

Topic:	Applicability of Public Water System (PWS) rules to Mobile Home Parks
	(MHPs) and other similar properties (e.g., apartments, condominiums, business
	parks, etc.)
Date:	August 31, 2016 (lb, rk, cl), Revision completed February 14, 2020 (cl, ks, bp)

Rule: OAR 333-061-0010(3)

- Issue: Are MHPs, condominium associations, and similar properties that receive or purchase water from a Public Water System (i.e., wholesale water system) considered a separate PWS?
- **Decision:** Mobile home parks or other similar properties <u>are regulated</u> according to public water system rules if:
  - They apply treatment to comply with MCLs in the rules; or
  - They have their own water source such as a well, spring or surface water (does not include a disconnected "emergency" source); or
  - They purchase water from a public water system and sell water directly to multiple properties/buildings or owners.

Mobile home parks or other similar properties <u>are not regulated as public</u> <u>water systems if</u> the property is owned by one entity (e.g., an individual or an association of property owners, in the case of co-ops or condominiums) and:

- All water is provided directly by a wholesale water system (e.g., city water) and the residents/tenants pay the wholesale system directly; **or**
- Water fees are included as part of the space rental; or
- Water is provided by a wholesale PWS to a master meter. That bill is then apportioned to submetered residents/tenants. The single property owner (or association) is responsible for payment of the water bill from a PWS; <u>and</u>
- All sub-meters and residences/tenants are located on one parcel of property, which may consist of more than one tax lot. (Example: A condominium association owns three adjacent tax lots; that is one parcel.)

For the purposes of this rule, submetering within one parcel of property (that is, owned by a single entity) does not constitute directly selling water (OAR 333-061-0010(3)(c)).

Rationale: The PWS rules (OAR Division 61) are intended to apply to water systems that have their own source, apply treatment for a regulated contaminant or sell water through piped conveyances that extend across multiple property parcels.

These rules are not intended to apply to water systems (e.g., mobile home parks, condominiums, duplexes, etc.) that purchase water from a PWS and have installed submeters to accurately track usage of water by tenants on the owner's property. The reason these types of systems are not regulated as a PWS is that we do not want to discourage conservation, and the addition of a submeters should not in any way change the quality of water provided to customers on the property. Ask yourself, "If the units didn't have individual meters, such that it wouldn't sell water directly to any person, would it meet the scope in our rules as a public water system?" If not, it would not be a PWS.

The Federal Register below contains helpful guidance on characteristics for a primary agency to consider in making these determinations. The Federal Register discusses the possibility of "large" distribution systems that could be regulated as PWSs, such as large military bases or large mobile home parks. We do not currently have any large single parcel distribution systems in Oregon.

## References

Environmental Protection Agency, <u>Applicability of the Safe Drinking Water Act</u> to <u>Submetered Properties</u>, Docket: OW-2003-0065, Federal Register, Vol. 68, No. 246, December 23, 2003. (This the Federal Register version of a 12/16/2003 EPA Memorandum with the same name). This Federal Register was also scanned and saved on our DWS server <u>here</u>, along with a related 2006 federal court decision.

## Policy Implementation History:

• Rainbow Rock Service Association (RRSA), #41-01361. RRSA is a condo association of some 60 condominiums on a surface water source. In 2019-2020, they pursued discontinuing this source and instead hooking up to the City of Brookings' public water system. The Brookings service line runs directly in front of them. After consideration, DWS decided that: a) because the consumers are on one parcel of property (in this case, three adjacent tax lots owned by the same entity, Rainbow Rock Service Association), and b) no treatment or sources will be added by RRSA, the association could become one connection on the City's distribution. In other words, RRSA would no longer be a separate public water system. RRSA may choose to bill each condo owner for water use based on submeters, but as this rule interpretation clarifies, that has no bearing on whether it is a separate water system.

Other examples may be added in the future.