

Seventh Mountain Golf Village WC

41-01448



Pathfinder Commercial
17385 Lodgepole Lane
Bend, Oregon 97707

January 30, 2008

Oregon Department of Human
Services – Public Health Division
800 NE Oregon St.
Portland, Oregon 97232-2162

Re: SMGV Water Company
PWS # OR 4101448

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FIELD SERVICES
DRINKING WATER PROGRAM

SMGV/WIDG

Dear Mr. Perry:

SG

Enclosed is our 2007 Cross Connection Annual Summary Report. As you may or may not be aware, we are a small water company and have spent the past few years upgrading our system and installing meters for each residence at the request of Deschutes County. We embarked upon our first attempt to have the backflow devices tested in 2007, with a rather unsatisfactory turn out, as evidenced by the enclosed report.

This year we plan to take a much more aggressive position and those homes that do not provide the appropriate certification will have their water service turned off until such certification is provided. In November, we had an outbreak of E.coli and everyone was provided with proper notification, but also made very much aware of the necessity of having their backflow devices tested. Enclosed is a copy of the relevant Newsletter.

If you need additional information or have any questions, please feel free to contact us at 541-598-7581 or by email at nslater@crescoinc.net.

Sincerely,

Pathfinder Commercial Mgmt.
for SMGV Water Company

Nita Slater
Management/Administration
cc: Dale Bernards

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Seventh Mountain Golf Village Water Company - Newsletter - December 2007

In light of the November E.coli incident at Widgi Creek, we thought it appropriate to review the events and perhaps shed light on what happened and why and what might be done to prevent and/or improve how we handle and minimize these incidents in the future.

What Happened:

The Water Utility tests the water system on a monthly basis by taking samples from randomly selected homes and the water source. Pine Ridge Pump collects the water samples and submits them to Umpqua Research for testing. It takes 24 hours to get the results of the test.

The samples were collected Monday and tests results revealed on Tuesday that E.coli was present in the system. Apparently, Butch indicated this to Widgi Creek Golf Course owner, Barry Helm and the Club and Grill were immediately closed. Several people overheard or learned of the E.coli being present and immediately began to spread the word.

The Utility learned about it mid-afternoon on Tuesday, and prepared a written notice to be distributed as soon as possible. We used the Emergency Response Plan Book and called the list of names (5 of them) and asked those people to contact the people on their call list.

Butch then explained that we could not mail the notice until the test results of the 2nd sample, taken before they chlorinated the water late Tuesday, were received back from the lab. Those results came back Wednesday afternoon. We downloaded the "official" Boil Water Notice from the Dept. of Health (DOH) website and hand-delivered them early Thursday morning. Additionally we mailed them via regular mail on Thursday.

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At this point, the system had been chlorinated and flushed. While Butch was on his way home Thursday night, he was contacted by the Bend Bulletin and interviewed regarding the E.coli outbreak, and advised them of the chlorination. The paper then produced an article advising everyone that the water was safe to drink. And, according to Butch, in all probability it was safe due to the presence of the chlorine.

However, the DOH did not want us to issue a Clean Bill of Health to the system until we received results on a new raw sample indicating that the E.coli is no longer present. A raw sample is one that contains no chlorine.

Probable Cause:

Both the County and Pine Ridge Pump believe the E.coli entered the system as a result of the recent pressurized drainage of all of the irrigation systems located throughout Widgi Creek in preparation for winter. Either there is a faulty backflow device or there is no device where there should be one. However, since this was/is just an assumption by Butch and the County, we have asked Butch to drain and clean the reservoir in the near future.

Back in May, we published a Newsletter regarding the requirement by the County to have your backflow devices tested. Out of all the owners at Widgi Creek, only twelve (14) have complied with the backflow testing at this writing. The HOA's took care of the common area irrigation backflows.

Backflow Prevention for 2008:

In 2008, it will be a mandatory requirement that ALL backflow devices be tested and Certifications sent to the Water Utility on or before September 1, 2008. The Water Utility is responsible for the protection and safety of the water distribution system and foreseeable conditions leading to the possible contamination or pollution of the drinking water. Therefore, water service to a customer

found to be in violation of this enabling authority is subject to discontinuation of service, subject to proper notice and time allowance for compliance, if the customer fails to:

- (a) Remove or eliminate an existing unprotected or potential cross-connection;
- (b) Install a required approved backflow prevention assembly;
- (c) Maintain an approved backflow prevention assembly;
- (d) Conduct the required testing of an approved backflow prevention assembly;

In the event of an actual backflow incident which endangers public health, water service to the entity in violation may be terminated immediately and not restored until the cross-connection is either eliminated or adequately protected.

Communications:

A couple of years back; the Utility prepared an Emergency Response Program which included a phone tree for residents at Widgi Creek. It would seem the tree needs to be expanded to include the HOA's for Elkai Woods and 7th Mountain Drive. It has been suggested that perhaps an automated phone system would be a better alternative to a phone tree which depends upon residents being there and available. The Utility will look into this option.

Additionally, it would be good to have everyone's e-mail address so that a "blast e-mail" could be sent and hopefully with both of these communication methods in effect, everyone would receive the information sooner rather than later.

While the DOH may ask us to wait for a second sample for either coliform, fecal coliform or E.coli, if it were me, I would prefer to be taking the precautions sooner rather than later. If the second sample proves negative (indicating the first sample was probably a false reading) I would rather have erred on the side of caution than drinking what may have been contaminated water for another 48 hours.

It is our hope that the above has helped to clarify some of the recent events; At least it has pointed out some of the flaws in our communications system, and it has brought to our attention the necessity of having the backflow devices tested annually (which is a County requirement) for everyone's benefit. These are both issues that can be corrected with everyone's cooperation.

The Utility would like to thank all of its customers at Widgi Creek for their interest, cooperation, and patience during this unfortunate event.

RATE CASE

The Rate Case has been filed with the Public Utility Commission on November 15th 2007. A copy of the appropriate notice is included with your statement for December.

Published by: SMGV Water Company
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