California Regional Water Quality Control Board
Central Coast Region

Alan C. Lloyd, PhD.
Secretary for Environmental Protection

Internet Address: http://www.waterboards.ca.gov/centralcoast
895 Aerovista Place, Suite 101, San Luis Obispo, California 93401
Phone (805) 549-3147 • FAX (805) 543-0397

Arnold Schwarzenegger
Governor

September 13, 2005

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

Dear Mr. McClure:

SLIC: NOTICE OF VIOLATION – LATE AND INCOMPLETE SUBMITTAL OF NORTHEAST GROUNDWATER SAMPLE RESULTS – DOMESTIC WELLS AND PIEZOMETERS, 425 TENNANT AVENUE MORGAN HILL, SANTA CLARA COUNTY

Regional Water Board (Water Board) staff have reviewed Olin Corporation's (Olin) August 30, 2005 letter transmitting northeast area groundwater sample results. The letter was received via email on August 30, 2005, and transmitted the remaining sampling results from monitoring wells MP-1 through MP-4 and PZ-1 through PZ-3. While data summaries and figures have been provided, laboratory analytical data sheets have not.

Perchlorate sampling is required by Water Board staff's December 8, 2004 Water Code Section 13267 Order. The December 8, 2004 Order was subsequently stayed by a February 10, 2005 Conditional Stipulated Stay. The Conditional Stipulated Stay was agreed to by Olin, Standard Fusee Corporation and Water Board staff and contained sampling and reporting due dates. The Conditional Stipulated Stay required Olin to sample piezometers installed pursuant to our December 8th Order and a select number of northeast private wells by July 1, 2005. Sampling result reporting was required by July 31, 2005.

Olin is currently in violation of the Conditional Stipulated Stay due dates. Specifically, Olin failed to sample wells by July 1, 2005, and report the results by July 31, 2005. While a summary of the well testing results was provided on August 30, 2005, laboratory analytical data sheets substantiating the results have not been received. According to the August 30, 2005 letter, Olin's consultant is validating the sample results. Once validation is complete the laboratory results will be provided to Water Board staff. The outstanding data sheets are past due and must be submitted. Due to Olin's failure to meet these due dates, the Conditional Stipulated Stay terminated as of July 1, 2005. Therefore, Olin is in violation of the December 8, 2004 13267 Water Board Order.

Olin has not provided any written justification for sampling and reporting delays. We are aware, via phone conversations and emails, that the installation and development of the multiport piezometers took more time than what was anticipated by Olin and MACTEC staff. We understand that Olin decided to delay sampling of all wells until the piezometer installation and development was complete. However, this does not excuse late sampling and reporting. Water Board staff believes the late information speaks to the importance of having adequate resources devoted to your project.

This letter constitutes a Notice of Violation for failure to submit adequate or complete information. The Water Board required Olin to submit the required information to determine the concentrations and movement of the perchlorate plume near the Olin site. Olin shall submit the remaining information forthwith. As of September 13, 2005, Olin has been in violation of the reporting requirements in the Stipulated Conditional Stay for at least 44 days. Water Board staff is unable to the number of days Olin was out of compliance with the requirement to sample by July 1, 2005, since data and chain of custody forms have not been submitted.

Pursuant to Section 13268 of the California Water Code, the Water Board may take additional enforcement actions, including the assessment of civil liabilities of up to $1,000 per day, or referral to the State Attorney General for judicial sanctions of up to $5,000 per day. The Water Board reserves the right to take any enforcement action authorized by law.

Currently, Olin is required to install nine monitoring wells south of its site. The nine wells will be used for long-term plume monitoring and Llagas Subbasin characterization. We are aware that Olin has two drill rigs operating simultaneously to install these wells. We believe this is a positive step in expediting installation. Data collected during this investigation will be used to generate reports required by the Water Board's Cleanup or Abatement Order No. R3-2005-0014 (CAO). Olin agreed to the due dates required by the CAO and we urge you to take all necessary steps to ensure full compliance. Water Board staff considers the second drill rig a positive development and we urge you to allocate additional resources as needed.

If you have any questions, please contact **David Athey at (805) 542-4644** or Eric Gobler at (805) 549-3467.

Sincerely,

Harvey Packard

Roger W. Briggs
Executive Officer

cc via E-mail:

Ms. Lori Okun
Office of the Chief Counsel
State Water Resources Control Board

Olin Interested Party List

cc via U.S. Mail:

Mr. Jay Baksa
City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020-6197

Mr. Eric Lacy
CA Dept. of Health Services
2151 Berkeley Way
Berkeley, CA 94704-1011

Mr. Richard Peekema
4817 Wellington Park Dr.
San Jose, CA 95136

Mr. Keith M. Casto
Sedgwick, Detert, Moran & Arnold
One Embarcadero, 16th Floor
San Francisco, CA 94111-3628

Mr. Jim Ashcraft
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

Mr. Eugene Leung
CA Dept. of Health Services
2151 Berkeley Way
Berkeley, CA 94704-1011

Ms. Suzanne Muzzio
Santa Clara Co. Env. Health Services
1555 Berger Drive, Suite 300
San Jose, CA 95112-2716

Mr. Rob Stern
7510 Kenbrook Place
Suwanee, GA 30024

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

Mr. Joe Root, General Manager
Corde Valle
One Corde Valle Club Drive
San Martin, CA 95046

S:\SLIC\Regulated Sites\Santa Clara Co\Olin\OLIN-425 TENNANT AVENUE\COMMUNICATIONS - RICK McCLURE\2005 Letters\Decemeber 8th Stay Compliance.DOC