

800 NE Oregon St.
Portland, Oregon 97232-2162
Voice (971) 673-0405
FAX (971) 673-0694
TTY (971) 673-0372

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

In the Matter of

Dexter Oaks Cooperative Public Water
System

BILATERAL COMPLIANCE AGREEMENT

The Oregon Health Authority, Public Health Division, Center for Health Protection, Drinking Water Services (DWS) and Dexter Oaks Cooperative agree to the following:

1. Dexter Oaks Cooperative 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 Dexter Oaks public water system (hereinafter "Water System"), identified by public water system ID # OR4100998 at 39009 Dexter Road in Dexter, Oregon. The Water System is a community water system serving approximately 75 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 purchased the Water System and the property where the Water System is located on October 29, 2015.
 2. As of October 29, 2015, Water Supplier was and is required to meet all the responsibilities for water suppliers described in OAR 333-061-0025.
 3. The MCL for arsenic is 0.010 mg/L. OAR 333-061-0030(1).
 4. Water Supplier installed treatment to reduce arsenic concentrations in drinking water at the Water System in 2007. DWS granted final approval for this arsenic treatment on October 6, 2008.
 5. The Water System is supplied by two groundwater wells and water from the wells is blended to improve treatment effectiveness. Sample results reported to DWS for the Water System were consistently below the MCL from 2007 through 2018.
 6. Recent sample results for the Water System demonstrate that arsenic has been above the MCL in violation of OAR 333-061-0030(1). On August 12, 2019, test results showed that the running annual average (RAA) of arsenic concentration in the water provided by the Water System was 0.016 mg/L. A water sample reported November 18, 2019 showed that the RAA concentration for arsenic increased to 0.024 mg/L.
 7. Water Supplier is not in compliance with OAR 333-061-0030(1).
 8. OAR 333-061-0025 requires, in part, water suppliers to take all reasonable actions to assure that the water delivered to users does not exceed maximum contaminant levels
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and that water system facilities are free of public health hazards. Water samples collected at the Water System indicate that water provided by the system exceeds the MCL for arsenic as specified in OAR 333-061-0030(1) despite Water Supplier's installation of an arsenic treatment system. Water Supplier's failure to operate the treatment system effectively demonstrates Water Supplier has not taken all reasonable actions to ensure that water does not exceed the MCL for arsenic.

9. Water Supplier is not in compliance with of OAR 333-061-0025.

CORRECTIVE ACTIONS

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

1. Water Supplier shall re-submit an updated version of the action plan submitted to DWS on December 6, 2019. The updated plan shall be submitted to DWS no later than March 31, 2020 identifying how Water Supplier shall ensure compliance with the MCL for arsenic at the Water System. The action plan shall:
 - o Identify all tasks Water Supplier intends to perform to ensure drinking water produced by the Water System has concentrations below the MCL for arsenic and set reasonable deadlines for completing all the identified tasks. At a minimum, the action plan shall include deadlines or time frames for the following tasks:
 1. Begin design;
 2. Submit complete, engineered construction plans or specifications to DWS for review and approval;
 3. Begin construction; and
 4. Begin system start-up.
2. Water Supplier shall perform and complete all tasks in the action plan described in Corrective Action No. 1 by the deadlines in the action plan and shall notify DWS in writing within 5 calendar days of completing all the tasks. For this corrective action to be met, any construction or installation that was performed must meet the applicable construction standards in OAR 333-061-0050, as approved by DWS.
3. Water Supplier shall collect water samples according to OAR 333-061-0036(2)(a) and submit testing results to DWS within sixty (60) calendar days of notifying DWS that all the tasks in the action plan have been completed. Water Supplier will have satisfied

the terms of the Agreement when testing shows the drinking water produced by the Water System is not above the MCL in OAR 333-061-0030(1) for arsenic for four consecutive calendar quarters.

4. Water Supplier shall continue to publish a public notice every three months 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. Each notice shall include any changes or additional information regarding arsenic in the drinking water at the Water System that has occurred since the previous notice was published. Water Supplier must comply with this action until DWS notifies it 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.
 - o Within 10 calendar days of distributing the public notice to customers, Water Supplier shall send a copy of the notice to DWS along with a written statement that it has fully complied with the distribution and public notification requirements in OAR 333-061-0040(1)(i).

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 ⁰¹~~17~~ day of March, 2020.

Daniel Flynn
[NAME] President
[TITLE]
Dexter Oaks Cooperative

Dated this 3rd day of March, 2020.

[Signature]

Wexter Oaks Cooperative

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David Emme, Manager
Drinking Water Services
Oregon Health Authority

cc: Nicholas Alvianni, Lane County Environmental Health
Jay MacPherson, Oregon Health Authority, Drinking Water Services
