



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



DAN WYANT  
DIRECTOR

August 22, 2012

Ms. Dusty Schultz, Superintendent  
National Park Service  
Sleeping Bear Dunes National Lakeshore  
9922 Front Street. (Hwy M-72)  
Empire, Michigan 49630-9797

Dear Ms. Schultz:

SUBJECT: The Homestead Resort

Thank you for your letter dated July 11, 2012, expressing the continued concerns the National Park Service (NPS) has regarding the groundwater discharge permit issued to The Homestead Resort. The Michigan Department of Environmental Quality (DEQ), Water Resources Division (WRD) has reviewed the additional information included with your letter but continues to believe that modification of The Homestead's permit is not necessary or appropriate at this time.

Your letter reiterates two basic questions. The first relates to whether or not the current permit conditions are sufficient to prevent spray drift beyond the easement line. The second relates to the appropriateness of the WRD taking an enforcement action against The Homestead for violations of the permit. I will clarify the WRD's position on each of these questions as follows.

Are Permit Conditions Sufficient to Prevent Spray Drift?

The terms and conditions of The Homestead's permit have changed over time to address continued concerns by the NPS and others regarding spray drift beyond the easement boundary. As you know, the current permit requires The Homestead to inspect the easement area a minimum of every two hours during discharge periods, and more frequently during windy or rainy days. Additionally, The Homestead is required to immediately stop irrigating if spray drift is detected beyond the easement boundary. These conditions are sufficient, if adhered to, to prevent spray drift from occurring.

During the 2009/2010 the reissuance process, the WRD worked closely with The Homestead, the NPS, and interested citizens, including Mr. Tom Van Zoeren, to develop a permit that would address concerns regarding spray drift beyond the easement boundary. The WRD believed at the time of reissuance, that the permit adequately addressed the concerns expressed by all parties involved. This was further evidenced by the fact that no party formally contested the terms of the permit as provided for in the law if a person is aggrieved by the issuance of a permit. Given the current compliance status of The Homestead's wastewater treatment system, as discussed below, the WRD will reevaluate the permit conditions when it comes up for renewal in 2015. In accordance with its standard practices, the WRD will involve both the NPS and other interested parties in that process.

Enforcement of Permit Conditions

The WRD bases its decisions on whether or not to initiate escalated enforcement actions against a permittee on a number of factors, including the frequency and seriousness of the documented violations and the willingness of the permittee to address the violations. While the WRD will consider observations of third parties in supporting its determination of appropriate actions to take, the WRD verifies these third party observations with its own investigations. This is to assure that any enforcement action taken is both appropriate and supported by sufficient evidence to prevail in any legal proceeding regarding the action.

In The Homestead's particular case, NPS spray field reports from the 2011 season do not corroborate nuisance conditions. Of the 23 inspection reports, zero inspections reported overspray. Inspections conducted during windy or rainy days showed that the irrigation was turned off, in compliance with permit conditions, and inspections conducted when irrigation was running indicated overspray was not occurring. In addition, the NPS has submitted three investigations of spray drift incidents over two irrigation seasons (2010 and 2011). Only one incident of overspray during 2010 was documented by an officer. During this same period, WRD staff did not observe any instances of spray drift. No additional observations have been brought to the WRD's attention during the 2012 irrigation season which began on May 1, 2012, and no violations of permit limitations have been noted on The Homestead's monthly Discharge Monitoring Reports for the 2012 discharge season. The WRD staff visited the site on August 3, 2012 and noted that the system appeared to be operating in accordance with the permit.

Generally, the first steps in enforcement conducted by the WRD for violation of a permit condition involve working with the permittee to modify plant operation to bring the discharge back into compliance with the permit. The WRD continues to act on overspray complaints with first level enforcement actions. The Homestead has willingly cooperated with both the WRD and the NPS to address compliance with its permit, as noted in your own letters to The Homestead. The WRD district staff will continue to follow up with The Homestead regarding potential modifications to the irrigation equipment that will lower the spray arc. The Homestead is currently evaluating modifications to the irrigation equipment that we hope can be implemented prior to the end of this discharge season.

Based on the foregoing, the WRD does not see cause to modify The Homestead's permit at this time, or to take any other formal enforcement action. The WRD will continue to closely monitor The Homestead's compliance with the terms of its permit and will take appropriate actions if and when it is deemed necessary.

Finally, I would like to address two additional concerns expressed in your letter. In regards to the 100 foot isolation distance, the specific language contained in Rule 2204(2)(c) of the Part 22 Groundwater Quality Rules requires that the point of discharge shall be located not less than 100 feet inside the property boundary of the property where the discharge occurs, unless a lesser distance is specifically approved by the DEQ in the authorization issued under the rules. Irrespective of whether or not the rule applies to the property boundary or the easement boundary, the DEQ's authorization to allow a discharge within the easement area is consistent with the applicable rule.

I would also like to clarify the statement in my May 16, 2012, letter regarding nitrogen treatment and use of the full area of the easement. Alteration of the spray area would reduce the amount of nitrogen removal that is needed to protect the aquifer from nitrate contamination. Adequate

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nitrogen removal is one of the primary goals of wastewater treatment. The WRD will not sacrifice basic environmental protection for a situation that can be resolved through operational controls.

We appreciate the efforts of the NPS to work with the DEQ and The Homestead to address these issues and we hope that there can be continued constructive dialogue between all interested parties regarding The Homestead's groundwater discharge. Please work directly with staff of the DEQ, WRD, Cadillac District Office regarding any specific concerns related to The Homestead's compliance with the terms of its groundwater discharge permit by contacting Ms. Janice Heuer at 231-876-4473, or by email at [heuerj@michigan.gov](mailto:heuerj@michigan.gov). If you have any other questions, you may call me.

Sincerely,



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Water Resources Division  
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cc: Ms. B.J. Christensen, Leelanau Independent Women for Democratic Action  
Ms. Adrienne Kokowicz, The Homestead  
Mr. Tom Van Zoeren  
Mr. Phil Argiroff, DEQ  
Mr. Mike Masterson, DEQ  
Mr. Brian Jankowski, DEQ - Cadillac  
Ms. Janice Heuer, DEQ - Cadillac