

## EXHIBIT 18-H

**Henrietta Stern**

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**From:** Matt Keeling [Mkeeling@waterboards.ca.gov]  
**Sent:** Wednesday, January 07, 2009 2:21 PM  
**To:** Henrietta Stern  
**Cc:** vanhornrw@co.monterey.ca.us; Ed Ghandour\_SNG; gary@mrwpc.com;  
paul@ranacreek.com; Matt Keeling  
**Subject:** Re: Monterey Bay Shores Ecoresort Contact information forRWQCB

Henrietta:

Thank you for your response. Our agency is strongly in favor of projects employing more sustainable and environmentally friendly designs that will result in energy conservation, recharge of groundwater resources and reduced water demand. The latter two issues are especially prevalent for the proposed project with regard to the salt water intrusion and overdraft conditions within the Seaside Aquifer. Consequently, we are in support of the proposed graywater system based on the limited information we have reviewed up to this point as long as it complies with applicable requirements.

With that we have the following comments for Ed and Paul:

Our review of the December 23, 2008 water process flow diagram and water process flow diagram summary indicates graywater (mixed with collected and stored rainwater) may be discharged to the storm drain as combined overflow from the rain water storage system. Any fraction of a graywater discharge to the storm drain would constitute a domestic wastewater discharge to surface waters and would be subject to NPDES permit requirements. In addition, pursuant to paragraph G-13 (c) of Appendix G - Graywater Systems of Title 24, Part 5 of the California Administrative Code, all graywater shall be disposed of via controlled subsurface discharges such that it does not surface or is not discharged to any storm sewer or water of the US.

It is assumed that most if not all of the stored rainwater will be collected as surface runoff from the green roofs, bioswales & raingardens, and landscaping. It is also assumed the green roofs will be constructed with an underdrain system to collect infiltrated rainwater (and potentially applied graywater) that is not removed via evapotranspiration. Based on our review of the flow diagram and summary it is unclear how the graywater and rainwater collection and distribution systems will work in conjunction with each other. We provide the following alternatives to avoid NPDES permitting requirements and violation of the Graywater standards:

1) Graywater is not used to irrigate (via subsurface dispersal systems) any areas employing an underdrain system. (Note: appropriate setbacks also need to be established from graywater irrigation systems to french drains, curtain drains, foundation drains, cutoff walls, etc. to prevent entrainment and surface discharges of graywater)

If subsurface irrigation of the green roofs (or any other application) with graywater is employed along with any type of underdrain collection system that could entrain graywater and mix it with collected rainwater:

2) All collected rainwater and graywater that overflows from the storage system downstream of the landscaping is percolated into the ground via a subsurface dispersal system for the purposes of recharge .

3) Water (percolated rainwater and graywater) collected from any underdrain system(s) is percolated into the ground via subsurface dispersal system for the purposes of recharge. This could be done for the green roofs only, assuming no other landscaping areas also have underdrain systems.

4) Obtain an NPDES permit for the combined rainwater and graywater collection system discharge to the storm drain. This option is not recommended given the complexity and liability of having a permit subject to five year review for a discharge to the Monterey Bay National Marine Sanctuary. NPDES discharges in this area are generally subject to significant public and environmental opposition.

Basically, the proposed graywater irrigation and rainwater collection systems need to be completely isolated from each other because any discharge to the storm drain are prohibited from containing any fraction of graywater in the absence of an NPDES permit. Only storm water discharges are allowable to the storm drain system. We are open to discussing other reasonable alternatives beyond the ones suggested above.

We also provide the additional comments:

Control of nutrient and organic compound discharges to the Sanctuary Given it is assumed the landscaping areas will be managed using various fertilizers, pesticides and herbicides, we also have concerns regarding the discharge of collected rainwater to the storm drain and ultimately the Monterey Bay National Marine Sanctuary that may contain nutrients and organic compounds concentrated within the collected and recycled rainwater. Consequently, we recommend that 1) a nutrient and chemical management plan is incorporated into the facility/landscape maintenance program to minimize the use of fertilizers, herbicides and pesticides and eliminate the discharge of these products or their breakdown products to surface waters and, 2) overflow from the storage tank and living walls undergoes additional treatment such as in wetlands or bioswales prior to entering the storm drain system to reduce contaminant loading.

Graywater system overflow to municipal sewer Pursuant to G-9 (e) of Appendix G to Title 24, Part 5 of the California Administrative Code, the graywater storage tanks should also have an overflow to the municipal sewer (in addition to the overflow from the graywater treatment system upstream of the storage tank; I think you will agree this is a good idea in general if not already part of the proposed design). Given it is assumed the wetland treatment system will be outside and subject to the collection of rainfall and storm runoff we suggest you coordinate with the Monterey Regional Water Pollution Control Agency regarding the potential discharge of storm water to the municipal sewer from the graywater treatment system during storm events. Please contact Gary Weir, MRWPCA Source Control, at (831) 883-6126. I also copied him on this email message.

#### Saltwater Pool & Spa Overflow

Overflow from the saltwater pool and spa to the storm drain is also subject to NPDES permitting requirements and at a minimum will likely require coverage under our General Permit for Discharges with Low Threat to Water Quality, Order No. R3-2006-0063. Although, the enrollment process is significantly streamline and the possibility for significant public opposition is diminished as compared to a discharge specific NPDES permit, coverage under the General Permit is still subject to monitoring and reporting requirements as well as the liability associated with mandatory minimum penalties for effluent limit violations. Consequently, you may want to evaluate other alternatives for the disposal of saltwater pool and spa overflows. You can view and download the General Permit at:

[http://www.waterboards.ca.gov/centralcoast/board\\_decisions/adopted\\_orders/index.shtml](http://www.waterboards.ca.gov/centralcoast/board_decisions/adopted_orders/index.shtml)

Please feel free to contact me if you have any questions.

MK

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>>> "Henrietta Stern" <Henri@mpwmd.dst.ca.us> 1/6/2009 4:09 PM >>>

Hello Mr. Keeling:

Thank you for your telephone call today as the representative from the RWQCB with questions about the water flow diagram for the MBSE. I understand you have spoken to Monterey County Health Department about their letter dated December 23, 2008, and have some technical follow-up questions of your own.

The applicant is SNG Inc., with Ed Ghandour as the president.

Rana Creek (Paul Kephart, principal) is the company that is designing the green roof and

other systems.

Note the e-mails for these two gentlemen in the cc list above.

Mr Ghandour's phone is: 415/874-3121

To All:

For this application, MPWMD is most interested in whether any changes to the December 23, 2008 flow diagram would result from Mr. Keeling's concerns about storm drain discharge issues due to use of grey water in certain situations. In turn, if the diagram is changed, would the proposed amount of water from Cal-Am Water Company to serve the project change? I will begin to prepare the agenda packet for this application later this week, so time is of the essence if there are to be water-related changes. The public hearing is Jan 29, 2009. My package is due Jan 14, 2009.

As I explained, the applicant has 149 AFY in water rights from the Seaside Basin adjudication, and is presently requesting 95 AFY for the resort. Background information from November 2008 is on our website at:

<http://www.mpwmd.dst.ca.us/asd/board/boardpacket/2008/20081117/11/item11.htm>

Please keep me in the loop re: any changes that may arise from your conversations.

Also, as a related matter, your discussions on what is or is not allowed with grey water may be of great interest to our board members who recently voted to support efforts to encourage regional use of grey water in homes and businesses as a sustainable source of water supply.

Thanks in advance to your prompt action.

Henrietta Stern  
Project Manager  
831/658-5621