PHYSICAL PLANT AND MECHANICAL SYSTEMS

EXHIBIT VIII. C.16

The HVAC system for the Sterling Forest Resort will be as follows:

- a) 4 1,200 ton chillers in an N+1 configuration located in an enclosed Central Utility Plant.
 Due to Central Utility Plant wall construction, it is anticipated that any radiated noise from the chillers will be negligible.
- b) 4 1,200 ton cooling towers located outdoors adjacent to the Central Utility Plant

The Sterling Forest Resort will be served by (8) high efficiency, modulating propane boilers at 6,000 MBH each in an N+1 configuration. These boilers will be selected with low NOx burners at or below 12 ppm (parts per million) to limit emissions of greenhouse gases.

Boilers shall be located next to the chiller room in the Central Utility Plant. Stack height shall extend to the roof of the central plant or to the height of the cooling towers on the roof (approximately 20' above the roof of the central plant). These boilers will utilize state of the art combustion and burner technologies that will effectively and economically improve combustion efficiency, save energy, and limit emissions that are critical to environmental quality.