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California Regional Water Quality Control Board Santa Ana Region



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July 18, 2003

Mr. Thomas O. Peters
15709 Birchwood Street
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DIRECTIVE TO SUBMIT A WORK PLAN AND CONDUCT A PERCHLORATE INVESTIGATION IN THE VICINITY OF 2298 WEST STONEHURST, CITY OF RIALTO, SAN BERNARDINO COUNTY, CALIFORNIA

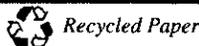
Dear Mr. Peters:

Perchlorate has been detected in municipal water supply wells in the Rialto, Colton, and Chino Groundwater Subbasins in Southern California. These water supply wells are located downgradient of the Astro Pyrotechnic facility (formerly Trojan Fireworks Company). According to records from the San Bernardino County Tax Assessor's office, you are and have been the owner of the property located at 2298 West Stonehurst, Rialto, California, since the mid-1970s.

Information provided by local businesses in response to subpoenas issued by this agency indicates that: (1) You were the legal owner of Trojan Fireworks Company in 1987; (2) Trojan Fireworks Company was located at 2298 West Stonehurst; (3) Trojan Fireworks Company generated wastes from the manufacture of fireworks; (4) upon the closure of Trojan Fireworks Company you leased and continue to lease 2298 West Stonehurst to Astro Pyrotechnics; and (5) you are aware that Astro Pyrotechnics is in the pyrotechnics business and uses the property to manufacture, handle, test, burn and store fireworks. Further, the laboratory results from the analyses of soil samples that were collected from several locations on your property as part of a Preliminary Environmental Assessment performed in February and March 2003 indicate that perchlorate is present in concentrations as high as 55,000 parts per billion in the soil at the site.

This letter sets forth a requirement under California Water Code Section 13267 that you conduct an investigation to define the lateral and vertical extent of perchlorate in soil and groundwater in the vicinity of 2298 West Stonehurst Avenue, Rialto, California. As required by that provision, this letter contains an explanation of the need for the investigation, and cites evidence supporting the requirement.

California Environmental Protection Agency



Background

Perchlorate contamination was first detected in groundwater in the Rialto, Colton and Chino Groundwater Subbasins in 1997. At that time, the California Department of Health Services (DHS) Action Level (AL) for perchlorate in drinking water was 18 parts per billion (ppb). Two wells had perchlorate levels exceeding 18 ppb and were shut down. In January 2002, the DHS lowered the AL to 4 ppb. In response to the reduced AL for perchlorate, the local water purveyors in the Rialto and Colton Groundwater Subbasins restricted or eliminated the use of additional production wells with perchlorate concentrations that exceeded 4 ppb. Between 1997 and the present, various suspected perchlorate dischargers, including former and current occupants of your property at 2298 West Stonehurst, have been identified.

Requirement for an Investigation

The Regional Board has directed staff to issue individual letters under California Water Code Section 13267 to suspected perchlorate dischargers in the Rialto and Colton Groundwater Subbasins. Several letters similar to this one have already been issued over the last several months to other suspected dischargers and to the owners of affected properties. The Board also expressed a strong desire that suspected perchlorate dischargers work with the local water purveyors to provide a supply of replacement water during the loss or limited use of their production wells.

The Need for the Investigation

The Santa Ana Regional Water Quality Control Board is charged with the protection of water quality in this Region. We have been working actively with the water surveyors for several years to identify the extent and address the impact of perchlorate contamination on water resources in the Rialto, Colton and Chino Groundwater Subbasins. The water purveyors whose wells have been contaminated with perchlorate now face a state of emergency, and may not be able to provide an adequate water supply to their customers. It is urgent that the sources of the contamination be identified, and the magnitude of the perchlorate plume defined.

Evidence Supporting the Need for the Investigation

Enclosed are the following documents:

1. Well Location Map, showing perchlorate contamination in municipal water supply wells in the vicinity of Rialto, Colton and Fontana, California.
2. Property Ownership Records for 2298 West Stonehurst: Parcel 1133-071-005, Parcel 1133-071-006, and Parcel 1133-071-007 (obtained from San Bernardino Tax Assessor's Internet Site).
3. Hazardous Waste Generator and Hazardous Waste Handler Permits and County of San Bernardino Hazardous Waste Generator Inspection Reports (listing Ammonium Perchlorate) issued to Astro Pyrotechnics. Hazardous

Waste Manifests (listing Potassium Perchlorate), an Application and Permit to Burn issued by Fire Protection Agency and South Coast Air Quality Management District to Astro Pyrotechnics, and a Plot Plan identifying the facility.

4. Hazardous Waste Generator Permits for Trojan Fireworks Company, one of which identifies the legal owner as Thomas O. Peters. County of San Bernardino Hazardous Waste Generator Survey identifying Trojan Fireworks Company. Application for Conditional Development from Trojan Fireworks Company to the City of Rialto for the purpose of manufacture of commercial fireworks. Newspaper article about a fireworks explosion at the Trojan Fireworks Company facility.
5. Excerpts, including positive results for perchlorate testing of soil, from "Preliminary Environmental Site Assessment and Limited Soil Sampling – 2298 West Stonehurst Drive, Rialto, California" (2003).

The evidence indicates that Astro Pyrotechnics manufactures, handles, tests, burns, and stores fireworks containing perchlorate salts at the property located at 2298 West Stonehurst, Rialto, California, as did its predecessor Trojan Fireworks Company. Disposal of perchlorate waste to concrete "pads" has been a common practice at the Astro Pyrotechnics site since 1997 or earlier. In addition, City of Rialto records indicate that on-site disposal systems (septic tanks) have been used at the site since it was first occupied for industrial use. Disposal of waste, including perchlorate salts, into septic systems is suspected to have occurred during occupancy of the Stonehurst Avenue property by Astro Pyrotechnics, Trojan Fireworks and other parties since the mid-1970s. Soil analytical results indicate perchlorate is present in the soil at Astro Pyrotechnics. Groundwater analytical results indicate that perchlorate concentrations exceed the AL in municipal water supply wells that are located downgradient of the Astro Pyrotechnics facility.

Based on the evidence, Astro Pyrotechnics and its predecessors are suspected of having discharged perchlorate on the property. As the owner of the real property at 2298 Stonehurst, and of the now defunct Trojan Fireworks Company, you bear legal liability under California law for the discharges that have adversely affected water quality. This evidence supports the requirement for an investigation as defined in Section 13267(b)(1) of the California Water Code.

Deadlines

1. A work plan for a soil and groundwater investigation for perchlorate in the vicinity of the property at 2298 West Stonehurst, Rialto must be submitted to Board staff no later than August 29, 2003. The proposed tasks and scope of work shall be coordinated with the investigation activities that are already in progress by the

current tenants of 2298 West Stonehurst, Astro Pyrotechnics. The work plan must include a detailed time schedule for the tasks to be conducted. The work plan and time schedule will be subject to my approval.

2. The investigation must commence within 30 days of my approval of the work plan.
3. All analytical results, groundwater measurements, and field information are to be submitted by fax to Board staff within 24 hours of being generated, throughout all stages of work, and during all phases of the investigation. The office fax number to be used for your data transmittals is (909) 781-6288.
4. The final report for the soil and groundwater investigation, including (at a minimum) the borehole logs, well construction details, groundwater elevation data, and soil and groundwater analytical results, must be submitted to Board staff within 30 days of completing the field work.

Failure to submit the required information by the specified deadline may subject you to administrative civil liability in the amount of up to \$1,000 per day, pursuant to Section 13268(a) and (b) of the California Water Code.

Finally, please be aware that the Board has directed staff to explore alternative ways of solving the water supply problem in the Rialto, Colton and Chino Groundwater Subbasins. In addition, consistent with the Board's direction, we have issued and will continue to issue similar directives to a number of other suspected dischargers who have operated in the North Rialto area. Thus, there may be opportunities to cooperate with other entities to implement joint investigations or to propose solutions that would address the water supply problem. In fact, we believe it would be both scientifically effective and economically efficient for the suspected dischargers subject to these directives to jointly pursue the investigation and to explore water supply replacement options. Further, consistent with the Board's direction, we recommend that the joint efforts of the suspected dischargers consider both the characterization of the plume and initiation of water supply replacement or treatment strategies. Board staff has experience managing similar joint investigations and cooperative solutions and we are available to discuss these further with you. If you are interested in discussing alternative options for complying with this directive, please contact us to arrange a meeting or teleconference.

Recovery of Regional Board Expenses

California Water Code Section 13365 addresses the billing process for the Regional Board to recover reasonable expenses for overseeing investigation of illegal discharges, contaminated properties, and other unregulated releases that may adversely affect the State's waters. It is the Regional Board's intent to recover such costs for regulatory oversight work conducted in accordance with this order. A description of the Board's

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procedure for cost recovery for regulatory oversight of investigations and cleanups will be sent to you under separate cover.

If you have any questions about this letter, or if you would like to arrange a meeting or teleconference, please contact Ann Sturdivant, Chief of our Spills, Leaks, Investigations and Cleanups Section, at (909) 782-4904.

Sincerely,



For Gerard J. Thibeault
Executive Officer

Enclosures:

1. Well Location Map, showing perchlorate contamination in municipal water supply wells in the vicinity of Rialto, Colton and Fontana, California.
2. Property Ownership Records for 2298 West Stonehurst: Parcel 1133-071-005, Parcel 1133-071-006, and Parcel 1133-071-007 (obtained from San Bernardino Tax Assessor's Internet Site).
3. Hazardous Waste Generator and Hazardous Waste Handler Permits and County of San Bernardino Hazardous Waste Generator Inspection Reports (listing Ammonium Perchlorate) issued to Astro-Pyrotechnics. Hazardous Waste Manifests (listing Potassium Perchlorate), an Application and Permit to Burn issued by Fire Protection Agency and South Coast Air Quality Management District to Astro-Pyrotechnic, and a Plot Plan identifying the facility.
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5. Excerpts from "Preliminary Environmental Site Assessment and Limited soil Sampling – 2298 West Stonehurst Drive, Rialto, California" (2003)
6. Mailing List



Mr. Thomas O. Peters

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July 18, 2003

cc w/out enclosures:

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AES/Data/SLIC/2001-03 Rialto perchlorate/13267/Thomas O. Peters

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