



Environmental Remediation Group
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Cleveland, TN 37312

VIA: E-MAIL and U.S. MAIL

June 10, 2009

Mr. Hector Hernandez
California Regional Water Quality Control Board
Central Coast Region
895 Aerovista Place, Suite 101
San Luis Obispo, California 93401

Subject: Progress Report #82 – May 2009
425 Tennant Ave
Morgan Hill, California

Dear Mr. Hernandez:

Pursuant to the November 18, 2002, California Regional Water Quality Control Board (Water Board) letter, this report summarizes Olin's progress related to the Cleanup or Abatement Order (CAO) and the Monitoring and Reporting Program (MRP) associated with the Olin/Standard Fusee site located at 425 Tennant Avenue, Morgan Hill, California.

Replacement Water and Domestic Ion Exchange

Replacement Water:

Olin continues to provide replacement water in accordance with the Water Board CAO, as revised by the State Water Resources Control Board (State Board) in its Order No. WQO 2005-0007 (Order). Currently, we provide replacement water to 76 homes (52 wells), down 92% (914 homes/661 wells) from when the State Board Order was issued. On May 22, 2009 the Water Board provided a response to Olin's November 3, 2008 and April 20, 2009 requests for monitoring frequency changes to wells in the MRP, including approval of MRP frequency reductions at 17 domestic wells already approved for reduced monitoring under the Order. We continue monitoring domestic wells pursuant to the State Board Order and the MRP.

Domestic Ion Exchange (IX):

Through March, all domestic supply wells above 7.9 parts-per-billion (ppb) perchlorate are equipped with IX systems, with the exception of two wells. Of these exceptions, we are pursuing a municipal connection for one; at the other, bacteria counts exceed Santa Clara County recommendations. We continue to operate and maintain IX systems on 12 domestic wells; the IX systems are removing perchlorate to non-detect levels as designed.

Llagas Subbasin Characterization and Remediation

Remediation progress continues as we implement both hydraulic control/cleanup and monitored attenuation (MA). Hydraulic testing results of upper/middle deep aquifer extraction well (DEW-1) and proposed remediation plan elements will be presented in the *Area 1 Plume Migration Control Feasibility Study, Addendum 2 (FSA2)*. With respect to MA, a baseline sampling event occurred in Fourth Quarter 2008 and the analytical results were included in the *Fourth Quarter 2008 Groundwater Monitoring Report*. Upon review of these analytical data, it was concluded in a March 16, 2009 to the Water Board that a second baseline sampling event would not benefit the MA program. The Water Board conditionally concurred with this conclusion during a meeting on May 14, 2009. A revised recommendation to modify the MA Performance Monitoring Plan is currently under consideration by Olin.

In a letter dated May 22, 2009, the Water Board provided its comments to the 2008 Characterization Report and requested additional documentation 60 days from the date of their letter and July 31, 2009 to address specific comments.

MRP R3-2008-0028 – Well Sampling Activities

During May, Olin performed onsite and offsite monitoring pursuant to the MRP in preparation for the *Second Quarter 2009 Groundwater Monitoring Report*, which will contain data collected between April and June 2009.

In accordance with the MRP, a request dated November 3, 2008 was submitted to change the monitoring frequency of 11 monitoring wells where perchlorate had remained below the laboratory practical quantitation limit (PQL) of 4 ppb for four consecutive quarters. In addition, the letter requested reduced or no further monitoring at 5 domestic wells that were identified as redundant with samples collected from other wells. Additional MRP monitoring frequency revisions were requested on April 20, 2009 for 13 domestic wells. On May 22, 2009 the Water Board provided a response to Olin's November 3, 2008 and April 20, 2009 requests and approved sampling frequency changes for 7 monitoring wells and 17 domestic wells. We anticipate additional MRP monitoring frequency revisions will be necessary and recommendations will be included in future quarterly reports.

Groundwater Treatment System Operations

During May, approximately 355,000 gallons of groundwater were extracted and treated. To date, over 250 million gallons of water have been treated and re-injected to the Llagas Subbasin. The *Second Quarter 2009 Groundwater Monitoring Report* will contain GWTS and Pilot Program data collected from January through March 2009.

Upcoming Reports Due Date

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| • <u>Monthly Progress Reports</u> | 10 th of each month |
| • <u>Groundwater Monitoring Reports:</u> | |
| <i>Second Quarter 2009 Groundwater Monitoring Report</i> | 7/30/09 |
| <i>Third Quarter 2009 Groundwater Monitoring Report</i> | 10/30/09 |
| <i>Fourth Quarter 2009 Groundwater Monitoring Report</i> | 1/30/10 |
| • <u>Llagas Subbasin Remediation Reports:</u> | |
| <i>Area 1 Plume Migration Control Feasibility Study, Addendum 2</i> | TBD |
| <i>100% Engineering Design Report (for the IACS)</i> | TBD |

Olin will continue providing monthly progress reports of our activities related to the CAO and MRP. If you have any questions, please call me.

Sincerely,
OLIN CORPORATION



Richard W. McClure, P.G.
Environmental Remediation Group

cc (via e-mail):

Susan Alexander, Siemens
Jim Ashcraft, City of Morgan Hill
Jim Deitsch, Geosyntec
Ben Gale, Santa Clara County Department of Environmental Health
Sylvia Hamilton, PCAG Chair
Diane Kukol, Water Board
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