

STATE OF CALIFORNIA
CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401-7906

DRAFT CEASE AND DESIST ORDER NO. R3-2014-0004

For
PASATIEMPO INVESTMENTS, PASATIEMPO II INVESTMENTS, RICHARD S. GREGERSEN,
AND ADVENTCO HOLDING CORPORATION

THE INN AT PASATIEMPO
555 HIGHWAY 17, SANTA CRUZ

SANTA CRUZ COUNTY

The California Regional Water Quality Control Board, Central Coast Region (hereafter Central Coast Water Board) finds that:

1. Pasatiempo Investments, Pasatiempo II Investments, Richard S. Gregersen, and Adventco Holding Corporation (Dischargers) own and/or operate the Inn at Pasatiempo (the Inn or Facility) and collect, treat, and dispose of domestic wastewater at two independent treatment and disposal facilities at the Inn. The Inn consists of a motel, conference rooms and restaurant.
2. The Dischargers own and operate the domestic wastewater collection, treatment and disposal systems at 555 Highway 17, Santa Cruz, Santa Cruz County, in the San Lorenzo River watershed.
3. The Central Coast Water Board regulates the Facility by Waste Discharge Requirements Order No. 99-136, adopted by the Board on November 19, 1999. Order No. 99-136 permits the discharge of wastewater to two independent on-site treatment and disposal facilities.
4. The first of the two systems serves the main building, which includes the restaurant and bar and two out buildings (buildings A/B). This system consists of a Fixed Activated Sludge Treatment (FAST) wastewater treatment system containing two individual septic tanks, grease interceptors, the FAST system, an effluent pumping station, a distribution box, and eleven subsurface drain lines. The second system is a septic system and serves a third out building (building C). This system consists of a large septic tank (7500 gallons), a 1500-gallon holding tank, an effluent pump, a distribution box, ten subsurface drain lines, and an overflow drain line. Peak flows of 10,000 gallons per day (gpd) are expected during one hundred percent occupancy. The design capacity of the Facility's system is rated at 12,000 gpd.

5. The *Water Quality Control Plan for the Central Coastal Basin* (Basin Plan) designates beneficial uses, establishes water quality objectives and contains implementation programs and policies to achieve those objectives for all waters addressed through the Basin Plan, including the San Lorenzo River.
6. The “Wastewater Management Plan for the San Lorenzo River Watershed, County of Santa Cruz” was adopted by the Santa Cruz County Board of Supervisors and approved by the Central Coast Water Board on April 5, 1995, in Resolution 95-04, an amendment to the Basin Plan. This wastewater management plan requires a minimum of 50% reduction of nitrogen in effluent from onsite disposal systems for discharges equal to or exceeding 2000 gallons per day. Order No. 99-136, Discharge Specification B.3, requires the reduction of total nitrogen by at least 50% prior to subsurface disposal.
7. Order No. 99-136, Discharge Specification B.2, establishes an effluent Total Dissolved Solids (TDS) concentration limit of 600 mg/L.
8. Order No. 99-136, Discharge Specification No. B.2, establishes an effluent chloride concentration limit of 125 mg/L.
9. Order No. 99-136, Discharge Specification No. B.2, establishes an effluent sodium concentration limit of 125 mg/L.
10. Order No. 99-136, Discharge Specification No. B.1, establishes daily flow averaged over each month shall not exceed 12,000 gallons.
11. Between 2001 and 2012, the Dischargers received nine notices of violation for reporting and effluent limit violations. In 1999, the Dischargers paid administrative civil liability for late and incomplete monitoring reports. The Dischargers also received two cease and desist orders in 1995 and again in 1999. The 1995 cease and desist order established a schedule to connect to the City of Santa Cruz wastewater treatment plant. The 1999 cease and desist order recognized the failure of the Dischargers to hook up to the City’s sewer system and established a time schedule to install the enhanced onsite wastewater treatment system. The Dischargers responded to the 1999 cease and desist order by installing the existing FAST system in January of 2001. The FAST system has had chronic problems since it was installed, as discussed in this current cease and desist order.
12. Central Coast Water Board staff visited the site on September 10, 2013. Central Coast Water Board staff observed while the Dischargers’ representatives took influent and effluent samples at the FAST system. Water Board staff also took their own duplicate samples of the FAST influent and effluent. During this site visit staff learned that one of the two septic tanks in-line with the FAST system is a redwood tank (called the Garden Tank) that is at least 50 years old and in need of replacement. In its 3rd quarter 2008 monitoring report, the Dischargers discussed decommissioning this tank; however, to date, this has not been done.
13. During the site visit, Water Board staff also learned that the Dischargers’ representative was taking samples that included the settled sediment at the bottom of the lift tank prior

to disposal to the leachfield. Staff demonstrated the proper way to sample without catching the settled sediments in the sample jars.

14. Since the first quarter of 2004, monitoring reports have indicated the Dischargers are looking into hooking up to the City of Santa Cruz's wastewater treatment plant. The 1st quarter 2006 monitoring report indicated that monies for the current system upgrades were being diverted to the development of a permanent sewer line. Cost estimates for a sewer line hook-up were completed in January 2009. An April 29, 2009 letter to Central Coast Water Board staff acknowledged that the FAST system was not working properly and was "not capable of reducing the chemical constituents compliant with...Monitoring Requirements." According to the Dischargers, they last met with the County and City of Santa Cruz in February and March 2011, respectively, to discuss further action needed to install a sewer line hook-up. Central Coast Water Board staff is not aware of any further progress made toward hooking up to the city's wastewater treatment plant.
15. Effluent ammonia samples have been consistently characterized at medium to high strength wastewater levels, indicating that the FAST system is not functioning properly to treat wastes and reduce ammonia concentrations. During the September 10, 2013 field visit, Central Coast Water Board staff took samples at the building A/B effluent. Effluent ammonia was 53 mg/L as N and 54 mg/L as N, indicative of a high strength wastewater discharge according to *Wastewater Engineering Treatment and Reuse*, by Metcalf and Eddy, 2003. The Dischargers' representative also took samples on September 10 and again on September 24. Effluent ammonia concentrations were 28 mg/L and 44 mg/L respectively, indicative of medium strength wastewater and a system that is not functioning properly.
16. Effluent total nitrogen samples have been consistently characterized at medium to high strength wastewater, indicating that the FAST system is not functioning properly to reduce nitrogen. During the September 10, 2013 field visit, the building A/B effluent samples contained 40 mg/L as N total nitrogen, indicative of a medium strength wastewater discharge. The Dischargers' representative also sampled on September 10 and then again on September 24. Effluent total nitrogen samples were 30 mg/L and 64 mg/L, indicative of low strength wastewater and medium strength wastewater, respectively.
17. Total nitrogen percent reduction at the FAST system has been consistently characterized as less than 50%, in violation of discharge specification B.3 that requires the reduction of total nitrogen by at least 50% prior to subsurface disposal.
18. The Dischargers began submitting modified, incomplete monitoring reports beginning in May 2009. While the Dischargers and Central Coast Water Board staff informally discussed this option, this modified reporting is in violation of Monitoring and Reporting Program No. 99-136.
19. Since 2006, the Dischargers began reporting influent nitrogen samples from the redwood Garden Tank rather than just prior to the FAST system where total nitrogen levels are typically lower. Using the higher total nitrogen numbers of the Garden Tank allowed the Dischargers to sometimes meet the total nitrogen percent reduction specification of 50%. Beginning with the 2nd Quarter 2009 monitoring report, the

Dischargers began using “historical” data taken from the redwood Garden Tank rather than collect actual data just prior to the FAST system.

20. Regional Board staff conducted a ten-year file review of self-monitoring reports dating back to 2003 and found the following:

21. The Dischargers are violating the following terms of Order No. 99-136:

a. Discharge Prohibition

- i. Bypass of the enhanced onsite wastewater treatment facility and/or discharge of untreated or partially treated wastes directly to subsurface disposal areas are prohibited.

b. Discharge Specifications:

- i. The Dischargers have not been reporting effluent flow data to the leach fields, pursuant to Monitoring and Reporting Program No. 99-136, since the flow meters stopped functioning properly in 2003. Accurate and current flow data are needed to report a site-wide total nitrogen percent reduction. The Dischargers have been utilizing flow estimates based on past data. Water Board staff does not consider this to be an accurate way to report data.
- ii. The dischargers have not been reporting sodium concentration data, pursuant to Monitoring and Reporting Program No. 99-136, since May 2009. Sodium concentrations have typically been low and have met permit limits.
- iii. The total nitrogen percent reduction limit is 50% or greater, according to permit specification B.3 and Board Resolution No. 95-04. There have been chronic failures to meet this requirement since the FAST system was installed in January of 2001. The month after the new FAST system was installed, the reported value of total nitrogen percent reduction for building A/B was 31%. As mentioned above, since 2009, the Dischargers have been reporting historical nitrogen influent samples collected from the Garden Tank. Additionally, historical flow data is used. Water Board staff does not consider this to be an accurate way to report data. Even so, the Dischargers continue to report violations of the required 50% reduction. The reported values were 5.6% for September 2009; 48% for June 2009; 46.6% for June 2010; 19.3% for September 2010; 27.5% for April 2011; 45.8% for June 2012; 10.3% for September 2012; and 0% for March 2013. During the September 10, 2013 field visit, Central Coast Water Board staff took duplicate influent and effluent wastewater samples from the FAST system at building A/B and had them analyzed for total nitrogen percent reduction. The reduction values were 10% and 13%. The Dischargers’ representative took samples for total nitrogen percent reduction at the same time and received a 29% reduction value.
- iv. Central Coast Water Board staff analyzed the Dischargers’ total nitrogen percent reduction sampling data for the FAST System influent and effluent from April 18, 2006 through December 15, 2008. Of 59 separate

- data points, only three data points met the requirement of at least a 50% reduction.
- v. There are chronic exceedances of permit Discharge Specification No. B.2, chloride limits at buildings A/B. Since May 2009 the Dischargers stopped regularly reporting this value. The chloride limit is 125 mg/L and reported values in 2008 were 540 mg/L for October; 490 mg/L for September; 420 mg/L for May; and 620 mg/L for March.
22. This enforcement action by a regulatory agency is exempt from the requirements of the California Environmental Quality Act (Public Resources Code sections 21000-21177), pursuant to title 14, California Code of Regulations, section 15321.
23. Water Board staff is also considering enforcement actions for the Dischargers' failure to submit monitoring reports.
24. On March 7, 2014, after due notice to the Dischargers and all other affected persons, the Water Board conducted a public hearing, received evidence, and heard and considered all comments pertaining to this cease and desist order.
25. Any person affected by this action of the Water Board may petition the State Water Resources Control Board (State Water Board) to review the action in accordance with Water Code section 13320 and Title 23, California Code of Regulations, section 2050. The petition must be received by the State Water Board within 30 days of the date of this Order. Copies of the law and regulations applicable to filing petitions will be provided upon request. In addition to filing a petition with the State Water Board, any person affected by this Order may request the Regional Water Board to reconsider the Order. To be timely, such request must be made within 30 days of the date of this Order. Note that even if reconsideration by the Regional Water Board is sought, filing a petition with the State Water Board within the 30-day period is necessary to preserve the petitioner's legal rights. If you choose to request reconsideration of this Order or file a petition with the State Water Board, you must comply with the Order while your request for reconsideration and/or petition is being considered.

IT IS HEREBY ORDERED PURSUANT TO CALIFORNIA WATER CODE SECTION 13301 that Pasatiempo Investments shall cease discharging waste contrary to Order No. 99-136 and comply with the following requirements:

1. The Dischargers shall comply with the following compliance schedule:

Task	Task Description	Compliance Date
1	Submit a plan to eliminate the violations of WDR Order No. 99-136. This plan shall include either a detailed plan to replace or repair the onsite wastewater treatment facilities or a detailed plan for construction and hook-up of a permanent sewer line to the city-operated sewer system. The plan shall include timelines for final engineering and design plans, permitting and environmental report needs, commencement of construction, and initiation of operation of either the sewer line or the	April 30, 2014

	replacement/repair of the on-site facilities, and progress reports. Upon Executive Officer approval, the timelines specified in the plan will be used as compliance dates.	
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2. During the time period described in Requirement 1 above, the Dischargers shall comply with all requirements of Order No. 99-136, including correct sampling procedures as described by Water Board staff and submitting complete monitoring reports in a timely manner.
3. If, for any reason, the Dischargers are unable to perform any activity or submit any documentation in compliance with the deadlines set forth in Requirement 1, as approved by the Executive Officer, above, the Dischargers may request, in writing, that the Executive Officer grant a time extension of the deadline. The extension request shall include justification for the delay and be submitted at least 30 days prior to the deadline that the Dischargers are requesting to extend. The Executive Officer may grant an extension in writing for good cause.
4. If the Executive Officer of the Central Coast Water Board finds that the Dischargers have failed to comply with the provisions of this order, the Executive Officer may take all actions authorized by law; including referring the matter to the Attorney General for judicial enforcement or issuing a complaint for administrative civil liability pursuant to Water Code section 13350. The Central Coast Water Board reserves the right to take any enforcement actions authorized by law.

CERTIFICATION

I, Kenneth A. Harris Jr., Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of an order adopted by the California Regional Water Quality Control Board, Central Coast Region on March 7, 2014.

Kenneth A. Harris Jr.
Executive Officer