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

In the Matter of

The City of Vale Public Water System

BILATERAL COMPLIANCE AGREEMENT

The Oregon Health Authority, Public Health Division, Center for Health Protection, Drinking Water Services (DWS) and the City of Vale agree to the following:

1. The City of Vale is a water supplier (hereinafter "Water Supplier") as defined in Oregon Revised Statute (ORS) 448.115 and Oregon Administrative Rule (OAR) 333-061-0020. The responsibilities of water suppliers are identified in OAR 333-061-0025.
2. Water Supplier owns and operates the public water system serving the residents and businesses of the City of Vale (hereinafter "Water System"), identified by public water system ID # OR4100917 in Malheur County, Oregon. The Water System is a community water system serving approximately 1,900 people and subject to regulation under ORS 448.115 to 448.290 and OAR 333-061-0005 to 333-061-0272.
3. DWS has reviewed the operation of the Water System pursuant to its authority in ORS 431A.010, 448.150 and 448.255. DWS has determined that water provided by the water system exceeds the maximum contaminant level (MCL) as specified in OAR 333-061-0030 for arsenic. Water with arsenic above the MCL represents a potential public health hazard.

Some people who drink water containing arsenic in excess of the MCL over many years could experience skin damage or problems with their circulatory system, and may have an increased risk of getting cancer. OAR 333-061-0097.

4. This Bilateral Compliance Agreement (“Agreement”) is entered into between DWS and Water Supplier to address the contamination of the drinking water provided by the Water System. This Agreement establishes the corrective action(s) that Water Supplier must take and the deadlines for completing those actions with the purpose of reducing the contamination in the drinking water below the MCL. The corrective actions and respective deadlines are described in detail below.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Water Supplier was and is required to meet all the responsibilities for water suppliers described in OAR 333-061-0025.
2. The MCL for arsenic is 0.010 mg/L. OAR 333-061-0030(1).
3. Sample results for the Water System demonstrate that the water has been above the MCL for arsenic in violation of OAR 333-061-0030(1). A sample reported for the water system first exceeded the MCL on September 12, 2006. On June 30, 2011, test results showed that the running annual average (RAA) of arsenic concentration in the water provided by the Water System was 0.011 mg/L.
4. As of June 30, 2018, test results show that the RAA of arsenic concentration in the water provided by the Water System was 0.013 mg/L for its Airport Wellfield and 0.018 mg/L for its Washington St. Well.
5. Water Supplier is not in compliance with OAR 333-061-0030(1).
6. Water Supplier previously entered into a bilateral compliance agreement with DWS on January 22, 2014 to ensure compliance with the MCL for arsenic at the Water System. In that agreement, Water Supplier agreed to complete construction of an arsenic treatment system within 16 months after DWS conditionally approved the project and to demonstrate compliance with the arsenic MCL within 90 days of subsequently completing construction. DWS granted conditional approval of Water Supplier’s construction plans on February 27, 2017 and it should have therefore demonstrated compliance with the arsenic MCL no later than September 25, 2018.

7. Water Supplier requested an extension to the agreement on August 27, 2018 because it has not completed construction of the arsenic treatment system due to circumstances beyond its control. Water Supplier requested an additional six months to complete construction and make the arsenic treatment system operational.
8. Based on Water Supplier's progress to satisfy the terms of the agreement, DWS agrees to an extension as specified herein. This Agreement supersedes and replaces the bilateral compliance agreement executed on January 22, 2014 and extension executed on March 23, 2016.

CORRECTIVE ACTIONS

Water Supplier agrees to take the following corrective actions and meet the deadlines set out below:

- Corrective Action No. 1: Water Supplier shall complete construction and installation of arsenic treatment at the Water System according to the plans approved by DWS and assigned ID# 13-2017 no later than December 31, 2018.
 - For this corrective action to be met, any construction or installation performed must meet the applicable construction standards in OAR 333-061-0050, as approved by DWS.
- Corrective Action No. 2: Water Supplier shall collect water samples according to OAR 333-061-0036(2)(a) and report testing results to DWS within sixty (60) calendar days of completing construction that show the drinking water produced by the Water System is not above the MCL in OAR 333-061-0030(1) for arsenic.
- Corrective Action No. 3: Water Supplier shall collect water samples according to OAR 333-061-0036(2)(a) every calendar quarter and report testing results to DWS according to OAR 333-061-0040(1)(b) until the concentration of arsenic, calculated as a RAA, is below the MCL at every entry point to the distribution system and in all water delivered by the Water System.
- Corrective Action No. 4: Water Supplier shall continue to publish a public notice that informs customers that drinking water at the Water System exceeds the MCL for arsenic. The notice must meet the requirements in OAR 333-061-0042.

- Water Supplier shall send a copy of the notice to DWS within 10 calendar days of distributing the public notice to customers, along with a written statement that it has fully complied with the distribution and public notification requirements in OAR 333-061-0040(1)(i).
- Corrective Action No. 5: Water Supplier shall provide public notice to customers in the same manner as is described in Correction Action No. 4 every three months that includes any changes or additional information regarding arsenic in the drinking water at the Water System. This action must be complied with until DWS notifies Water Supplier that its drinking water is below the MCL for arsenic, and that the drinking water otherwise meets all applicable state and federal drinking water laws and rules.

DWS RESPONSIBILITIES

- DWS shall review and approve any corrective action plan or construction plans submitted by Water Supplier within thirty (30) days of receipt. DWS shall approve or require changes to the submitted plans immediately upon completing the review.

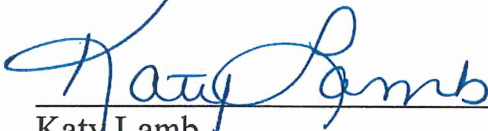
GENERAL PROVISIONS

1. Water Supplier satisfies the terms of this Agreement by completing the corrective actions listed above according to the deadlines specified herein.
2. 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.
3. This Agreement does not relieve Water Supplier of any responsibilities or liabilities established by any applicable federal, state, or local law or regulation.
4. If Water Supplier fails to complete any of the corrective actions listed above or fails to meet any of the listed deadlines, DWS may pursue any enforcement action, which may include assessment of civil penalties or other legal remedies pursuant to ORS 431A.010, 431.155, 448.255 and 448.280. If DWS proceeds with such an enforcement action, Water Supplier will have the right to a hearing.
5. DWS may consider the findings of fact and violations cited in the conclusions of law of this Agreement for purposes of any future enforcement action or sanction involving Water Supplier.

6. Water Supplier is aware of its rights to contest the violations listed in this Agreement in a contested case hearing under the Administrative Procedure Act (Oregon Revised Statutes, Chapter 183) and its rights to judicial review of a final order issued in the contested case. Water Supplier freely and voluntarily waives all rights to a contested case hearing and to all judicial review of the findings of fact or conclusions of law contained in this Agreement in a proceeding brought by DWS to enforce this Agreement.

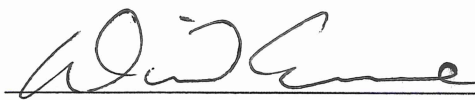
7. This Agreement may be executed in one or more multiple counterparts, including facsimile, scanned, and electronically transmitted counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

Dated this 25 day of Sept, 2018.



Katy Lamb
City Manager
City of Vale

Dated this 27th day of September, 2018.



David Emme, Manager
Drinking Water Services
Oregon Health Authority

cc: Troy Baker, Anderson Perry & Associates, Inc.
Bill Goss, Oregon Health Authority, Drinking Water Services