

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

In the Matter of

Wells Creek District Improvement
Co., PWS OR4105889

Respondent

SETTLEMENT AGREEMENT AND
FINAL ORDER

OHA Reference No.: 2024-OHA-17650

The Oregon Health Authority, Public Health Division, Center for Health Protection, Drinking Water Services ("Authority") and Wells Creek District Improvement Co. ("Respondent") (together, "the Parties") agree and admit to the following to resolve the above-referenced matter:

1. The Authority issued a Notice of Violation and Administrative Order ("Order") dated September 25, 2024 to Respondent. The Order alleged that Respondent violated OAR 333-061-0032(1)(a), (1)(b), and (6); and OAR 333-061-0050(2)(b). The Order is incorporated by reference. Respondent timely requested an administrative contested case hearing with the Authority in accordance with ORS Chapter 183.
2. Respondent admits to the facts and violations described in the attached Order.

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All relay calls accepted | <http://healthoregon.org/dwp>

3. Respondent submitted a Corrective Action Plan to the Authority on June 18, 2025, identifying options for source water improvements and alternatives at the Water System (PWS# OR4105889), along with a brief timeline for when Respondent will make decisions regarding the actions it takes. The June 18, 2025, Corrective Action Plan is incorporated herein by reference.
4. Respondent agrees to take all necessary actions to improve, reconstruct or replace the International Paper Spring that supplies the Water System (PWS# OR4105889), in accordance with the conditions in the Corrective Action Plan. Any proposed revision of the conditions listed in the Corrective Action Plan requires prior Authority approval. Authority approval will ensure the facility supplying the Water System either meets all applicable construction standards for a groundwater source, or that the applicable surface water treatment is installed or constructed so as to meet all conditions for final approval by the Authority.
5. Respondent agrees to submit a construction schedule to the Authority no later than 30 days after the date this Settlement Agreement is fully executed identifying the actions it will take based on the submitted Corrective Action Plan, and reasonable time frames or deadlines for completing those actions.
6. Respondent must perform and complete all tasks as identified in the Corrective Action Plan described in paragraph 3 and the construction schedule described in paragraph 5 according to any time frames or deadlines included in the schedule, and shall notify the Authority in writing within 5 calendar days of completing all the tasks.
 - Any modification of the International Paper Spring source must meet all applicable construction standards as stated in OAR 333-061-0050
 - Construction plans must be approved by the Authority for any major modification at the Water System, prior to any construction or installation taking place. A “major modification” has the same meaning as provided under OAR 333-061-0020(81).
 - Any construction or installation performed must meet the applicable construction standards as provided in OAR 333-061-0050, as approved by the Authority.

7. Water Supplier must collect water samples and submit testing results to the Authority within sixty (60) calendar days of notifying the Authority that all the tasks of the action plan have been completed to demonstrate water facilities were constructed to eliminate drinking water contamination.
8. If Respondent violates the terms of this Settlement Agreement, the Authority may issue an order requiring Respondent to complete the "Actions Required to Achieve Compliance" as described in the Order. If Respondent fails to comply with this Settlement Agreement, the Authority shall notify Respondent of the violation and provide the opportunity for a contested case hearing, but the only issue Respondent may contest is whether Respondent failed to comply with the Agreement. Respondent may not challenge the appropriateness of the remedial actions or the past violations agreed to under this Settlement Agreement.

GENERAL TERMS

1. Respondent is aware of the right to seek judicial review if this matter was not resolved through this Settlement Agreement. Respondent is aware of the right to seek judicial review of a circuit court decision reviewing a final order issued in the matter. Respondent freely and voluntarily waives all rights to all judicial review. In full satisfaction and settlement of this matter, Respondent agrees to the Authority's issuance of a Final Order incorporating this Settlement Agreement.
2. Joe Sharps is the board president for the Wells Creek District public water system. Joe Sharps represents and warrants that he has the authority to enter this Settlement Agreement and bind Respondent. This Agreement is binding upon Respondent, its agents, employees, representatives, shareholders, directors, officers, successors, and any and all persons or entities acting in concert or participation with or for it.
3. The Parties agree that this Settlement Agreement constitutes the sole, entire and complete agreement between the parties to resolve the administrative proceeding commenced by the Order and that no promises, inducements or agreement not herein expressed have been made and that the terms of this Settlement Agreement are contractual and not a mere recital.
4. Respondent releases and waives any and all claims of any kind, known or unknown, past or future, against the State of Oregon or its agencies, instrumentalities,

employees, officers, or agents arising out of the matters set forth in the Notice or this Settlement Agreement, including but not limited to any claim under federal or state law for damages, declaratory or equitable relief, under 42 USC § 1983 et seq, and for attorney fees or costs.

5. 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 333-061-0050 to 333-061-0272, which remain in full force and effect,
6. This Agreement does not relieve Respondent of any responsibilities or liabilities established pursuant to any applicable federal, state, or local law or regulation.
7. The Parties agree that this Settlement Agreement and Final Order 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.
8. This Settlement Agreement must be received by the Authority by July 11, 2025, or this settlement offer is deemed withdrawn



Joe Sharps, President
Wells Creek District Improvement Co.

10 July 2025

Date



Samina Panwhar, Manager
Drinking Water Services
Oregon Health Authority

7/14/2025

Date

FINAL ORDER

NOW THEREFORE, the Authority finds and concludes that Respondent violated OAR 333-061-0032(1)(a), (1)(b), and (6); and OAR 333-061-0050(2)(b). Further, the Authority adopts all other terms of the Settlement Agreement.

It is so ORDERED.



Samina Panwhar, Manager
Drinking Water Services
Oregon Health Authority

7/14/2025

Date