

RECEIVED
MAR 16 2012

DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE)
OF VIOLATION ISSUED TO:)

Teton Village Water & Sewer District)
P.O. Box 586)
Teton Village, WY 83025)

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD), and Teton Village Water & Sewer District (TVWSD), a private utility (special district) authorized to do business in Wyoming, enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in **Notice of Violation (NOV) Docket Number 4958-12 dated February 9, 2012. The violations occurred in Teton County, Wyoming.**

W.S. §35-11-901(a)(ii) authorizes the DEQ to negotiate a stipulated settlement, including payment of a penalty and corrective actions, in lieu of litigation. To that end, TVWSD and the DEQ hereby stipulate and agree as follows:

1. The DEQ, pursuant to W.S. §35-11-104, is a department in the executive branch of the state government of Wyoming and is principally situated in Cheyenne, Wyoming. DEQ is the agency with the responsibility for administering the Wyoming Environmental Quality Act (Act) including all provisions of the Wyoming Water Quality Rules and Regulations (WWQRR).

2. TVWSD has agreed to abide by the following items listed below:

- a. Within thirty (30) days of the date of the Settlement Agreement, Teton Village Water & Sewer District shall sample the monitor wells on a monthly basis for twelve (12) consecutive months and report the results to DEQ as they become available both in hard copy and spreadsheet.
- b. By August 1, 2012 Teton Village Water & Sewer District shall install a replacement monitor well for OH-19 and an additional monitor well. Both monitor wells will be located west of OH-13. The Department shall approve the final siting, design, and construction of the replacement monitor well and new monitor well prior to installation.
- c. By August 1, 2012 Teton Village Water & Sewer District shall plug and abandon monitor well OH-19 according to Wyoming Water Quality Rules and Regulations, Chapter 26.
- d. By July 1, 2012 Teton Village Water & Sewer District shall submit a permit renewal application. Any future recharge wells must be included in this application.
- e. Within thirty (30) days of the date of the Settlement Agreement, Teton Village Water & Sewer District - each time the injectate is sampled, the injectate shall be sampled for both nitrate and ammonia concurrently (paired values).

3. TVWSD agrees to pay a total of *Seven thousand, five hundred dollars and no cents* (\$7,500.00) as a stipulated penalty. Payment to the DEQ is due within thirty (30) days of the full execution of this Settlement Agreement and shall be by check made payable to the Wyoming Department of Environmental Quality, Water Quality Division. Payment should be sent to Mr. John Passehl, UIC

*SETTLEMENT AGREEMENT BETWEEN DEQ/WQD AND
TETON VILLAGE WATER & SEWER DISTRICT*

Geology Supervisor, Department of Environmental Quality, Water Quality Division, Herschler Building 4th Floor-West, 122 West 25th Street, Cheyenne, Wyoming 82002. **The check should reference NOV Docket Number 4958-12.**

4. TVWSD's full compliance with the terms of this signed settlement agreement shall constitute full satisfaction for and resolution of all claims by the DEQ against TVWSD based upon the specific allegations in NOV docket number 4958-12. Contingent upon TVWSD's compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against TVWSD for these particular violations.

5. TVWSD waives any statute of limitations which may apply to an enforcement action by the DEQ involving the specific matters described in NOV Docket Number 4958-12 in the event that TVWSD fails to fulfill its obligations under this Settlement Agreement.

6. Nothing in this agreement precludes DEQ from taking additional enforcement action; including the issuance of a NOV, Order, and/or pursuing additional penalties, should TVWSD violate the Act, applicable rules and regulations, or UIC permit requirements in the future.

7. This settlement agreement represents a good faith settlement and resolution of the NOV in lieu of litigation and shall not constitute or be construed as an admission by TVWSD or a retraction by DEQ of the specific allegations in NOV docket number 4958-12.

8. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties to enforce its terms.

9. Notwithstanding any other language in this Settlement Agreement, the State of Wyoming and DEQ do not waive sovereign immunity by entering into this Settlement Agreement with TVWSD specifically retain all immunity and all defenses available as sovereigns under state and federal law.

10. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.

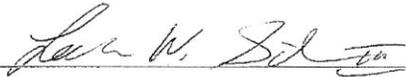
11. TVWSD and the DEQ agree to comply with and be bound by the terms of this agreement and further agree they will not contest the basis or validity of this Settlement Agreement in any action taken by DEQ to enforce the terms of this Settlement Agreement. Therefore, this Settlement Agreement is binding upon TVWSD, its successors and assigns, and upon the DEQ.

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TETON VILLAGE WATER & SEWER DISTRICT*

12. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement. Full execution of this Settlement Agreement shall be determined by the latest date of all parties signing.

FOR: TETON VILLAGE WATER & SEWER DISTRICT

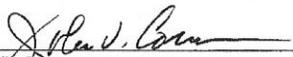
Signed: 

Printed: LESLIE W. GIBSON III

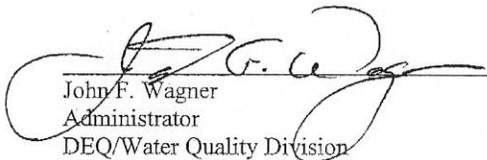
Title: BOARD CHAIRMAN

Date: 3/14/12

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:


John V. Corra
Director
Department of Environmental Quality

Date: 3/5/12


John F. Wagner
Administrator
DEQ/Water Quality Division

Date: 2/29/12

JVC/JFW/JAP/bb/12-0133

- cc: Steve Pratt, EPA Region 8 (PDF)
Douglas Minter, EPA Region 8 (PDF)
Kevin Frederick ► John Passehl (PDF)
IPS (for scanning) ► Docket 4958-12
Keith Guille, DEQ Public Information Officer (PDF File of signed copy by all parties only)
DEQ Director