



Environmental Remediation Group
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VIA: E-MAIL and U.S. MAIL

November 10, 2008

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 #75
October 1 through 31, 2008
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 (MPR) 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 (State Board Order). When the State Board Order was issued (May 2005), Olin provided replacement water to over 900 households; with Water Board concurrence, we currently provide replacement water to 103 homes. We also continue monitoring domestic wells pursuant to the State Board Order.

On October 7, 2008, the Water Board approved our August 2008 bimonthly analysis request to modify the sampling frequency at one domestic well. As part of the *Third Quarter 2008 Groundwater Monitoring Report*, based on the October bimonthly sampling results a sampling frequency adjustment is warranted at five domestic wells listed in the MRP. Our proposal to revise the sampling frequency was submitted separately.

Domestic Ion Exchange (IX):

Through October, all domestic supply wells above 7.9 parts per billion (ppb) perchlorate are equipped with IX systems, with the exception of two wells where we continue evaluating the available IX treatment options (e.g., domestic IX system or municipal connection). We continue to operate and maintain IX systems on 12 domestic wells; the systems are removing perchlorate as designed. Two domestic IX systems have been removed from service (with Water Board concurrence). Two systems are off-line, one because the property is vacant and the other because the well owner is in the process of replacing the well pump.

California Department of Public Health (CDPH) Demonstration Project Status

On July 21st Siemens submitted the *Demonstration Project Final Report* to CDPH. The report demonstrates successful achievement of the project goal; effluent perchlorate concentrations at all three demonstration sites were consistently below the 6 micrograms per liter ($\mu\text{g/L}$) maximum contaminant level (MCL). In a September 26th letter to the CDPH, Assembly member John Laird requested that CDPH complete its assessment as soon as possible. CDPH review of the demonstration report remains pending.

Llagas Subbasin Characterization and Remediation

Installation and development of monitoring wells associated with deep aquifer characterization efforts were completed in September. During October, groundwater samples were collected from wells in Area I to characterize current nitrate concentrations and to assist in finalizing the location of the upper-middle deep extraction well DEW-1. Analytical results were included in the *Third Quarter 2008 Groundwater Monitoring Report*.

MRP 2008-0028 –Well Sampling Activities

During October, Olin performed onsite and offsite monitoring pursuant to MRP R3-2008-0028. On October 30th, we submitted the *Third Quarter 2008 Groundwater Monitoring Report* to the Water Board; review is pending.

Groundwater Treatment System Operations

Groundwater treatment system (GWTS) operations in the upper intermediate aquifer removed perchlorate from approximately 155 thousand gallons of groundwater. Extraction wells EW-01A and EW-02A remained offline in October due to low water levels; pumping at EW-01B1 stopped on October 17 due to low water levels and to retrofit an in-line nitrate analyzer. To date, over 246 million gallons of water have been treated. The Water Board verbally approved the shallow aquifer pilot study on September 17, 2008; written approval is pending. GWTS operations data through October 2008 were presented in the *Third Quarter 2008 Groundwater Monitoring Report*.

Treated water was returned to the shallow aquifer via the three injection wells until October 17, 2008 when operation of the GWTS ceased. Monitoring data collected for the recharge system was also presented in the *Third Quarter 2008 Groundwater Monitoring Report*.

Upcoming Reports

Due Date

- Monthly Progress Reports 10th of each month
- Groundwater Monitoring Reports:
 - Fourth Quarter 2008 Groundwater Monitoring Report* 1/30/09
- Llagas Subbasin Characterization and Remediation Reports:
 - Area 1 90% Engineering Design Package* 11/28/08
 - Annual Characterization Report Update* 1/30/09
 - Annual Cleanup Progress Status Report* 1/31/09

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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):

Jim Ashcraft, City of Morgan Hill
Jim Deitsch, Geosyntec
Sylvia Hamilton, PCAG Chair
Diane Kukol, Water Board
Betsy Lichti, CDPH
Tom Mohr, Water District
Dave Share, Olin
Don Smallbeck, MACTEC
Doug Gillen, Siemens
Thea Tryon, Water Board
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