

BEFORE THE STATE OF OREGON
OREGON HEALTH AUTHORITY
OFFICE OF ENVIRONMENTAL PUBLIC HEALTH

In the Matter of

Laurel Acres Water Company, Inc.,
PWS OR4100217

BILATERAL COMPLIANCE AGREEMENT

Laurel Acres Water Company, Inc. (Laurel Acres) is 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.

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 along Southwest 310th Avenue in Cornelius, Oregon, and is subject to regulation under ORS 448.115 to 448.290 and OAR 333-061-0005 to 333-061-0290.

Pursuant to its authority under ORS 448.150, the Oregon Health Authority, Public Health Division, Office of Environmental Public Health, Drinking Water Program (Program) has reviewed the operation of the Laurel Acres water system.

This agreement is entered into between the Program and Laurel Acres, for the purpose of acknowledging that the well serving as the water source for the Laurel Acres water system does not meet construction standards and is susceptible to microbiological contamination. The further purpose of this agreement is to establish a commitment by Laurel Acres to develop a new water source for the water system or to reconstruct the existing water source to effectively eliminate contamination.

FINDINGS OF FACT

- In February and March 2010 six water samples collected from the groundwater well serving the Laurel Acres water system were analyzed for coliform bacteria. The analysis indicated that each sample had the presence of *E. coli* bacteria.
- The presence of *E. coli* in a groundwater well is considered an indication that fecal contamination is present within the well.
- Water samples collected in April, June, and November 2010 have continued to indicate the presence of *E. coli* in the groundwater well serving the Laurel Acres water system.
- Evaluation of the groundwater well serving the Laurel Acres water system has found that construction of the well does not meet the standards for construction of a groundwater well as prescribed by OAR 333-061-0050.
- Laurel Acres has initiated the process to obtain 2011/2012 Community Development Block Grant funding for development of a new water source or reconstruction of the existing source.

AGREEMENT

Upon completion of the activities described below, if taken within the time specified in this Agreement, Laurel Acres will be considered to be in compliance with the rule(s) mentioned hereto.

- Agreement Activity No. 1: Laurel Acres will submit an action plan that identifies how it will improve or replace the existing groundwater well at the Laurel Acres water system no later than December 31, 2011.
- Agreement Activity No. 2: Laurel Acres will submit construction plans for a new water source or for reconstruction of the existing water source no later than March 31, 2012.
- Agreement Activity No. 3: Laurel Acres will ensure that construction of a new water source or reconstruction of the existing water source is completed no later than September 30, 2012.

- Agreement Activity No. 4: Laurel Acres will sample for coliform bacteria at the new water source no later than October 31, 2012.
- Agreement Activity No. 5: Laurel Acres will continue to maintain a minimum chlorine residual at the entry point to the distribution system of at least 0.3 ppm at all times.
- Agreement Activity No. 6: Laurel Acres will continue to measure and record free chlorine residual every day during peak demand at the entry point to the distribution system and submit that information every month on the form provided by the Program within ten days of the end of each month.
- Agreement Activity No. 7: Laurel Acres will continue to measure and record free chlorine residual at least twice a week in the distribution system and ensure that a detectable residual is maintained in all parts of the distribution system at all times.

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 333-061-0290, which remain in full force and effect.

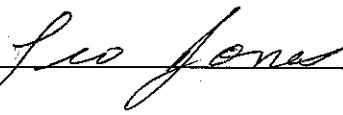
This Agreement does not relieve the Laurel Acres of any responsibilities or liabilities established pursuant to any applicable federal, state, or local law or regulation.

The Program has determined that additional enforcement action is not warranted at this time, and so long as Laurel Acres meets all of the requirements and deadlines specified in this Agreement, the Program will forgo additional enforcement action which could include the assessment of civil penalties as prescribed by OAR 333-061-0090.

Laurel Acres Water Company, Inc.

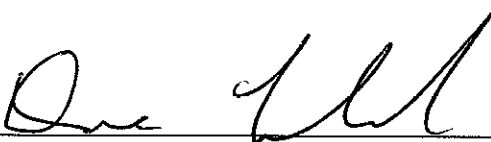
Page 4

Dated this 7th day of June, 2011.



Leo Jones
President
Laurel Acres Water Company Inc.

Dated this 14th day of JUNE, 2011.



Dave Leland
Program Manager
Oregon Health Authority, Drinking Water Program

cc: Gregg Baird, OHA-DWP
Joseph Federico, Washington County Environmental Health
Karrie Thompson, Laurel Acres Water Company Inc.