



California Regional Water Quality Control Board

Central Coast Region



Alan C. Lloyd, PhD.
Secretary for
Environmental
Protection

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Arnold Schwarzenegger
Governor

June 16, 2005

Mr. Richard W. McClure
Olin Corporation
Environmental Remediation Group
PO Box 248
Charleston, TN 37310-0248

Mr. Jay McLaughlin
President and CEO
Standard Fusee Corporation
PO Box 1047
Easton, MD 21601

Dear Mr. McClure and Mr. McLaughlin:

SLIC: REQUEST FOR COMPLIANCE STATUS UPDATE, CLEANUP OR ABATEMENT ORDER R3-2004-0101, 425 TENNANT AVENUE FACILITY, MORGAN HILL, SANTA CLARA COUNTY

As you are aware, the State Water Resources Control Board (State Water Board) adopted Order WQ 2005-0007 (Order) on May 19, 2005. The Order amends the Central Coast Regional Water Quality Control Board's (Regional Water Board) Cleanup or Abatement Order No. R3-2004-0101 (CAO R3-2004-0101). The Order establishes the perchlorate trigger level at which Olin Corporation is required to supply alternative water to affected well owners. The perchlorate trigger level is based on the Public Health Goal (PHG), which is currently set at 6 parts per billion. The PHG was established by the Office of Environmental Health Hazard Assessment (OEHHA) on March 12, 2004. According to OEHHA, the PHG is the perchlorate concentration that would pose no significant health risk to individuals, including sensitive populations (i.e. pregnant women and young children), consuming the water on a daily basis over a lifetime¹. The Order also allows Olin Corporation to submit a request to the Executive Officer or Regional Water Board to cease bottled water supply if perchlorate concentrations are below 6 parts per billion for four consecutive quarters.

On June 6, 2005, My staff and I met with Curt Richards of Olin Corporation to discuss items related to the Order and received a verbal update on Olin's current efforts to install ion exchange units on private wells. During the meeting with Mr. Richards, we agreed to consider Olin's proposals to stop bottled water service to wells with four consecutive quarters (within the last year) of results less than 4 parts per billion. As discussed, Olin shall demonstrate that these wells have a minimum of four consecutive quarters of data with at least one quarterly sample after May 19, 2005. We also agreed to consider wells above 4 and below 6 parts per billion and that have at least four consecutive quarters of recent data and at least one "prospective" (i.e.,

¹ Memorandum to California Environmental Protection Agency Secretary Terry Tamminen from OEHHA Director Dr. Joan Denton. The memo can be downloaded from: <http://www.oehha.ca.gov/water/phg/pdf/Phgmemo31204.pdf>



after May 19, 2005) result. However, the Mann Kendal statistical trend analysis must be applied to those wells to determine concentration trends before we will consider the request.

Wells that do not meet this requirement shall be sampled until there are at least four consecutive quarterly results. Any request to stop alternative water supply with less than four quarters of "prospective" data must be considered by the Regional Water Board at a public hearing, as required by the Order.

As we understand from Mr. Richards, Olin is not proposing any additional legal action related to CAO R3-2004-0101 or the Order. We believe this is a positive step forward in the successful and fair implementation of alternative water supplies, since further legal action does not serve the needs of affected well owners.

Regional Water Board staff requests that Olin provide a status update related to Olin's compliance with CAO R3-2004-0101 and the Order. This includes Olin's efforts to install ion exchange systems on wells with perchlorate concentrations above 10 parts per billion, and an update of the October 29, 2004 *Alternative Water Supply Work Plan*. The October 29, 2004 *Alternative Water Supply Work Plan* shall be updated to reflect the modifications made to R3-2005-0101 by the Order. The written update shall also include the location (on a map) of the remaining >10 parts per billion private wells, the wells' identification numbers, estimated time frame for ion exchange system installation, and any other outstanding issues related to those wells. The status update shall be submitted by **July 15, 2005**. The revised October 29, 2004 *Alternative Water Supply Work Plan* is due forthwith, but July 15, 2005 is an acceptable date for submittal.

The directive for a status update is pursuant to Water Code Section 13267. Failure to submit adequate or complete information may subject you to Regional Water Board enforcement action. The Regional Water Board requires you to submit your response in accordance with Section 13267 of the Water Code to determine compliance with CAO R3-2004-0101 and the Order. We require Olin to submit the information as the owner of the property, and as one of the previous operators of a flare manufacturing facility that caused soil and groundwater perchlorate contamination at and in the vicinity of the Olin site at 425 Tennant Avenue, Morgan Hill.

Any person affected by this Water Code 13267 order of the Regional Water Board may petition the State Water Board to review the action in accordance with section 13320 of the California Water Code and Title 23, California Code of Regulations, Section 2050. The State Water Board must receive the petition within 30 days of the date of this order. Copies of the law and regulations applicable to filing petitions will be provided upon request.

We look forward to working with you so that implementation of long-term alternative water supplies for affected residents can proceed forthwith. If you have any questions, please contact David Athey at (805) 542-4644 or Eric Gobler at (805) 549-3467.

Sincerely,
ORIGINAL SIGNED BY

Roger W. Briggs
Executive Officer

California Environmental Protection Agency



Recycled Paper

cc via E-mail:

Olin Interested Party List

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cc via U.S. Mail:

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