be in addition to any other rights, remedies or sanctions available to the United States and/or the State for SAWS violation of this Consent Decree or applicable law.

X. FORCE MAJEURE

80. "Force Majeure," for purposes of this Consent Decree, is defined as any event arising from causes beyond the control of SAWS, any entity controlled by SAWS, or SAWS consultants and contractors, that delays or prevents the performance of any obligation under this Consent Decree despite SAWS best efforts to fulfill the obligation. The requirement that SAWS exercise "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential Force Majeure event and best efforts to address the effects of any such event (a) as it is occurring and (b) after it has occurred to prevent or minimize any resulting delay to the extent technically feasible. "Force Majeure" does not include SAWS financial inability to perform any obligation under this Consent Decree.

81. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree whether or not caused by a Force Majeure event, SAWS shall provide