STATE OF CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD SAN FRANCISCO BAY REGION

STAFF SUMMARY REPORT (Cleet Carlton) MEETING DATE: May 14, 2014

ITEM: 7

SUBJECT: Chevron U.S.A., Inc., Alcatel-Lucent USA, Inc., B.F. Saul Real Estate

Investment Trust, and 6400 Sierra Court Investors, LLC, for the property located at 6400 Sierra Court, Dublin, Alameda County –

Adoption of Site Cleanup Requirements

CHRONOLOGY: The Board has not previously considered this matter.

DISCUSSION: The Revised Tentative Order (Appendix A) would require the named

dischargers to implement a cleanup plan and risk management plan to address soil and groundwater contamination at the former Chevron Records

site located in Dublin (see Appendix D location map).

In the 1970s the site was used by the Western Electric Company for wiring board processing. This activity resulted in the release of the chlorinated solvent trichloroethene (TCE) to soil and groundwater. The main TCE source was a TCE aboveground storage tank (AST) that was used by Western Electric and which remained on the property until 1996. Testing done at the time of the AST removal found TCE at the tank's spigot, in a supply line connected to the tank, and in soil beneath the tank.

Site investigations show that the maximum groundwater TCE concentrations, found in the AST vicinity, are more than 10,000 times the drinking water standard. TCE in groundwater has migrated to an open channel (Alamo Canal), which lies just beyond the western property boundary. TCE also poses a threat of vapor intrusion into a large onsite building; soil gas concentrations near the AST (less than 5 feet from the building) are more than 10,000 times the Board's environmental screening level for vapor intrusion concerns. The building is currently vacant.

The basis for naming the dischargers is as follows: Alcatel-Lucent is the successor in interest for Western Electric. During Western Electric's tenure, B.F. Saul Real Estate Investment Trust owned the property. Chevron acquired the property in 1980 and used it as a record storage facility until 2008, when it sold the property to the current owner, 6400 Sierra Court Investors, LLC.

Board staff circulated a tentative order for public comment in February 2014. We received comments (Appendix B) from representatives of Alcatel-Lucent, Chevron, Leidos (consultant working on behalf of both Alcatel-Lucent and Chevron) and Terrence Daly (receiver for the current owner). Our response to comments is contained in Appendix C.

The comments raise two key issues, which are summarized below and discussed in more detail in Appendix C:

- Naming of Chevron to the Order: Chevron argues that it should not be named to the Order since there is no substantial evidence that it caused or permitted a discharge at the Site. We disagree. Chevron knew of the TCE contamination at the site, as evidenced by its 1996 and 2007 environmental reports. The TCE in soil and groundwater was, and continues to be, an ongoing discharge. As the property owner at that time, Chevron had the ability to control the ongoing discharge and failed to do so. It therefore permitted waste to be discharged. We revised the tentative order to clarify the basis for naming Chevron.
- Unrestricted Cleanup Levels: Chevron, Alcatel-Lucent, and Leidos argue that commercial/industrial cleanup levels should be set, consistent with current land use and zoning. We disagree. The Basin Plan requires us to set cleanup levels that are protective of human health for existing and likely future land use (emphasis added). We conclude that future residential use at this site is likely. Over the last several years, the City of Dublin has approved residential uses at several similarly-zoned properties in the site's vicinity, reflecting its interest in infill development (in contrast to outward expansion). Further, the site's current landowner has received multiple letters of intent to purchase the property and convert it to residential or mixed use.

We have shared the Revised Tentative Order with the commenting parties and plan further discussions with them prior to the Board meeting. While this item will likely be contested, we believe the scope of the unresolved issues has been narrowed.

RECOMMENDATION: Adopt the Revised Tentative Order

APPENDICES: A – Revised Tentative Order

B – Public Comments

C – Responses to Comments

D – Site Location Map

File No. 01S0690 (CFC)