STATE OF COLORADO

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4300 Cherry Creek Dr. S.
Denver, Colorado 80246-1530
Phone (303) 692-2000
TDD Line (303) 691-7700
Located in Glendale, Colorado

Laboratory Services Division
8100 Lowry Blvd.
Denver, Colorado 80230-6928
(303) 692-3090

http://www.cdphe.state.co.us

Colorado Department
of Public Health
and Environment

December 19, 2008

Certified Mail Number: 7007 0220 0001 0156 8533

PWSID# CO-0254724
Kathleen Titus, Administrator
Steamboat Lake Water and Sanitation District
P.O. Box 690
Clark, CO 80428

RE: Service of Drinking Water Enforcement Order, Number: DC-081219-2

Dear Ms. Titus:

Steamboat Lake Water and Sanitation District is hereby issued the enclosed Enforcement Order and Administrative Penalty Assessment (the "Order"). This Order is issued by the Colorado Department of Public Health and Environment, Water Quality Control Division (the "Department") pursuant to the authority given to the Department by §25-1.5-203 and §25-1-114.1 of the Colorado Revised Statutes ("C.R.S."). The Department bases this Order upon findings that Steamboat Lake Water and Sanitation District has violated the Colorado Primary Drinking Water Regulations (the "Regulations") as described in the enclosed Order.

As a recipient of an enforcement order and administrative penalty assessment Steamboat Lake Water and Sanitation District may request a formal hearing to contest the action in accordance with 5 CCR 1003-1, §1.6.7(g) and/or §25-1-114.1(2.5)(b) C.R.S. Requests for such a hearing must be filed in writing with the Department and/or the Water Quality Control Commission within thirty (30) calendar days after service of the Order. Hearings on enforcement orders and penalty assessments shall be held in accordance with applicable provisions of the State Administrative Procedure Act, §§24-4-101 through 24-4-108, C.R.S.

Should Steamboat Lake Water and Sanitation District desire to informally discuss this matter with the Department or if you have any questions regarding the Order, please don't hesitate to contact Scott Klarich at (303) 692-3564 or by electronic mail at scott.klarich@state.co.us.

Sincerely,

Kristi-Raye Beaudin

Kristi-Raye Beaudin, Legal Assistant
Compliance Assurance and Data Management Section
WATER QUALITY CONTROL DIVISION

Enclosure

cc: Routt County Department of Environmental Health
Compliance Monitor / Drinking Water File

ec: Andy Poirot, Engineering Section, CDPHE
Dick Parachini, Watershed Program, CDPHE
Betsy Beaver, Facility Operators Program, CDPHE
Shawn McCaffrey, EPA Region VIII
Jeff Lawerence, Director Consumer Protection Division, CDPHE
Carolyn Schachterle, OPA

COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

WATER QUALITY CONTROL DIVISION

ENFORCEMENT ORDER &
ADMINISTRATIVE PENALTY ASSESSMENT

NUMBER: DC-081219-2

IN THE MATTER OF: STEAMBOAT LAKE WATER AND SANITATION DISTRICT
PUBLIC WATER SYSTEM IDENTIFICATION NUMBER: CO-0254724
ROUTT COUNTY, COLORADO

Pursuant to the authority vested in the Colorado Department of Public Health and Environment (the "Department") by §25-1-109 and §25-1.5-203 of the Colorado Revised Statutes ("C.R.S."), which authority has been delegated to the Department's Water Quality Control Division (the "Division"), the Division hereby makes the following findings and issues the following Enforcement Order:

GENERAL FINDINGS

1. Steamboat Lake Water and Sanitation District ("Steamboat Lake WSD") owns and/or operates a drinking water system located at 55750 County Road 129, Town of Clark, Routt County, Colorado (the "System").

2. Steamboat Lake WSD is a person as defined by 5 CCR 1003-1, §1.5.2(98).

3. Steamboat Lake WSD is a supplier of water within the meaning of §25-1.5-201(2), C.R.S. and its implementing regulation, 5 CCR 1003-1, §1.5.2(128).

4. The System is a public water system as defined by §25-1.5-201(1), C.R.S. and its implementing regulation, 5 CCR 1003-1, §1.5.2(107).

5. The Public Water System Identification Number ("PWSID"), assigned to the System by the Division is PWSID #CO-0254724.

6. Pursuant to 5 CCR 1003-1, §1.2, the System is subject to the *Colorado Primary Drinking Water Regulations* (the "Regulations"), which were adopted pursuant to §25-1.5-203, C.R.S.

7. Steamboat Lake WSD provides piped water for human consumption from the System to at least fifteen (15) service connections used by year-round residents of the area served by the System and/or regularly serves at least twenty-five (25) year-round residents. The System is therefore classified as a "community water system" as defined by 5 CCR 1003-1, §1.5.2(15).

8. The System's source of water is groundwater as defined by 5 CCR 1003-1, §1.5.2(63).

First Violation
(Failure to Prepare, Certify and Deliver a Consumer Confidence Report)

9. 5 CCR 1003-1, §9.1, establishes the minimum requirements for the content of the Consumer Confidence Report, annual reports that community water systems must deliver to their customers. These reports must contain information on the quality of the water delivered by the systems and characterize the risks (if any) from exposure to contaminants detected in the drinking water in an accurate and understandable manner.

10. Pursuant to 5 CCR 1003-1, §9.1.2, each community water system must mail or otherwise directly deliver one copy of the System's Consumer Confidence Report to each customer served by the System by July 1 of each calendar year. Each Consumer Confidence Report must contain system information, sampling results, and violation data collected during, or prior to, the previous calendar year.

11. Pursuant to 5 CCR 1003-1, §§9.1.2(d) and 9.1.5(d), each community water system must mail a copy of the System's Consumer Confidence Report to the Department and a certification that the Consumer Confidence Report has been distributed to customers and that the information is correct and consistent with the compliance monitoring data previously submitted to the Department by July 1 of each calendar year.

12. Division records show that Steamboat Lake WSD has failed to provide the Department with a copy of the System's 2008 Consumer Confidence Report containing compliance data from calendar year 2007, due by July 1, 2008, and has failed to provide the Department with the required certification that this report was distributed.

13. Steamboat Lake WSD's failure to provide the Department with a copy of the System's 2008 Consumer Confidence Report and required certification constitutes violations of 5 CCR 1003-1, §§9.1.2(d) and 9.1.5(d). Additionally, if Steamboat Lake WSD failed to provide each customer served by the System with a copy of the System's 2008 Consumer Confidence Report, such failure constitutes a violation of 5 CCR 1003-1, §9.1.2.

COMPLIANCE ORDER

Based upon the foregoing factual and legal determinations and pursuant to 5 CCR 1003-1, §1.6.7, Steamboat Lake WSD is hereby ordered to:

14. Immediately comply with the *Colorado Primary Drinking Water Regulations*, 5 CCR 1003-1, Articles 1 through 12.

Further, the Division hereby orders Steamboat Lake WSD to comply with the following specific terms and conditions of this Order.

15. Within fifteen (15) calendar days after receipt of this Order, Steamboat Lake WSD shall provide the Division with a copy of the System's 2008 Consumer Confidence Report (covering the period of January 1, 2007 through December 31, 2007). If Steamboat Lake WSD has not prepared a 2008 Consumer Confidence Report, Steamboat Lake WSD shall prepare, mail or otherwise directly deliver one copy of the report to each customer served by the System and provide the Division with a copy of the report along with the required certifications within forty-five (45) calendar days of receipt of this Order. At a minimum, the report shall contain the information specified in 5 CCR 1003-1, §9.1.3

(Consumer Confidence Report templates are available in an electronic format at the following internet location: http://www.cdphe.state.co.us/wq/Drinking_Water/Regulatory_Guidance.htm)

ORDER FOR ADMINISTRATIVE PENALTY

16. Pursuant to §25-1-114.1(2.5)(a), C.R.S. any person who violates the *Colorado Primary Drinking Water Regulations* or any final Enforcement Order issued by the Division, shall be subject to an administrative penalty as follows:

    a. For systems that serve a population of more than ten thousand people, an amount not to exceed one thousand dollars per violation per day; or

    b. For systems that serve a population of ten thousand people or less, an amount not to exceed one thousand dollars per violation per day, but only in an amount, as determined by the Division, that is necessary to ensure compliance.

17. Based upon the facts described in this action the Department has determined that an administrative penalty is appropriate in this matter and therefore assesses an administrative penalty of two hundred fifty dollars ($250.00) for the specific violation identified in this action. The reasoning behind this penalty amount is detailed in the administrative penalty methodology/calculation worksheet, which is incorporated herein by reference and enclosed as Exhibit A.

Terms of Administrative Penalty Payment

18. If Steamboat Lake WSD does not contest the findings and penalty assessment set out above, payment of the administrative penalty for the violations shall be forwarded to the Colorado Department of Public Health and Environment within sixty (60) calendar days of the date of issue of this action. Method of payment shall be by certified or cashier's check drawn to the order of the "Colorado Department of Public Health and Environment," and delivered to:

Mr. Scott Klarich, Unit Manager
Enforcement and Clean Water Compliance Assurance Unit
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CADM-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

(To facilitate payment processing, please ensure that Mr. Klarich's name is on the outside of the envelope.)

Payment or appeal of the administrative penalty in this manner does not relieve *[Entity Name]* of its obligation to perform the activities required by this enforcement action.

NOTICES AND SUBMITTALS

For all documents, plans, records, reports and replies required to be submitted by this order, Steamboat Lake WSD shall submit an original and one copy (electronic is preferred) to the Division at the following address:

Colorado Department of Public Health and Environment
Water Quality Control Division / WQCD-WQP-B2
Compliance Assurance and Data Management Section
Attention: Scott Klarich
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Email: scott.klarich@state.co.us
Fax: (303) 782-0390

(For any facsimile transmittals, please include a cover sheet addressed to Mr. Klarich.)

Pursuant to 5 CCR 1003-1, §1.6.4(e), all reports, notices, summaries, and certifications required to be submitted to the Department by the public water system must bear the original signature of the owner or the owner's authorized representative.

NOTICE OF COMPLETION

Steamboat Lake WSD shall submit a Notice of Completion to the Division upon satisfactory completion of all requirements of this Enforcement Order. The Division shall either accept or reject the Notice of Completion in writing. If the Division rejects the Notice of Completion, it shall include in its notice a statement identifying the requirements that the Division considers incomplete or not satisfactorily performed and a schedule for completion. If Steamboat Lake WSD wishes to dispute the Division's rejection of its Notice of Completion, it shall, within fifteen (15) calendar days of receipt of the Division's rejection, submit a written

statement as to its belief of full compliance, addressing in detail all concerns the Division raised in the rejection letter to the System's Notice of Completion.

POTENTIAL ADMINISTRATIVE/CIVIL AND CRIMINAL PENALTIES

You are also advised, pursuant to §25-1-114(4), C.R.S., any person, association, or corporation, or the officers thereof, who violates, disobeys, or disregards any provision of the Regulations or an Enforcement Order is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than one thousand dollars ($1,000), or by imprisonment in the county jail for not more than one (1) year, or by both such fine and imprisonment and, in addition to such fine and imprisonment, shall be liable for any expense incurred by health authorities in removing any nuisance, source of filth, or cause of sickness. In the event that Steamboat Lake WSD does not achieve complete and timely compliance with all of the terms and conditions outlined herein, including full and timely payment of administrative penalties, the Department reserves, in addition to any other remedies allowed by law, its right under §25-1-114(4), C.R.S., to pursue an action for additional penalties.

REQUEST FOR HEARING OR APPEAL

You are further advised, pursuant to 5 CCR 1003-1, §1.6.7(g), that a recipient of an Enforcement Order may request a hearing contesting such order. Requests for such a hearing shall be filed in writing with the Department within thirty (30) calendar days after service of the order. Such requests shall state the grounds upon which the order is contested and state the amount of time the recipient estimates will be required for the hearing. Hearings on Enforcement Orders shall be held in accordance with applicable provisions of the State Administrative Procedure Act, Article 4 of Title 24, C.R.S.

Pursuant to §25-1-114.1(2.5)(b) C.R.S. an Administrative Penalty Assessment may be appealed to the Water Quality Control Commission. Requests for such an appeal should be filed in writing with the Water Quality Control Commission within thirty (30) calendar days after service of the penalty assessment.

ADDITIONAL ACTION

You are further advised that under §25-1-114.1(1), C.R.S., the Department may institute a civil action against any person who violates a final Enforcement Order of the Department issued for violation of any minimum general sanitary standard or regulation adopted pursuant to §25-1.5-203, C.R.S.

Additionally, the Department may request the Attorney General to seek a temporary restraining order or permanent injunction to prevent or abate any violation of a minimum general sanitary standard or regulation adopted pursuant to §25-1.5-203, C.R.S. Further information concerning the aforementioned action is contained in §25-1-114.1(3), C.R.S.

Issued at Denver, Colorado, this 19th day of December, 2008.

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Lori M Gerzina

Lori M. Gerzina, Section Manager
Compliance Assurance and Data Management Section
Water Quality Control Division

Exhibit A

STEAMBOAT LAKE WATER AND SANITATION DISTRICT
PUBLIC WATER SYSTEM IDENTIFICATION NUMBER: CO-0112500
ROUTT COUNTY, COLORADO

ADMINISTRATIVE PENALTY COMPUTATION WORKSHEET
(December 19, 2008)

Penalty Summary

Penalty Calculation -Violation Number 1 ..... **$250.00**

Violation: Failure to Prepare Consumer Confidence Report
Regulation Violated: 5 CCR 1003-1, §9.1.2

TOTAL PENALTY..... **$250.00**

Exhibit A

ADMINISTRATIVE PENALTY COMPUTATION WORKSHEET
VIOLATION NUMBER: 1

System Name: Steamboat Lake Water and Sanitation District	PWS ID Number: CO-0112500
Date of Enforcement Order: December 19, 2008	Number: [illegible]
Regulation Violated: Failure to Prepare Consumer Confidence Report, 5 CCR 1003-1, §9.1.2	Population Served: 350

Part I – Base Penalty Calculation

	Violation Type	Population Served	Amount in Dollars
Line 1	Failure to Prepare Consumer Confidence Report - 2008	< 500 Served	**$250.00**

Part II – Application of Aggravating or Mitigating Factors

	Aggravating/Mitigating Factors	Base Penalty Increase or Decrease	Amount in Dollars
Line 2	Factor A: Threat to Public Health and Welfare		$0.00
	Justification: n/a		
Line 3	Factor B: Intentional, Reckless, or Negligent Actions		$0.00
	Justification: n/a		
Line 4	Factor C: Recalcitrance or Recidivism		$0.00
	Justification: n/a		
Line 5	Factor D: Voluntary and Complete Disclosure of Violations		$0.00
	Justification: n/a		
Line 6	Factor E: Full and Prompt Cooperation		$0.00
	Justification: n/a		
Line 7	Factor F: Environmental Compliance Program		$0.00
	Justification: n/a		
Line 8	Factor G: Other Aggravating or Mitigating Circumstances		$0.00
	Justification: n/a		
Line 9	Sum of Lines 2 through Line 8		$0.00
Line 10	**Adjusted Base Penalty** (Sum of Line 1 + Line 9)		**$250.00**

Exhibit A

Part III – Determination of Days of Violation

			Days of Violation
Line 11	Total Days of Violation		**1**
	Justification: The Division has chosen to consider this Consumer Confidence Reporting violation to be a single day violation.		

Part IV – Determination of Multi-Day Penalty Amount

			Amount in Dollars
Line 12	Multi-Day Penalty Amount		**$250.00**
	Calculations: *Day 1* *($250.00)* *= $250.00*		

Part V – Economic Benefit Consideration

			Amount in Dollars
Line 13	Economic Benefit:		**$0.00**
	Justification: The Division believes that the System will not realize a significant economic benefit from the delayed cost of preparing and distributing its 2008 Consumer Confidence Report with the 2007 data as the Enforcement Order will require the System to prepare and/or distribute its report.		

Part VI – Violation Penalty Total

			Amount in Dollars
Line 14	Total Administrative Penalty: (Line 12 + Line 13)		**$250.00**

Exhibit A

Part VII – Ability to Pay Adjustment

			Amount in Dollars
Line 15	**Ability to Pay Reduction:**		$0.00
	Justification: Not Applicable – The Division does not have any information suggesting that Steamboat Lake Water and Sanitation District has an inability to pay the assessed penalty amount.		

Part VIII – Final Adjusted Penalty

			Amount in Dollars
Line 16	**Total Administrative Penalty:** **(Line 14 - Line 15)**		**$250.00**