

Exhibit No. _____ (DMP-30)
Docket No. UW-060343
Witness: Derek M. Pell

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

ILIAD WATER SERVICE, INC.,

Respondent.

DOCKET NO. UW-060343

**EXHIBIT TO
RESPONSE TESTIMONY OF**

DEREK M. PELL

**Assistant Manager, NW Office of Drinking Water
Washington State Department of Health**

**ON BEHALF OF STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Letter dated September 22, 2006 to Iliad from DOH and
State Department Order*

October 4, 2006



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

20435 72nd Ave. S., Suite 200, K17-12 • Kent, Washington 98032 -2358

September 22, 2006

Iliad Water Services, Inc
Derek E Dorland, President
PO Box 20429
Seattle WA 98102

Iliad Water Services, Inc
Dave Dorland Sr, Manager
PO Box 20098
Seattle WA 98102

Iliad Water Services, Inc
Richard Finnigan, Registered Agent
2112 Black Lake Blvd SW
Olympia WA 98512

Subject: Alder Lake Community Water System, ID# 26995H
Pierce County
State Departmental Order: Requirement for Disinfection Treatment and Certified Operator

Dear Sirs:

Please find enclosed a State Departmental Order which provides a schedule for installing disinfection treatment and certified operator at the Alder Lake Community Water System.

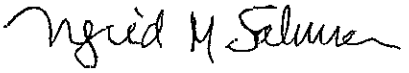
Since December 2000, Alder Lake Community Water System has been required to install a permanent disinfection system in accordance with 246-290-250 & 451 WAC. Alder Lake Community water system is now classified in state significant non-compliance (SSNC) based on not providing disinfection treatment in a timely manner. DOH revised its policies in July 2006 to define the status of 'state significant non-complier' for violation of the requirement to provide disinfection treatment. In September 2003, DOH offered a BCA toward seeking an agreed upon schedule for providing treatment; the purveyors of this water system did not provide an agreed upon schedule nor sign the offered agreement at that time or any time since.

Therefore, DOH is issuing this State Departmental Order to effect compliance with the requirement to provide permanent and effective disinfection and to meet the operator certification requirements.

Alder Lake Community Water System
September 22, 2006
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For technical assistance please contact John Ryding at (253) 395-6757. For questions regarding compliance schedules please contact me at (253) 395-6772 or Ingrid.salmon@doh.wa.gov.

Sincerely,



Ingrid M. Salmon
Regional Compliance Manager
NW Drinking Water Operations

cc: Brad Harp, Tacoma-Pierce County Health Department
Danny Kermode, Washington Utilities and Transportation Commission
John Aden, DOH



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

20435 72nd Ave. S., Suite 200, K17-12 • Kent, Washington 98032 -2358

In Re:)	
)	
Alder Lake Community)	Docket No. 06-SDO-021
Water System)	
Pierce County)	ORDER
)	
)	
ID# 26995H)	

To: Iliad Water Services, Inc
Derek E Dorland, President
PO Box 20429
Seattle WA 98102

Iliad Water Services, Inc
Dave Dorland Sr, Manager
PO Box 20098
Seattle WA 98102

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Olympia WA 98512

This document constitutes a notice of correction for purposes of chapter 43.05 RCW. Pertinent references to the Washington Administrative Code (WAC) are provided in Attachment A (see Part VIII herein).

I. FINDINGS

1.1 Identity of System. Alder Lake Community Water System (Alder Lake or system) is a public water system in Pierce County, Washington. The owner is Iliad Water Services, Inc. whose address is PO Box 20429, Seattle WA 98102. The president of the company

ORDER

is Derek E. Dorland whose address is PO Box 20429, Seattle WA 98102. The manager of the water system is Dave Dorland Sr. whose address is PO Box 20098, Seattle WA 98102. The registered agent for the company is Richard Finnigan whose address is 2112 Black Lake Blvd SW, Olympia WA 98512. According to the Department of Health (DOH) records, the system serves about twenty-seven (27) residential connections that provide water for approximately forty-five (45) persons. The system is classified as a Group A community water system as defined under WAC 246-290-020 and 246-292-010.

1.2 Covered by regulations. Alder Lake Community water system is a "public water system" as defined under RCW 70.119A.020(4) and Iliad Water Services, Inc., is an owner as defined under WAC 246-292-010. Iliad Water Services, Inc, Dave Dorland Sr., Derek E. Dorland, and Richard Finnigan are "purveyors" as defined under WAC 246-290-010. The operation of this public water system is governed by chapter 246-290 WAC, the regulations of the State Board of Health regarding Group A public water systems.

1.3 Violation of duty to provide disinfection treatment. Since December 2000, Alder Lake Community water system has been required to install a permanent disinfection system as an additional barrier against potential biological contamination in accordance with WAC 246-290-250 and WAC 246-290-451 in response to DOH's determination that the water system sources are in hydraulic connection to Alder Lake. A designation of hydraulic connection indicates that the ground water sources have a clear relation with the nearby surface water source of Alder Lake and are susceptible to contamination by microbial pathogens such as bacteria and viruses. On January 31, 2002 DOH approved a design for disinfection treatment at the system. Our offered bilateral

compliance agreement of September 5, 2003 required installation of the approved disinfection treatment facilities and submittal of the construction completion report by January 31, 2004.

Currently, the system does not provide any disinfection treatment for any of its sources of supply or distribution which is a violation of WAC 246-290-250 and 246-290-451.

1.4 Violation of duty to have a certified water works operator. Alder Lake Community water system is required to have a certified water works operator in accordance with RCW 70.119.030 and WAC 246-292-020 (Attachment B). According to Department records, we received word on or about August 24, 2006 that your designated operator Steve Landis was no longer operating your system. We understand that his employment had been terminated around July 18, 2006. DOH letter dated August 29, 2006 required that you contact DOH by September 29, 2006 to discuss compliance options. You have recently contacted DOH regarding the operator certification requirement for Alder Lake and other Iliad-owned systems. However, as of the date of this Order there is no operator designated for this system.

II. ORDER

In view of the foregoing, under authority of WAC 246-290-050 and 246-292-110, Iliad Water Services, Inc., Dave Dorland Sr., Derek E. Dorland and Richard Finnigan are ORDERED to take the following actions to comply with chapter 246-290 and 246-292 WAC.

2.1 Install facilities. By March 30, 2007 all facilities and improvements outlined in the approved project report and

relevant construction documents, submittal #01-0618, approved by DOH on January 31, 2002 or subsequently approved disinfection design report shall be in place and operating properly. By March 30, 2007, submit a construction completion report form to DOH as required under WAC 246-290-120 and before use of the facilities.

2.2 Hire a certified operator. You must retain the services of an operator who possesses a minimum certification level of Water Distribution Specialist as required under WAC 246-292-050. Within thirty (30) days of receipt of this Order, provide proof to DOH that you have retained the services of a properly certified water works operator and that the operator is in responsible charge of the active, daily, technical operation of the Alder Lake Community water system.

2.3 Notify consumers. Provide notice as required under subpart A of part 7 of chapter 246-290 WAC, to all customers of Alder Lake Community water system that you have been issued this Order for failure to comply with chapters 246-290. The notice shall be substantially similar to the 'Notice to Water System Users' (Attachment C). A copy of the written notice must be provided to DOH to verify compliance as required under subpart A of part 7 of chapter 246-290 WAC, within three (3) months of receipt of this Order. When providing public notification, you are responsible to ensure that non-English speaking consumers get information in the appropriate language. For technical assistance contact DOH or visit our website at <http://www.doh.wa.gov/ehp/dw>.

III. PLACE TO SUBMIT DOCUMENTS AND REQUESTS

3.1 Reports. All documents or reports required by this Order to be submitted to DOH shall include the docket number on

page 1 and be sent to Ingrid Salmon, Regional Compliance Manager, 20435-72nd Ave S, Suite 200, Kent, Washington 98032-2358.

3.2 Questions. Questions about compliance with this Order should be sent in writing to Ingrid Salmon, Regional Compliance Manager, at the above address.

3.3 Requests. A request to extend a time period to achieve compliance for good cause, or to otherwise modify the Order, may be filed with DOH by sending a written request to Ingrid Salmon, Regional Compliance Manager, at the above address within the time period specified for compliance. Any such request will be reviewed and a written response provided to you within fifteen (15) days of DOH's receipt of your request.

IV. SUPPLEMENTAL AND MODIFICATION

4.1 Allowed. DOH may supplement or modify this Order if changes are warranted to ensure compliance with chapter 246-290 & 246-292 WAC or to allow for your practical ability to correct the violations.

4.2 By consent. The regional engineer or regional compliance manager for the Northwest Regional Office for the Office of Drinking Water at the Department of Health is authorized to modify this Order with your consent.

4.3 Without your consent. The regional manager for the Northwest Regional Office for the Office of Drinking Water at the Department of Health may modify this Order with or without your consent.

V. TECHNICAL ASSISTANCE SERVICES

Technical assistance services available from DOH may be obtained by calling John Ryding at (253) 395-6757 or writing to him at the address listed in 3.1 above.

VI. NOTICE OF PENALTY FOR VIOLATION OF ORDER

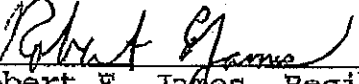
If the purveyor fails to comply with any provision of this Order, DOH may impose upon you jointly and severally civil penalties calculated on a per day basis of up to five thousand dollars (\$5,000.00) per violation per day, or in the case of a violation determined to be a public health emergency, a penalty of not more than ten thousand dollars (\$10,000.00) per violation per day under authority of chapter 70.119A RCW. Each violation shall be a separate and distinct offense when determining the penalty.

Furthermore, failure to comply with this Order may result in referral to the United States Environmental Protection Agency (EPA) for federal enforcement action.

VII. OPERATING PERMIT STATUS

Failure to comply with this Order shall also result in the system being considered inadequate and the operating permit issued by DOH will be categorized as red. A system categorized as red may have loans, building permits and on-site sewage disposal permits denied for properties connected or to be connected to the system.

SO ORDERED this 22nd day of September 2006 at Kent,
Washington.



Robert E. James, Regional Manager
Northwest Drinking Water Operations
Office of Drinking Water
Washington State Department of Health

VIII. INDEX OF ATTACHMENTS

ATTACHMENT	Title
A	Chapter 246-290 WAC (see CD)
B	Chapter 246-292 WAC (blue packet)
C	Notice to Water System Users (pink sheet)