

BEFORE THE STATE OF OREGON
OREGON HEALTH AUTHORITY
CENTER FOR HEALTH PROTECTION

In the Matter of

Laurel Acres Water Company Public
Water System

BILATERAL COMPLIANCE AGREEMENT

Laurel Acres Water Company (Laurel Acres) has at all times mentioned herein owned and operated, and continues to own operate a community public water system serving approximately 50 people in homes located along Southwest 310th Avenue in Cornelius, Oregon. Laurel Acres is therefore a water supplier as defined in Oregon Revised Statute (ORS) 448.115(12) and Oregon Administrative Rule (OAR) 333-061-0020(211), and as a water supplier, has specific responsibilities that are identified in OAR 333-061-0025. The Laurel Acres water system is subject to regulation under ORS 448.115 to 448.290 and OAR 333-061-0005 to 333-061-0272.

Pursuant to its authority established in ORS 431A.010 and 448.255, the Oregon Health Authority, Public Health Division, Center for Health Protection, Drinking Water Services (Authority) reviewed the operation of the Laurel Acres water system. The Authority determined, during its review, that the groundwater well serving the Laurel Acres water system is contaminated by *E. coli* bacteria and doesn't meet construction standards. This represents a potential public health hazard.

This agreement is entered into between the Authority and Laurel Acres to establish a commitment by Laurel Acres to replace the existing groundwater well and complete construction of a new well to serve as the water source for the Laurel Acres water system.

FINDINGS OF FACT

- The Laurel Acres water system utilizes a single groundwater well as its water source. The Authority determined this well, identified by well log WASH 10896, is contaminated by *E. coli* bacteria after the bacterium species was present in nine water samples collected between February and November 2010.
- OAR 333-061-0032(6) requires, in part, that water suppliers complete corrective action when source water samples indicate the presence of *E. coli* bacteria in a groundwater well.
- The Authority evaluated the Laurel Acres well and determined it does not meet the construction standards prescribed by OAR 333-061-0050(2) and that reconstruction will add a significant measure of public health protection. Laurel Acres must therefore repair or replace its well as specified in OAR 333-061-0050(5)(b).
- Laurel Acres was awarded Community Development Block Grant funding for development of a new water source or reconstruction of the existing groundwater well.
- The Authority and Laurel Acres entered into a bilateral compliance agreement on June 14, 2011 which established mutually agreed upon deadlines for completing reconstruction of the Laurel Acres well.
- Laurel Acres submitted an action plan to the Authority on December 29, 2011 and proposed reconstruction of its groundwater well but did not complete any other terms specified in the agreement. Laurel Acres reassessed its decision and proposed construction of a new well instead of reconstruction of the existing well.
- The Authority and Laurel Acres agreed upon two subsequent extensions to the bilateral compliance agreement of June 14, 2011. The extensions were necessary because of unforeseen difficulties faced by Laurel Acres obtaining land suitable for construction of a new groundwater well.
- The Authority cancelled the bilateral compliance agreement on October 12, 2015 because the deadlines specified in the second extension to the agreement passed without completion of the necessary actions and because Laurel Acres could not accurately indicate when the actions would be completed.

- Northwest Engineers, LLC submitted a site plan to the Authority on February 25, 2016 for construction of a new well at the Laurel Acres water system. The Authority could not approve the site plan because the proposed well was too close to existing sanitary hazards as specified in OAR 333-061-0050(2).
- The seriousness of *E. coli* contamination in a groundwater source compels the Authority to reestablish formal terms for the replacement of Laurel Acres' groundwater well to ensure the process is completed. However the Authority recognizes that previous delays and uncertainties were due to matters beyond Laurel Acres' control and that other enforcement action is not necessary at this time.

AGREEMENT

Upon completion of the activities described below, by the deadlines specified herein, Laurel Acres will have satisfied the terms of this agreement and be considered in compliance with the rule(s) mentioned hereto.

- Agreement Activity No. 1: Laurel Acres agrees to submit, no later than December 31, 2016, a summary of the outcome of the bid process for construction of a new groundwater well to serve the Laurel Acres water system.
- Agreement Activity No. 2: Laurel Acres agrees to verify that construction of a new well to serve the Laurel Acres water system is completed no later than June 30, 2017.
 - Construction shall meet all applicable construction standards specified in OAR 333-061-0050.
 - Laurel Acres shall submit a copy of the well driller's report for the new well to the Authority no later than July 15, 2017.
- Agreement Activity No. 3: Laurel Acres agrees to finalize the plan review process related to well construction at the Laurel Acres water system no later than September 30, 2017.
 - The well identified by well log WASH 10896 shall be formally abandoned according to the standards of the Oregon Department of Water Resources before plan review will be granted final approval.

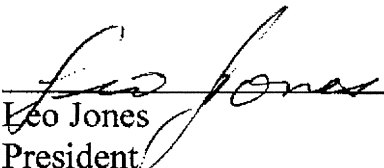
GENERAL PROVISIONS

This Agreement does not constitute a waiver, suspension or modification of the requirements of the Oregon Drinking Water Quality Act; ORS 448.115 to 448.285 and administrative rules OAR 333-061-0005 to 333-061-0272, which remain in full force and effect.

This Agreement does not relieve Laurel Acres of any responsibilities or liabilities established pursuant to any applicable federal, state, or local law or regulation.

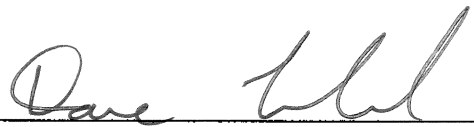
Any extension or amendment to the terms of this agreement must be requested in advance and supported by evidence of good faith efforts to comply with the agreement activity to be amended. The Authority will forgo additional enforcement action, which could include the assessment of civil penalties as prescribed by OAR 333-061-0090, if Laurel Acres meets all of the requirements and deadlines specified in this agreement.

Dated this 17th day of November, 2016.



Leo Jones
President
Laurel Acres Water Company

Dated this 28 day of November, 2016.



Dave Leland, PE
Manager
Oregon Health Authority, Drinking Water Services

cc: Gregg Baird, Oregon Health Authority, Drinking Water Services
Larry Fenster, Washington County Environmental Health