

Questions asked at June 12, 2014 public meeting

1. When was the most recent report of the lagoons over-topping?

The last overtopping of the sewage treatment lagoons was in March 2010. Previous overtopping events occurred in 2008 and 2009. None of the overtopping events were reported as is required by the operating permit and law. The resort was referred to the Department of Justice for these and other violations.

2. How does the DNR know how close the lagoon is to the bedrock?

Using soil boring information, a consultant concluded that lagoon #1 had only seven feet to bedrock and a 10 foot separation is required at this time. A soil investigation completed in April 2013 showed all three lagoons did not meet the four foot separation to groundwater requirement (NR 110.24(3)(b)).

3. When the original settlement occurred in October of 2013, why wasn't this upgrade included?

The Department of Justice represented the department in our legal action with the resort. The DOJ settled the case using all available information and determined a financial settlement was the best resolution.

4. Where do the design standards for this upgrade come from? When were they last updated?

The design standards for municipal wastewater treatment facilities can be found in Wis. Adm. Code, Ch. NR 110, Sewerage Systems. This code was originally developed in the 1974 and has been updated many times since then.

5. Have there been any reported cases of illness due to the wastewater facility?

None that we are aware of at this time and we are thankful for that. State standards for facilities of this type exist to prevent illness and that is the concern the department has with the current condition of the resort's treatment lagoons. There is a very real risk that ground water could be contaminated leading to human illness.

6. If the new code for wastewater treatment systems was developed for new facilities, why does it apply to Crystal Lake?

The lagoon system at the resort was designed to handle 10,000 gallons per day of incoming wastewater. Records show far more than that is entering the system therefore, the system needs modifications to adequately handle the increased inflow. State laws require that any modifications to the lagoons must meet the design and construction standards in place at the time modifications occur. The department can only approve modifications that meet the requirements in place now, not requirements that were in place in the past.

7. What will guarantee the reissuance of the sewage permit?

The Department of Natural Resources must receive a verifiable plan and timetable for bringing the collection and treatment facility into compliance with all applicable state requirements for design and operation from a current owner. The timetable for completing the necessary upgrades would be part of a renewed WPDES permit.

8. Would the DNR consider granting the facility a stay on the land as long as they continue to operate within the set guidelines?

The treatment facility's permit has expired and must be renewed to continue operation. The permit cannot be renewed until it is in compliance with all current regulations (see question # 6). The current guidelines do not address the noncompliance problems. The department is allowing the resort to operate in 2014 to increase the receiver's chances of finding a buyer for the resort.

9. If one of the wells could be moved to a location which would cause fewer backwashes, would there be less water in the lagoons?

Two water supply wells are needed to meet the drinking water demands of the resort. The current water supply must be treated for arsenic to meet health standards. The arsenic treatment process requires regular system back flushing to maintain effectiveness. New water supply wells in a different location or well construction might produce water that doesn't require treatment. However, there is uncertainty in drilling a new well/s because water quality wouldn't be truly known until a new well is drilled and producing water.

10. Why didn't the DNR act on this issue when they first became aware of the issue six years ago? Why weren't the residents informed six years ago?

It is the department's standing practice to work with the permit holder on permit renewal and compliance issues. It is the department's position that the permit holder is the appropriate party to communicate directly with their clients and customers on compliance issues. When the receiver, Janus, clearly stated in April of this year that the required upgrades would not be made, the issue was no longer considered a matter of working with the permit holder to attain compliance and thus the residents were notified.

11. If the facility is closed, what will become of the residents and their property?

The department is not privy to details in residents' leases that may impact an outcome of this kind. The department recognizes the hardship faced by resort residents but is obligated under state law to enforce all applicable rules and requirements for operation of a wastewater treatment facility. Resort closure is a matter for discussion between residents and the receiver. The department is committed to working with any prospective buyer of the resort to evaluate options for bringing the facility into compliance with state law.

12. How much will the required upgrade cost?

The department doesn't have an estimate of the cost to upgrade the wastewater treatment system. During a public meeting on June 12, a person working with the resort estimated the cost to be between \$4.9 and \$7 million. The department can't verify this estimate.

13. Who ultimately reviews the plan that must be provided?

The Department of Natural Resources reviews plans of this kind. The department is responsible for reviewing a plan and determining whether or not it meets all applicable requirements for a facility of this type. Plans are usually developed by outside engineering and design firms hired by a facility owner.