California Regional Water Quality Control Board
Central Coast Region

Alan C. Lloyd, PhD.
Secretary for Environmental Protection

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Arnold Schwarzenegger
Governor

March 16, 2006

Mr. J. Edward Tewes
City Manager
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, Ca 95037

Dear Mr. Tewes:

SLIC: 425 TENNANT AVE, MORGAN HILL; FORMER OLIN FACILITY, RESPONSIBILITY DETERMINATION FOR PERCHLORATE DETECTIONS NORTHEAST OF THE OLIN SITE

As recently discussed with the City's Public Works Director, Jim Ashcraft, we want to clarify the timing concerning the Water Board's determination on the northeast flow issue. We understand the City is concerned regarding Water Board staff's reluctance to make a determination concerning the northeast flow issue by March 30th. As you are aware, during the March 3, 2006 PCAG meeting, Mr. Hector Hernandez and Ms. Thea Tryon of our staff indicated that a determination concerning the northeast flow issue will not likely be made by the March 30th date, as previously anticipated. Hector and Thea explained that based on the extensive file record and the need to review and evaluate additional information that is expected to become available during the next few weeks, additional time beyond the previously considered March 30th date is required.

We fully understand the City's position concerning this matter and are aware that the City recommends the Water Board assign responsibility for perchlorate detections in the City's Nordstrom Park water supply well to Olin. However, as expressed in our December 16, 2006 correspondence addressing the same issue and as discussed with Mr. Ashcraft during his telephone conversation with Mr. Eric Gobler of our staff on March 10, 2006, regardless of personal opinions and preferences, we must ensure our evaluation and determination remain objective. Any decision we make must be technically based and supported. We believe it is important to research and evaluate all available information and lines of evidence including other potential sources of perchlorate. Thus, we take this opportunity to once again encourage you to submit any additional technical information or data to support your position.

As you can appreciate, the technical file concerning the Olin project is quite extensive and must be thoroughly reviewed to ensure all aspects of this matter are considered. In addition to the existing file, we have compiled the following list of additional information we believe must be considered and evaluated prior to making a determination. This list is not all-inclusive, but it includes important information we believe is critical to our evaluation of this matter:

- **City of Morgan Hill Water Supply Wells:**
  Inorganic and trace perchlorate information for Diana #1 and Diana #3, Dunne #1 and Dunne #2, Condit and San Pedro wells. We understand the present reporting limit for perchlorate samples collected from these wells is four micrograms per liter (µg/L). As discussed with Mr. Ashcraft, we

request all available analytical data that show trace concentrations of perchlorate from the above-mentioned wells.

- **Olin's March 30th Characterization Report:**
  Additional analytical data pertaining to other potential sources of perchlorate near the Olin Site and the City of Morgan Hill municipal water supply wells.
- **Santa Clara Valley Water District:**
  Well information and perchlorate information (if available) concerning wells down gradient of South Valley Mushroom Farm.
- **Other:**
  - Perchlorate analytical results from wastewater samples recently collected by Water Board staff at various mushroom farms.
  - List of all wells rehabilitated in the past by local well drillers.
  - List of all companies local well drillers have supplied bleach to for the purpose of disinfecting wells.
  - Report on fertilizer usage in Santa Clara Valley.

Given the complexity and dynamics of this issue, we really appreciate your patience and understanding. A determination of the responsibility for perchlorate detections in the Nordstrom Park well will be made prior to the May 2006 Water Board Meeting. The determination will be based on available information and the information described above, if it is provided in a timely manner.

We hope this provides adequate clarification concerning the reasons for delaying a responsibility determination concerning this issue. If you have any questions, please contact **Hector Hernandez at: (805) 542-4641** or via e-mail at: Hhernandez@waterboards.ca.gov, or Eric Gobler at (805) 549-3467.

Sincerely,

Roger W. Briggs
Executive Officer

cc via E-mail:

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

Olin Interested Parties IPL

cc via U.S. Mail:

Olin Correspondence IPL

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