COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY
NORTHERN VIRGINIA REGIONAL OFFICE
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L. Preston Bryant, Jr.
Secretary of Natural Resources

David K. Paylor
Director

~~Jeffery A. Steers~~
Regional Director

STATE WATER CONTROL BOARD ENFORCEMENT ACTION

SPECIAL ORDER BY CONSENT

ISSUED TO

AQUA UTILITIES, INC. AND LAND 'OR UTILITY COMPANY, INC.

FOR THE

LAKE LAND 'OR UTILITY COMPANY, INC. SEWAGE TREATMENT PLANT d/b/a AQUA VIRGINIA
(VPDES Permit No. VA0060887)

SECTION A: Purpose

This is an Amendment to an Amended Consent Special Order issued under the authority of Va. Code §§ 62.1-44.15(8a) and (8d) and 10.1-1185 between the State Water Control Board and Aqua Utilities, Inc. and Land 'Or Utility Company, Inc. on September 11, 2006, regarding the Land 'Or Utility Company, Inc. Sewage Treatment Plant, for the purpose of revising certain provisions of that Consent Special Order.

SECTION B: Basis for Amendment

1. DEQ issued a Consent Special Order to Aqua Utilities as the sole shareholder of Land 'Or Utility Company, Inc. ("Land 'Or") on June 21, 2004 ("2004 Order") to resolve Permit effluent exceedences for Total Suspended Solids ("TSS"), Total Kjeldahl Nitrogen ("TKN"), Ammonia as nitrogen, and Biochemical Oxygen Demand ("BOD") at the Land 'Or Utility Inc. Sewage Treatment Plant ("STP").

2. The 2004 Order required Aqua to replace the STP with a new, expanded facility. However, during the design and planning stage of the STP the Board adopted new regulations[1], which according to Aqua, made construction of a new plant financially unfeasible.

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1 The Board adopted new nutrient regulations for the York River Basin (9 VAC 25-720-120), which govern the nutrient loadings the discharge can contain.

3. To resolve those violations addressed in the 2004 Order, Aqua proposed to send the sanitary sewer flows to Caroline County Wastewater Treatment Plant and take the STP offline. This agreement was memorialized in an Amended Order between DEQ and Aqua executed on September 11, 2006 ("2006 Amendment").

4. The 2006 Amendment required Aqua to complete the sanitary sewer connection with Caroline County by November 30, 2007 and to close the STP by May 31, 2008.

5. At Aqua's request, a meeting was held with DEQ staff at NVRO on March 1, 2007 to discuss the status of the interconnection project. Aqua asserted that despite attempts to negotiate with Caroline County, it was unable to agree on a reasonable plan for the interconnection. In light of this, Aqua proposed to abandon the interconnection project and instead, reconstruct the STP to achieve compliance with its Permit and State Water regulations. An increase in Aqua's customer base and customer fees since the 2004 Order made this a feasible alternative.

6. Aqua submitted a formal request on March 19, 2007 to amend the 2004 Order and included a schedule of completion for reconstructing the STP. This schedule has been incorporated into Appendix A of this Order.

7. Additionally, the Board has evidence to indicate that Aqua violated Va. Code § 62.1-44.31 by violating an Order of the Board by exceeding interim effluent limits set forth in the 2006 Amendment for (1) BOD in November 2006 and January, February, and March 2007; (2) Ammonia in November, December 2006 and February 2007; (3) TSS in January and March 2007; and (4) TKN in March 2007. Additionally, the Board has evidence to indicate that Aqua violated VPDES Permit Regulation, 9 VAC 25-31-50.A and the Permit by (1) submitting incomplete Discharge and Monitoring Reports ("DMRs") in October 2006 and January and March 2007; (2) providing an inadequate letter of explanation for an incorrect sample frequency in March, 2007; and (3) exceeding Permitted effluent limit for chlorine in November 2006. DEQ NVRO issued three Notices of Violation (NOV) to Aqua for the above-referenced violations as follows: NOV No. W2007-01-N-0003 issued January 10, 2007; NOV No. W2007-02-N0002 issued February 12, 2007; NOV No. W2007-03-N-0005 issued March 9, 2007; and NOV No. W2007-04-N-0004 issued April 12, 2007.

8. Therefore, the State Water Control Board and Aqua agree that it is appropriate to amend the 2004 Order as described below.

SECTION C: Agreement and Order

Accordingly, the Board, by virtue of the authority granted it in Va. Code §§ 62.1-44.15(8a) and (8d) and 10.1-1185, orders Aqua and Aqua voluntarily agrees that:

1. Aqua shall perform the actions described in Appendix A and B of this Amended Order, which only supersedes and cancels Appendix A and B of the 2006 Amended Order. Both the State Water Control Board and Aqua understand and agree that this Amendment does not alter, modify, or amend any other provision of the Order and that unmodified provisions of the Order remain in effect by their own terms.

2. Aqua shall pay a civil charge of $12,100.00 within 30 days of the effective date of this Amendment in settlement of the violations cited in this Amendment. Payment shall be made by check payable to the "Treasurer of Virginia", delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Either in the transmittal letter or as a notation on the check, Aqua shall indicate that this payment is submitted pursuant to this Amendment and shall include the Federal Identification Number for Aqua.

And it is so ORDERED this day of September 26, 2007.

for Tom Fona, Regional Director
Northern Regional Office
Department of Environmental Quality

Aqua Virginia voluntarily agrees to the issuance of this Order.

By: [signature]

Title: Vice President Operating Officer

Date: 7/27/07

Commonwealth of Virginia
City/County of Rockville, VA

The foregoing document was signed and acknowledged before me this 27th day of July, 2007, by Patricia Ann Forsyth, who is
(name)

Admin. Assistant of Aqua on behalf of Aqua.
(title)

Patricia Ann Forsyth
Notary Public

My commission expires: Dec 31, 2011.
Registration # 7076731

APPENDIX A
SCHEDULE OF COMPLIANCE

Aqua shall:

1. Complete the items listed below by September 14, 2007 as proposed in the PER submitted by Aqua and received by DEQ on April 2, 2007.

    a. Convert the existing aerated sludge holding tank (SHT) in each train to additional aeration tank treatment capacity
    b. Re-pipe the surge tank forward feed piping in each train from the Contact Tank to the head of the existing SHT.
    c. Make modifications to the Clarifier
    d. Dedicate the onsite generator for operation under full load.

2. Submit an update to the Operations and Maintenance Manual (O&M) to DEQ for review and approval by September 1, 2007 that outlines the protocols that will be used in the event that the plant loses power. Specifically, the update shall include information regarding the operation of the onsite generator including ensuring adequate staffing and support to engage the generator if needed.

3. Submit plans and specifications to DEQ for review and approval by August 17, 2007 for the additional interim improvements as proposed in the PER submitted by Aqua and received by DEQ on April 2, 2007.

4. Within 30 days of plan and specification approval, commence construction of the interim improvements in accordance with the approved plans and specifications.

5. Complete construction of the interim improvements within 180 days of commencement.

6. Increase sampling for Ammonia, BOD, TKN, and TSS from once per week to three times per week with at least 1 calendar day between sampling. Increased sampling shall begin upon completion of interim improvements as required in paragraph 4 hereof and continue for the life of this Consent Order.

7. Install a refrigerated auto-sampler at the plant by August 15, 2007, which shall be capable of producing an 8 hour composite (8 am – 3 pm) to be used for taking all previously mentioned permit compliance samples. Upon request by DEQ, the samples shall be split to enable DEQ to test the samples concurrently with Land 'Or. Said samples shall be taken with the auto-sampler beginning on September 1, 2007 and lasting for the life of this Consent Order.

8. Submit to DEQ for review and approval by September 1, 2007 a preliminary inflow and infiltration ("I&I") study setting forth the I&I work completed to date and a work plan for the following 6 months (i.e. through March, 2008) aimed at determining the most effective methods for limiting I&I including private sources. Aqua shall submit a five year I&I master plan and schedule including budget information to DEQ for review and approval within 30 days of the completion of the 6 month work plan. Said plan and schedule shall become an enforceable part of this Order and Aqua shall initiate the plan within 30 days of DEQ approval.

9. By no later than October 15, 2007, submit a PER for the upgrade and expansion of the existing STP.

10. Within 180 days of PER approval, submit plans and specifications to DEQ for review and approval for the upgrade and expansion of the STP.

11. Within 60 days of plan and specification approval, commence construction of the expansion and upgrades in accordance with the approved plans and specifications.

12. Within 18 months of plan and specification approval, complete construction of the upgraded STP in accordance with the approved plans and specifications.

13. Beginning upon the commencement of the construction of the expansion and permanent upgrade of the STP, submit quarterly construction project progress reports to NVRO with the Discharge Monitoring Report (DMR) submission and continue to operate the STP in accordance with the O&M manual and the Sludge Management Plan (SMP) in order to ensure that the STP produces the best quality effluent of which it is capable.

APPENDIX B

INTERIM EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning with the effective date of this Amended Order and lasting until the upgrade and expansion is complete in accordance with the schedule provided in Appendix A of this Amended Order, Land 'Or shall monitor and limit the discharge from outfall 001 at the Facility in accordance with the VPDES Permit No. VA0060887, except as specified below. These interim limits shall retroactively apply, if applicable, as of the first day of the month in which this Amended Order becomes effective. These requirements shall be construed in light of the Board's Permit Regulation.

PARAMETER	DISCHARGE LIMITATIONS						MONITORING REQUIREMENTS	
	Monthly Average		Weekly Average		Minimum	Maximum	Frequency	Sample Type
BOD_5	10.0 mg/l	NL	N/L	N/L	N/A	N/A	1/W	8H-C
TSS	30.0 mg/l	NL	N/L	N/L	N/A	N/A	1/W	8H-C
TKN (Jan-Dec)	6.0 mg/l	N/L	N/L	N/L	N/A	N/A	1/W	8H-C
DO	N/A	N/A	N/A	N/A	5.0mg/l	N/A	1/Day	Grab
Copper, Total Recoverable	NL	N/A	NL	N/A	N/A	N/A	1/M	Grab
Zinc, Total Recoverable	NL	N/A	NL	N/A	N/A	N/A	1/M	Grab
Nickel, Total Recoverable	NL	N/A	NL	N/A	N/A	N/A	1/M	Grab

N/A = Not Applicable

N/L = No Limit

1/W = Once per week

1/M = Once per month

1/Day = Once per day

8H-C = A flow proportional composite sample collected automatically, and discretely or continuously, for the entire discharge of the monitored 8-hour period.

Grab = An individual sample collected over a period of time not to exceed 15-minutes