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

In the Matter of

Manzanita Hills Homeowners Association, PWS OR4106155 SETTLEMENT AGREEMENT AND FINAL ORDER

The Oregon Health Authority, Public Health Division, Center for Health Protection, Drinking Water Services (DWS) issued a Notice of Intent to Impose Civil Penalty (Notice) on March 29, 2024 proposing to assess a \$6,000 civil penalty against Manzanita Hills Homeowners Association for violations of the Oregon Drinking Water Quality Act (ORS 448.115 to ORS 448.290) and Oregon Administrative Rules. The Notice is incorporated by reference. On April 7, 2024, Manzanita Hills Homeowners Association (hereinafter "Water Supplier") requested a hearing.

DWS and Water Supplier agree to resolve the Notice by stipulating as follows:

- 1. Water Supplier owns and operates the public water system identified by public water system ID# OR4106155 and serving homes along Cindy Court, Cindy Way and Linda Lane in Shady Cove, Oregon (hereinafter "Water System").
- 2. Water Supplier admits to the violations in the Notice and the facts underlying the violations in the Notice. This Settlement Agreement (Settlement) resolves only the violations identified in the Notice.

- 3. Water Supplier is assessed a civil penalty of \$6,000 for the violations identified in the Notice. DWS shall hold 95% of the civil penalty (\$5,700) pending Water Supplier's compliance with this Settlement. Water Supplier shall pay five percent of the \$6,000 civil penalty (payment of \$300) to DWS by submitting payment within 10 calendar days of signing this Settlement.
- 4. If Water Supplier fails to comply with the terms of this Settlement, DWS may lift the abeyance on the balance of the civil penalty after notice and opportunity for hearing. DWS shall notify Water Supplier of the violation and provide an opportunity for a contested case hearing, but the only issue Water Supplier may contest is whether Water Supplier failed to comply with this Settlement and shall have no right to contest the underlying violations or amount of the civil penalty. If Water Supplier is found to be in violation of the Agreement, Water Supplier agrees to pay the remaining civil penalty of \$5,700. Payment of the civil penalty shall be due and payable within 10 calendar days of a final order being issued.
- 5. Water Supplier agrees to complete DWS plan review and approval, according to the letter dated November 29, 2022 (attached and incorporated herein) and all applicable provisions in OAR 333-061-0060, for the new groundwater well developed at the Water System and identified by Well Tag L150762.
 - Water Supplier shall complete plan review and obtain DWS approval within 90 days of signing this Settlement.
- 6. Water Supplier agrees to install or construct treatment at the Water System to reduce the concentration of arsenic in drinking water to below the MCL.
 - o Prior to installation or construction, Water Supplier shall submit construction plans to DWS that meet all the applicable requirements of OAR 333-061-0060 and have sufficient detail to completely and clearly illustrate what will be constructed.
 - This treatment shall be installed or constructed within 90 days of signing this Settlement and according to construction plans approved by DWS. Construction of all improvements or modifications at the Water System must meet the applicable construction standards specified in OAR 333-061-0050.

- Water Supplier shall notify DWS in writing within 5 calendar days of completing construction or installation of the arsenic treatment system.
- 7. Water Supplier agrees to begin operating the arsenic treatment system constructed according to Settlement Article No. 6, no later than 60 days after notifying DWS of completing construction and no later than 155 days after signing this Settlement, whichever is earlier.
- 8. Water Supplier agrees to monitor arsenic at the Water System at least once every month after beginning operation of an arsenic treatment system as described in Settlement Article No. 7.
 - Water supplier shall use the procedures and standards in OAR 333-061-0036(2)(a) and 333-061-0036(1)(g) when conducting monitoring.
 - o Sample results shall be reported to the Authority no more than 10 days after the end of each month according to OAR 333-061-0040(1).
- 9. Water Supplier may return to monitoring arsenic once every calendar quarter upon notification from DWS and after sample results reported for the Water System have concentrations of arsenic below the MCL specified in OAR 333-061-0030(1) every month for 12 consecutive months after treatment is in operation. Water Supplier shall conduct monitoring using the procedures and standards in OAR 333-061-0036(2)(a).
- 10.In full satisfaction and settlement of this matter, Water Supplier agrees to DWS's issuance of a final order incorporating this Settlement. Water Supplier is aware of the right to a contested case hearing if the Notice was not resolved through this Settlement. Water Supplier is aware of the right to judicial review. Water Supplier freely and voluntarily waives all rights to a contested case hearing and to all judicial review.
- 11.If DWS determines that Water Supplier has violated this Agreement, it will notify Water Supplier of the violation. Water Supplier will be given the opportunity to contest whether it is in violation in a contested case proceeding but shall have no right to contest the underlying violations or amount of the civil penalty.

- 12. Consistent with applicable state laws and rules, DWS may rely on violations admitted to in this Settlement for purposes of evaluating the extent and appropriateness of any future action or sanction against Water Supplier.
- 13.DWS and Water Supplier agree that this Settlement constitutes the sole, entire, and complete agreement between the parties to address the Notice and that no promises, inducements, or agreements not herein expressed have been made, and that the terms of this Settlement are contractual and not a mere recital.
- 14. Water Supplier 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, 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 attorneys fees or costs.
- 15. 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. All faxed, emailed, or electronic signatures affirming this Settlement Agreement and Final Order constitute an original signature.
- 16. Water Supplier is a domestic nonprofit corporation. Water Supplier represents and warrants that James Robinson is individually authorized to enter this Settlement Agreement and Final Order and bind Water Supplier on its behalf. This Settlement Agreement and Final Order is binding upon Water Supplier, its agents, employees, representatives, shareholders, directors, officers, successors, and any and all persons or entities acting in concert or participation with or for it.
- 17. This Settlement 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. This Settlement does not relieve Water Supplier of any responsibilities or liabilities established pursuant to any applicable federal, state, or local law or regulation.

18. The Settlement Agreement must be signed and received by DWS by May 1, 2024, or this settlement offer is deemed withdrawn.

IT IS SO STIPULATED.

Date April 30, 2024

James Robinson

President, Registered Agent

Manzanita Hills Homeowners Association

Date 5/5/2024

Samina Panwhar, Manager

Drinking Water Services

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Oregon Health Authority

cc: Tawni Bean, Business Oregon Tony George, Jackson County Environmental Public Health Division Zach Golik, Oregon Health Authority, Drinking Water Services Rebecca Templin, Oregon Health Authority, Drinking Water Services

FINAL ORDER

NOW THEREFORE, the Oregon Health Authority finds and concludes that Manzanita Hills Homeowners Association committed two violations of OAR 333-061-0090(3)(i) as described in this Agreement. OHA hereby imposes the civil penalty of \$6,000.00 described in this Agreement, holding 95% of the civil penalty, \$5,700.00, in abeyance according to the terms and all requirements of this Agreement. Further, OHA adopts all other terms of this Agreement.

IT IS SO ORDERED.

Date_5/3/2024

André Ourso, JD, MPH, Administrator

Oregon Health Authority, Center for Health Protection