

INITIAL STUDY

The Department of Toxic Substances Control (DTSC) has completed the following Initial Study for this project in accordance with the California Environmental Quality Act (§ 21000 et seq., California Public Resources Code) and implementing Guidelines (§15000 et seq., Title 14, California Code of Regulations).

I. PROJECT INFORMATIONProject Name: McCormick Selph, Incorporated, Hazardous Waste Facility Permit RenewalSite Address: 3601 Union RoadCity: Hollister State: California Zip Code: 95023 County: San BenitoCompany Contact Person: Charles F. MartinAddress: 3601 Union RoadCity: Hollister State: California Zip Code: 95023 Phone Number: (831) 637-3731/389

Project Description:

The Department of Toxic Substances Control (DTSC) is renewing a Hazardous Waste Facility Permit (Permit) for McCormick Selph, Incorporated, (MSI) in accordance with California Health and Safety Code, division 20, chapter 7.5, section 25200 and the California Code of Regulations, title 22, division 4.5. The MSI facility (Facility) would be reauthorized to perform hazardous waste management activities under a Resource Conservation and Recovery Act (RCRA) equivalent Permit as more fully described below. MSI's hazardous waste management activities are fully described in the "Facilities Hazardous Waste Operations Plan," (FHWOP) dated January 4, 2006, which contains the Part "A" and Part "B" Permit Applications. The Facility was previously owned and operated by Teledyne, Incorporated in accordance with an Interim Status Document issued on April 6, 1981, and a Hazardous Waste Facility Permit issued on November 7, 1983; and by Teledyne Ryan Aeronautical in accordance with a Permit issued on July 28, 1993. Effective July 16, 1999, the permitted owner/operator was changed from Teledyne Ryan Aeronautical to MSI. MSI is a wholly-owned subsidiary of Pacific Scientific Energetic Materials Company, Hollister Division, LLC, an indirect subsidiary of Danaher Corporation.

Facility Location:

The MSI Facility is located approximately 3 miles southwest of Hollister, California at 3601 Union Road, near the intersection of Union Road and Highway 156. The boundaries of the 290-acre Facility are shown on Figure 1. The property is described by the following San Benito County Assessor's parcel numbers: 021-140-001 and 021-140-048. The Facility is zoned for light industrial use (M1). All properties adjoining the Facility are zoned for agricultural use.

Facility Background/History:

The Union Road facility was built in 1971 by Teledyne, Incorporated, (Teledyne) which purchased McCormick Selph Associates in 1964. Teledyne filed a Part A Application on November 19, 1980, and was issued an Interim Status Document (ISD) for hazardous waste treatment and storage on April 6, 1981. A Permit to store hazardous waste in tanks and containers was issued on November 7, 1983. Other hazardous waste activities such as treatment in tanks, storage and treatment in surface impoundments, and thermal treatment of explosive wastes continued under the ISD. In 1993, McCormick Selph was realigned with Ryan Aeronautical and became Teledyne Ryan Aeronautical/McCormick Selph Ordnance (Teledyne Ryan). On July 28, 1993, a Hazardous Waste Facility Permit was issued to Teledyne Ryan to operate the following hazardous waste management units:

1. A pit for detonation of solid reactive waste (Part of TSU-1, closed June 13, 2000)
2. One unit for open burning of solid reactive waste (TSU-1)
3. One unit for burning of solvents contaminated with reactive wastes (TSU-2)
4. Two water evaporation units (TSU-7, closed October 26, 2001, and TSU-8)
5. One silver recovery reactor (TSU-6, closed October 4, 2000)

6. A waste photographic silver recovery unit (TSU-10, no longer regulated, effective January 1, 1999)
7. A treatment reactor (TSU-9, closed, pending DTSC certification)
8. Three aboveground hazardous waste storage tanks (TSU-4, closed, pending DTSC certification)
9. One hazardous Waste container storage area with four bays (TSU-3)
10. Treatment of two-part epoxy compounds by mixing them in containers.

In July 1999, MSI became part of J. F. Lehman and Company as MSI. In July 2003, MSI was acquired by Pacific Scientific Energetic Materials Company. Although the Permit issued on July 28, 1993, expired on July 31, 2003, it continued to be in effect while DTSC processed the FHWOP for renewal of the Permit. As listed above, several of the former hazardous waste management units have closed since the 1993 Permit was issued. The units continuing to operate under the new Permit are TSU-1, TSU-2, TSU-3, TSU-8, and treatment of two-part epoxy compounds in containers (at TSU-3, Bay D). The locations of these units are shown on Figure 2.

Permit Renewal:

The Permit renewal process provides DTSC the opportunity to review the Facility's application and operational procedures for compliance with current requirements for hazardous waste management. MSI will be authorized to perform the activities summarized below and as more fully described in the attached draft RCRA-equivalent Hazardous Waste Facility Permit (Exhibit A).

Facility Operations:

MSI and predecessor companies have manufactured explosives and explosive devices for aerospace, military, and commercial applications and produced specialty chemicals on a contract basis at the Facility since 1971. Hazardous waste generated from these activities include: solvents, toxic chemicals, metal powders, reactive compounds, explosives, flammable liquids, and corrosive solids and liquids. Hazardous wastes generated at the Facility are either treated at the Facility or sent to an approved off-site treatment or disposal site. MSI does not accept at the Facility any hazardous wastes generated at off-site locations. The following hazardous waste management activities at the Facility are governed by the Hazardous Waste Facility Permit: open burning/open detonation of reactive (explosive) materials at TSU-1, open burning of organic liquids (solvents) containing explosives at TSU-2, storage of containers of hazardous waste for up to one year at TSU-3, volume reduction of explosives contaminated water by evaporation in open tanks at TSU-8, and mixing two-part epoxy compounds in containers at TSU-3, Bay D.

Hazardous Wastes:

Detailed information on the hazardous waste managed by the Facility can be found in Chapter III of the approved FHWOP. The FHWOP lists in Table III-1, 100 wastes that are stored in containers or treated in other units at the Facility. All hazardous wastes are generated on-site. No hazardous wastes are accepted from off-site sources. The Facility handles the following hazardous waste materials types:

1. Ordnance parts and scrap
2. Explosive/reactive raw materials and residues
3. Solvent and solvent/water mixtures containing explosive waste particles
4. Caustic solids and liquid solutions
5. Cyanide-containing solids and liquid solutions
6. Sulfide-containing solids and liquid solutions
7. Halogenated hydrocarbons
8. Toxic solids and aqueous solutions
9. Acids
10. Flammable and combustible liquids and fuels
11. Reducing agents
12. Metal catalysts
13. Carbon
14. Water containing explosive waste particles (Safety Bucket Water)
15. Two-part epoxy compounds (paints, potting compounds, adhesives, and insulating materials)

Waste Stream Characterization:

Almost all of the hazardous waste generated at MSI is from production processes where the constituents and concentrations are known. Information comes from material safety data sheets (MSDSs), production plans, standard operating procedures, and other production guidance documents. When wastes require analysis to determine their characteristics, a sampling and analysis plan is developed, as described in Chapter III of the FHWOP, which will determine if the waste is hazardous, along with other qualities which must be known to properly ship and/or dispose of the waste. Off-site laboratories, certified by the State of California, are used for waste characterization analyses.

TSU-1:

TSU-1 is the open burn/open detonation unit and is located in the southern portion of the Facility. (See Figure 2.) TSU-1 contains two 10-foot diameter, reinforced concrete pipes (burn tubes) which are enclosed in a reinforced, expanded metal mesh cage (22 feet wide x 28 feet deep x 10 feet, 10 inches high). The mesh cage is surrounded by a concrete wall, installed in 2002, and on three sides by an earth bank and earth barricades over 15 feet high. The pipes rest on a six-inch thick concrete slab reinforced with steel bars. The cage is bolted to the concrete slab and structurally supported by cantilever supports attached to external foundation blocks. The dimensions of the concrete slab are 54 feet wide by 90 feet deep. There is a 66-foot by 62-foot, corrugated metal roof structure over the mesh cage and concrete slab.

Explosive hazardous waste (EHW) and EHW contaminated waste is burned/detonated at TSU-1. Subsequent secondary and tertiary burning is conducted as needed to ensure complete treatment of the reactive materials. Over 95% of the EHW treated at TSU-1 is contained in explosive devices made of metal. The Explosive Hazardous Waste in Solvents (EHWS) residue from TSU-2 makes up about 5% of the waste treated at TSU-1. Prior to treatment, EHW and EHW contaminated wastes are stored in secure locations in accordance with State, Bureau of Alcohol, Tobacco, and Firearms (BATF), and Department of Defense (DOD) requirements. The maximum capacity of TSU-1 is 500 pounds gross weight of hazardous waste per day for open burning and 100 pounds Net Explosive Weight (NEW) per day for detonation. Not over six pounds NEW of material, which is expected to mass detonate, is allowed in each burn tube. Ash generation is limited to the cellulose fuel used, to small amounts from EHW contaminated organic material, and to loose EHW in the form of granules, pellets, or billets. Ash from TSU-1 with lead content is collected and managed as hazardous waste through TSU-3. Other ash from TSU-1 is managed as non-hazardous waste, as is scrap metal.

TSU-2:

TSU-2 is an open burning unit for solvent wastes containing explosives. TSU-2 is located in the central portion of the Facility, south of Lake Teledyne and west of TSU-8. (See Figure 2.) TSU-2 consists of four sets of open, horizontal steel troughs supported by steel racks in a double boiler arrangement. The troughs are made from 55-gallon carbon or stainless steel drums cut on the height axis to have a volume for 30 gallons of fluid and a five-inch freeboard. Two racks with eight troughs rest in a stainless steel secondary containment pan. There are two secondary containment pans. One is four feet by ten feet and 0.489 feet deep (146 gallons). The other secondary containment pan is 4.98 feet by ten feet and 0.489 feet deep (183 gallons).

Contaminated solvents containing relatively more water or lower volatility are placed in the upper containers. The fire is initiated remotely in the lower container. EHWS is not placed into the unit until just before burning is started. The treatment capacity is 300 gallons per day. The maximum volume of fluid in each trough is 30 gallons. Treatment is not done during periods of expected rain. Between treatments, the upper troughs contain less than five gallons of material with free liquid and the lower troughs contain dry ash. If not empty, the troughs are covered. If empty, the troughs and secondary containment pans are removed or inverted during expected periods of rain. Residue from TSU-2 is treated in TSU-1 to ensure complete treatment of its reactivity.

TSU-3:

TSU-3 is the container storage unit and is located in the central portion of the Facility, southeast of Lake Teledyne. (See Figure 2.) TSU-3 has a 6-inch thick reinforced concrete slab surrounded on three sides by a concrete block berm. TSU-3 is fully covered by a roofed building with open sides. The un-bermed front side of TSU-3 has individual grated sumps for each of the four Bays, which prevent run-on and collect spills and any rain which may blow into the Bays. The Bays are separated from each other by reinforced concrete dikes, which are bolted and epoxy bonded to the coated concrete floor of the Bay. The inside dimensions of Bay A and Bay D are each 17 feet, 3 inches wide by 59 feet, 3 inches long. The inside dimensions of Bay D and Bay C are each 16 feet, 6 inches wide by 59 feet, 3 inches long. The volume of each of the sumps for Bay A and Bay D is 1,077 gallons and for Bay B and Bay C is 1,025 gallons. Bay A is the

southern-most of the four Bays. Different waste types are allowed in each of the Bays to prevent potential reactions between incompatible wastes in the event of a spill. The waste types allowed in Bay A are caustics, cyanides, sulfides, and aqueous solutions with pH of 5 to 9. The waste types allowed in Bay B are halogenated hydrocarbons, non-flammable liquids, and aqueous solutions with pH of 5 to 9. The waste type allowed in Bay C is acids. The waste types allowed in Bay D are flammable liquids, reducing agents, metal catalysts, carbon, fuels, and combustible liquids. A variety of types and sizes of containers may be used for storage of hazardous waste at TSU-3. Containers of hazardous waste may not be stored at the Facility for longer than one year. Containers on pallets may be stacked two pallets high. The maximum capacity for each Bay is 192 55-gallon drums. Based on the capacity of the secondary containment, the maximum quantity of liquid wastes and wastes containing free liquids is 4,140 gallons or 75 55-gallon drums for Bay A, 3,650 gallons or 66 55-gallon drums for Bay B, 3,330 gallons or 60 55-gallon drums for Bay C, and 3,100 gallons or 56 55-gallon drums for Bay D. Air pollutant emissions from containers are controlled by keeping the containers closed, except when material is added or removed from the container.

TSU-8:

TSU-8 treats water containing particles of explosives (Safety Bucket Water) by natural evaporation. TSU-8 is located in the central portion of the Facility, south of Lake Teledyne and east of TSU-2. (See Figure 2.) TSU-8 consists of two evaporation troughs within a concrete secondary containment pad filled by gravity feed pipes from an unloading area. Safety Bucket Water is siphoned or hand-pumped from a container in an environmental support vehicle into the feed pipes in the unloading area, which empty into the evaporation troughs. The feed pipes are pipe-in-pipe construction with a 2-inch diameter stainless steel inner pipe and a 4-inch diameter polyvinyl chloride (PVC) outer pipe. The troughs are constructed of three-sixteenths of an inch thick carbon steel with welded heads. The troughs are coated with a 100% solids coal tar polyurethane elastomer coating to a minimum thickness of 100 mils (equals one tenth of an inch). The troughs are half cylinders with slightly domed ends. Each trough is approximately 4.32 feet in diameter and 11.3 feet long. The maximum capacity of each treatment trough, with an operational freeboard of six inches, is approximately 505 gallons. The treatment capacity is approximately 1,100 gallons per year, based on an observed average evaporation rate of three gallons per day. When enough water has evaporated to result in a thick turbidity, the concentrated hazardous waste is transferred to TSU-1 or TSU-2, added to other EHWS and burned. No volatile organic compounds are present in the Safety Bucket Water.

Treatment of Two-Part Epoxy Compounds:

Solidification of two-part epoxy compounds in containers is conducted at TSU-3, Bay D. (See Figure 2.) Two-part epoxy paints, potting compounds, adhesives, and insulating materials are mixed according to the manufacturer's specifications in either the original containers or in one-gallon, open steel cans. Open quantities of these materials at manufacturing work stations greater than one liter and larger quantities in unopened containers become excess to production needs through expiration of shelf life and when inspection reveals the material to be off-specification. These materials are accumulated and transported to TSU-3, Bay D for storage and treatment by mixing and solidification. The solidified materials may be disposed of off-site as non-hazardous solid waste. The process capacity listed in the FHWOP is 20 gallons per day.

On-Site Waste Transport:

Two to three trucks, typically one-half to one and one-half ton pickup trucks or vans are dedicated to hazardous waste management activities and/or assigned to MSI Support Services. These MSI owned trucks and vans are used for occasional on-site hazardous waste hauling. All vehicles used for on-site waste management are equipped with fire extinguishers, hazard placard signs, two-way radios, a first aid kit, and seat belts.

Off-Site Waste Transport:

At this time, no MSI vehicles are registered with the State of California for hauling hazardous waste off-site.

Facility Security:

The Facility property is surrounded by a three-strand barbed wire grazing fence. The main 100-acre industrial site is contained within an eight-foot chain link security fence that is topped with three strands of barbed wire canted outward. Six service gates in the security fence are locked except when in use. An additional grazing fence surrounds TSU-1 and the containment device for explosives burning is within a steel frame security cage. The cage is locked at all times when not attended by MSI employees. Signs with hazardous waste area warning text in English and Spanish are posted at

approximately 100-yard intervals on the outer grazing fence, the security fence, and on each approach to the perimeter of each hazardous waste management unit. Security Central, located at the only entrance to the MSI property, controls all resource protection activity. A seven day, 24 hour patrol maintains surveillance of all structures and grounds on a planned irregular schedule, in combined vehicle and foot patrols. Each hazardous waste management unit is observed by the patrol at least once every 24 hours.

Facility Safety and Emergency Equipment:

All hazardous waste management units, except TSU-1, are served by a high-pressure, underground fire suppression water distribution system with a fire hydrant near each unit. The system is supplied from Lake Teledyne, which contains several million gallons of water for fire suppression and spill cleanup. A 6,000-gallon per minute automatic pump with an electric motor pumps water to the distribution system. Over 150 portable fire extinguishers are installed in readily assessable locations throughout the Facility, including at least one extinguisher at or near each hazardous waste management unit and in all MSI industrial vehicles. The hazardous waste management units are supported by nearby installed eye wash/shower units. Two gasoline powered portable generators and two 1,000-watt portable light stands are available for emergency lighting in support of hazardous waste operations. Radio communication between Security Central and patrols is maintained through use of a base station with remote repeater and hand-held and/or mobile radios. Environmental technicians are assigned hand held radios.

Emergency Contingency Plan:

The MSI Hazardous Materials Emergency Business Operations Plan, Chapter VIII of the FHWOP, is coordinated through, and acknowledged in writing by, all off-site, first responder organizations, the San Benito County Office of Emergency Services, and Hazel Hawkins Hospital in Hollister, California. This Plan directs emergency actions required to mitigate the effects of potential disasters: such as, earthquakes, structural and wild land fires, accidental detonations, accidental spills or release of hazardous materials, including hazardous waste, or employee injuries. The Plan is designed to support the State of California Emergency Plan and the Standardized Emergency Management System (SEMS) to include the Incident Command System. Any spill or release of materials that has the potential to cause injury to people, the environment, or property is considered an initiating event for the Plan if it cannot be completely and immediately contained and neutralized by the people on the scene using the equipment on the scene at the time of the spill.

Facility Inspections:

Inspections of hazardous waste management units are conducted in accordance with a MSI Standard Operating Procedure, which is Attachment VI-4 of the FHWOP. The units are inspected a minimum of once a week by an Environmental Technician and the security patrol observes each unit every day for abnormalities. Emergency equipment located at the units is inspected monthly or after each use.

Facility Closure Plan:

The Closure Plan, Chapter IX of the FHWOP, identifies the steps necessary to close the hazardous waste management units, either individually (partial closure) or the entire Facility at the end of its operating life. The intent is to close each unit and the Facility in a way that will not require post-closure maintenance, care, and/or monitoring to protect human health and the environment from escape of hazardous waste, hazardous constituents, contaminated run-off, or decomposition products to ground or surface water, or the atmosphere. The general steps required for each unit are treating or removing waste inventory, cleaning or decontamination of equipment and unit structures, sampling and testing of surrounding soils, and removal of any contaminated equipment, structures, or soil and any closure-generated wastes. In general, the closure performance standards are either: a) "non-detect" concentrations of hazardous constituents, b) "background" concentrations for naturally occurring constituents (e.g., metals), or c) health-risk based concentrations based on potential future residential or unrestricted use of the property. Other health-risk based standards (e.g., for future industrial use or other restricted uses of the property) may also be considered. Where restricted use standards for closure are ultimately used, a land use covenant must also be developed and attached to the property deed.

Financial Responsibility for Closure:

MSI has obtained an Environmental Closure and Liability Insurance policy in order to assure financial responsibility for closure of the hazardous waste management units at the Facility. The closure cost estimate for the entire Facility is \$560,500 (\$2004).

Site Remediation/Corrective Action Activities:

A RCRA Facility Investigation (RFI) of the vadose zone soil at TSU-1 was conducted between July 1995 and January 1996. Surface and subsurface soil samples were collected at TSU-1 and at the former detonation pit at TSU-1. Lead concentrations ranged from 4.4 to 15,000 mg/kg in surface soils. Samples collected at 1.5 feet below ground surface (bgs) had lead concentration of 4.4 to 17 mg/kg. Non-native surface soil samples collected in the detonation pit had lead concentrations up to 1,100 mg/kg. Lead concentrations in the native soils beneath the detonation pit (at 5 feet bgs) ranged from 6.4 to 14 mg/kg. A site specific cleanup goal for lead of 5,285 milligrams per kilogram (mg/kg) was established in the human health risk assessment and approved by DTSC. Soil from an area approximately 60 feet by 40 feet and 1.5 feet deep was removed for off site disposal at an authorized facility. Verification soil samples were collected and where the sample results were less than 5,285 mg/kg, the excavation was backfilled with fill approved by DTSC. The soil monitoring and removal operations began in spring 1998 and were completed during summer 1998.

In an effort to reduce the potential for future releases to the environment, the structural design of the TSU-1 unit was modified in the following ways: 1) extended the concrete slab from 24 feet by 30 feet to 54 feet by 50 feet; 2) improved the entrance by installing a 15 feet by 25 feet concrete apron with a loading dock and entry gate; 3) installed concrete perimeter walls on all four sides of the burn unit; 4) installed a 24 foot high roof covering the entire structure with an area of 66 feet by 62 feet; and, 5) performed grading as required to construct concrete pad and roof.

Soil verification sampling is required to be conducted by May 1 of each year in accordance with the "Corrective Measures Study Final Report for Lead Affected Soil, RCRA Unit TSU-1," July 7, 1998. The area to be monitored included soil located in areas not covered by the new TSU-1 modified structure. The area was established based on the "foot print" where lead concentrations exceeding the cleanup goal were found prior to excavation and an area adjacent to TSU-1 that did not have lead concentrations above the cleanup goal. MSI submits a report of the annual verification sampling to DTSC each year within 45 days after the soil sample collection. Verification sampling has occurred each year since 1999 and was most recently reported on June 3, 2005. With the modified structure and annual monitoring, the continued operation of TSU-1 should not have an adverse impact on the surrounding soils.

For the first time since verification sampling started, in 2005 a sample result had a lead concentration (11,000 mg/kg) which exceeded the clean-up goal of 5,285 mg/kg. As required, follow-up sampling was conducted on August 1, 2005, at the original sample location and at three additional locations within two feet of the original location. The four follow-up samples all had lead concentrations significantly lower than the clean-up goal. Based on the follow-up samples, the sample result of 11,000 mg/kg for lead is considered an anomalous result that does not represent the average lead concentration in soil in the vicinity of TSU-1. No additional remedial activities related to TSU-1 are required until the next annual verification sampling event.

Groundwater Corrective Action:

Groundwater and soil investigations starting in May 1999 have identified groundwater contamination by volatile organic compounds (VOCs) and perchlorate at several locations at the MSI Facility. The sources of the contaminants have not been identified, but the sources are not the operating TSUs that are in the Permit. The larger contaminant plume is in the alluvial deposits east of Lake Teledyne in the vicinity of the TSU-3/Thermal Destruct Facility area. A "Corrective Action Plan, Soil and Groundwater Investigation (CAP)" was submitted to the Regional Water Quality Control Board (RWQCB), Central Coast Region, on December 12, 2002. The CAP identified a combination of monitored natural attenuation and enhanced in-situ bioremediation as the most technically feasible and cost-effective remedial approach to address the presence of VOCs and perchlorate in groundwater at the Facility. The CAP was approved by the RWQCB on February 13, 2003. The "Enhanced In-Situ Bioremediation Pilot Study Workplan (EISB Workplan)" was submitted on September 4, 2003, and approved by the RWQCB on October 15, 2003, with modifications.

Components of the EISB program included: 1) a pre-injection groundwater monitoring event; 2) the pilot-scale injection of Hydrogen Release Compound (HRC); 3) post-injection groundwater monitoring; and 4) preparation and implementation of a full-scale EISB Workplan. The pre-injection groundwater monitoring event and pilot-scale injection of HRC were performed in November and December 2003. Quarterly post-injection groundwater monitoring has been performed since then. The "Groundwater Monitoring Report, Second Quarter 2005," documenting the sixth and final pilot-scale post-injection monitoring event, was submitted on July 28, 2005.

Two primary regions that were being tracked were the a) Source Treatment Pilot Study Area and b) Downgradient Barrier Pilot Study Area. In the Source Treatment Pilot Study Area the results were that: a) reducing conditions have developed and biodegradation of perchlorate is occurring within both the finer-grained upper and coarser-grained lower portions of

the alluvial deposits, 2) sulfate concentrations have decreased in the upper portion of the alluvial deposits, 3) total alkalinity has increased in both upper and lower portions, 4) Oxidation-reduction potential (ORP) measurements have declined in both lower and upper portions, and 5) perchlorate concentrations have decreased dramatically in both upper and lower portions of the alluvial deposits. In the Downgradient Barrier Pilot Study Area, similar results were found in one monitoring well. However, at the other groundwater monitoring well perchlorate and nitrate concentrations that had previously declined rebounded to levels comparable to the baseline conditions. Other geochemical parameters indicative of reducing conditions and perchlorate biodegradation continued to exist. Additional evaluation of this well will be part of the full-scale EISB Workplan. A full-scale EISB Workplan has been submitted to the RWQCB and is under review.

The hazardous waste management units are equipped with secondary containment systems to prevent spills or leaks from impacting soil or groundwater. Except for TSU-1, none of the hazardous waste management units in this Permit have had releases to soil or groundwater. TSU-1 was modified to reduce the potential for material to be ejected from the unit during open detonation events, and there is annual soil sampling to confirm that releases are not occurring. There has been a series of soil and groundwater investigations to determine the source areas and extent of perchlorate and VOC contamination in groundwater at the site. Although the sources of the contaminants in groundwater have not been identified, they are not the operating TSUs authorized by the Permit. The former operator of the Facility is conducting groundwater cleanup activities under the oversight of the RWQCB.

II. DISCRETIONARY APPROVAL ACTION BEING CONSIDERED BY DTSC

- Initial Permit Issuance
- Closure Plan
- Removal Action Workplan
- Permit Renewal
- Regulations
- Interim Removal
- Permit Modification
- Remedial Action Plan
- Other (Specify)

Program/ Region Approving Project: Hazardous Waste Management Program/Standardized Permitting and Corrective Action Branch/Sacramento Unit

DTSC Contact Person: Paul Ruffin

Address: 8800 Cal Center Drive, 2nd Floor

City: Sacramento State: California Zip Code: 95826 Phone Number: (916) 255-6677

III. ENVIRONMENTAL RESOURCES POTENTIALLY AFFECTED

The boxes checked below identify environmental resources in the following ENVIRONMENTAL SETTING/IMPACT ANALYSIS section found to be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact."

- None Identified
- Aesthetics
- Agricultural Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology And Soils
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation and Traffic
- Utilities and Service Systems

IV. ENVIRONMENTAL IMPACT ANALYSIS

The following pages provide a brief description of the physical environmental resources that exist within the area affected by the proposed project and an analysis of whether or not those resources will be potentially impacted by the proposed project. Preparation of this section follows guidance provided in DTSC's California Environmental Quality Act Initial Study Workbook [Workbook]. A list of references used to support the following discussion and analysis are contained in Attachment A and are referenced within each section below.

Mitigation measures which are made a part of the project (e.g.: permit condition) or which are required under a separate Mitigation Measure Monitoring or Reporting Plan which either avoid or reduce impacts to a level of insignificance are identified in the analysis within each section.

1. Aesthetics

Project activities likely to create an impact:

Smoke generated by combustion and detonation of hazardous waste materials.

Description of Environmental Setting:

The MSI facility is situated in a rural area. The primary surrounding land use is agriculture, with a small number of residences nearby. The residential population nearby, to the north and east, is increasing. The nearest resident lives within 1 kilometer of the facility. A number of row crops are planted in the area, as well as stone fruits. Another nearby land use is beef cattle grazing. The facility is 700 meters southeast of the San Justo Reservoir, which is a source of local irrigation water and is used for recreational fishing. The facility is visible from the access road to the reservoir.

The facility has been in operation since 1971. The hazardous waste facility Permit does not include any new construction activities. No significant changes to the aesthetics of the facility are anticipated.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Have a substantial adverse effect on a scenic vista.

The Permit renewal for the MSI facility will not change the visual character of the facility.

- b. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings and historic buildings within a state scenic highway.

The MSI facility is near Highway 156, which is an eligible state scenic highway, but is not officially designated. Because there are no construction activities associated with the Permit renewal, the project will not damage scenic resources such as trees, rock outcroppings, or historic buildings.

- c. Substantially degrade the existing visual character or quality of the site and its surroundings.

The facility has been in operation at this location since 1971. Operation of the open burn/open detonation units, TSU-2 and TSU-1, is regulated by permits issued by the Monterey Bay Unified Air Pollution Control District (MBUAPCD). The permits for both units include a requirement that no air contaminants are discharged for a period or periods aggregating more than three minutes in any one hour which is as dark of darker than Ringelman 1 or equivalent 20% opacity. Because the units are used infrequently and the visual character of the emissions are regulated by the MBUAPCD, this potential impact to the visual character or quality of the site and its surroundings will not be significant. However, there was a complaint made by a neighbor in approximately 2001 concerning the smoke generated by a TSU operation. It is reported that this issue was resolved to the satisfaction of the Monterey Bay Unified APCD (reference b).

- d. Create a new source of substantial light of glare that would adversely affect day or nighttime views in the area.

The hazardous waste management units that are permitted do not typically operate at night. TSU-3, the container storage unit, has outdoor lighting for security purposes. The manufacturing activities at MSI may operate 24

hours per day and there is parking lot lighting. The total wattage for lighting the entire facility is estimated at 21,000 watts.

Specific References (List a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.
- c. California Scenic Highway Mapping System at www.dot.ca.gov/hq/LandArch/scenic_highways/index for San Benito County.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

2. Agricultural Resources

Project activities likely to create an impact.

None.

Description of Environmental Setting:

The properties adjoining the MSI facility on the east, north, and west are zoned for Agricultural Productive (AP). Properties adjoining the facility to the south are zoned for Agricultural Rangeland (AR). MSI leases portions of its property (surrounding some TSU operations) for the grazing of beef cattle.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland) as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use.

No such farmland designations are present on the facility. There is no new construction or expansion of existing operations proposed in the permit renewal, so no land conversion is necessary.
- b. Conflict with existing zoning or agriculture use, or Williamson Act contract.

The MSI facility is zoned M1, light industrial, which is appropriate for the land uses required by the Permit renewal. MSI voluntarily leases portions of its property for the grazing of beef cattle. The facility is not expanding into other properties, so no conflict will occur.
- c. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural uses.

The facility has been in existence since 1971 and the Permit renewal does not include any changes that could result in conversion of farmland to non-agricultural uses.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

3. Air Quality*Project activities likely to create an impact.*

Combustion and detonation of explosive hazardous waste materials, including solvents, and storage of volatile organic compounds in containers.

Description of Environmental Setting:

The applicable regulatory agency is the Monterey Bay Unified Air Pollution Control District (MBUAPCD). The MSI facility, near Hollister in San Benito County is part of the north central coast air basin. This air basin is designated a non-attainment transitional area for the State one-hour ozone standard and an attainment area for all other pollutants.

The permitted hazardous waste activities that have a potential to emit ozone precursor compounds (organics and nitrogen oxides) are the storage of waste solvents at TSU-3 and the open burning (at TSU-2) or open detonation (at TSU-1) of hazardous materials. Emissions from TSU-3 are minimized by operation requirements to keep all containers closed, except when transferring materials into or out of the containers. The MBUAPCD issues permits which specify the operating requirements for TSU-1 and TSU-2. MSI must comply with the MBUAPCD permits for the Hollister area air quality plan.

The MBUAPCD permit for TSU-1 has the following requirements concerning emissions:

1. The total annual net explosive weight of materials treated shall not exceed 7,000 pounds without obtaining prior written approval from the District.
2. No chlorinated plastics may be burned.
3. Only the following solvents or mixtures containing these solvents, explosive waste particles, and water/solvent solutions may be burned: methanol, acetone, tetrahydrofuran, and pyridine.
4. No more than 20 gallons of solvent or solvent mixtures may be ignited per day.
5. No air contaminant shall be discharged into the atmosphere for a period of periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 1 or equivalent 20% opacity.
6. No emissions shall constitute a public nuisance.

The MBUAPCD permit for TSU-2 has the following requirements concerning emissions:

1. No more than 300 gallons per day of waste solvent may be burned.
2. Only the following explosive-contaminated solvents or mixtures thereof shall be burned: methanol, acetone, pyridine, ethanol, dimethylformamide (DMF), isopropanol, tetrahydrofuran (THF), acetonitrile, butyl acetate.
3. No air contaminant shall be discharged into the atmosphere for a period of periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 1 or equivalent 20% opacity.
4. For each batch of waste solvent to be burned, MSI shall conduct a small scale test burn prior to the large scale open burning of the solvent batch, to ensure that the burning of any solvent batch will comply with Condition (3). Upon the finding that any portion of a solvent batch, during either small or large scale open burning, does not

comply with the appropriate visible emissions standards, the District shall be notified immediately and the burning of the solvent batch in question shall be terminated as soon as practicable.

5. A certified person shall be present at all open burnings of solvent. Such a person shall be present at the fire site observing smoke opacities for at least the first 30 minutes of the burn. For the remainder of the burn, a certified person shall be made available at the facility to make readings if a determination is needed.
6. No emissions shall constitute a public nuisance.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Conflict with or obstruct implementation of the applicable air quality plan.

The Permit renewal will not result in any conflict or obstruction with the implementation of the applicable air quality plan because the established protocols and operations of TSU-1, TSU-2, and TSU-3 will not change from existing operations and are consistent with the BUAPCD permits (for TSU-1 and TSU-2).

- b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation.

No, because there will be no significant changes to the existing procedures permitted by the MBUAPCD.

- c. Result in cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors).

The MSI facility has been in existence since 1971 and is permitted by the MBUAPCD. The Permit renewal reduces the number and type of hazardous waste management activities and units that are permitted because several units have been closed since the previous Permit was issued. There is no new construction or expansion of any existing operations, so there will be no net increase in any criteria or hazardous air pollutant.

- d. Expose sensitive receptors to substantial pollutant concentrations.

No. The data generated by the emissions evaluation, presented in the FHWOP calculates that the total upper bound incremental cancer risk at the point of the maximally exposed individual is 8.66×10^{-14} . Regulatory action is not usually taken to control incremental cancer risk that is less than 1×10^{-6} . Sensitive receptors in the vicinity of the facility are located farther from TSU-1 and TSU-2 than the location of the maximally exposed individual.

- e. Create objectionable odors affecting a substantial number of people.

No. The materials used at the MSI facility are not odorous. The treatment of hazardous materials at the permitted units does not generate objectionable odors.

- f. Result in human exposure to Naturally Occurring Asbestos (see also Geology and Soils, f.).

The MSI facility is not located in an area where naturally occurring asbestos is likely to be present.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.
- c. "A General Location Guide for Ultramafic Rocks in California – Areas More Likely to Contain Naturally Occurring Asbestos," Open-File Report 2000-19, Department of Conservation, Division of Mines and Geology, August 2000, at http://www.consrv.ca.gov/CGS/minerals/hazardous_minerals/asbestos/index.htm

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

4. Biological Resources

Project activities likely to create an impact:

Emissions from open burn/open detonation events;
 Potential releases to Lake Teledyne or surrounding Facility areas

Description of Environmental Setting:

The Facility is situated in a rural area. The MSI Facility property comprises 290 acres. Facility operational areas comprise about 30 acres. The primary surrounding land use is agriculture, with a small number of residences nearby. The residential population to the north and east is increasing. The nearest resident is within one kilometer of the Facility. The Facility has been operating since 1971, and no future additions are planned. Various row crops are planted in the area as well as stone fruits. The primary land use is beef cattle grazing. The Facility supports limited ornamental trees and shrubs associated with existing development. Pines and oak trees are common. A line of eucalyptus trees occurs along the western Facility property boundary. A small stand of willows occurs along the seasonal drainage channel located along the southern boundary. The undeveloped portions are characterized by grazed, non-native annual grassland. A public golf course is present to the south with large turf areas and non-native grassland areas. Various common wildlife species are likely to occur at the Facility property. Small mammals such as deer mice, California ground squirrels, and Botta's pocket gophers are common in annual grasslands in San Benito County. Larger mammals, such as coyotes, bobcats, and mule deer occasionally forage in this area as well. Various birds use annual grasslands as foraging habitat, including Savannah Sparrows, Western Meadowlarks, Lesser Goldfinches, and Barn Swallows. Raptors, such as Red-tailed Hawks and Northern Harriers commonly forage over grasslands as well. Western fence lizards, western rattlesnakes, and other snakes are also likely to occur within the Facility property. At Lake Teledyne, Canada geese are abundant throughout the area, and various other waterbirds occur seasonally. Red-winged Blackbirds nest and roost in emergent vegetation at Lake Teledyne.

H.T. Harvey and Associates Ecological Consultants conducted a biological survey and prepared a report for the MSI Facility in 2003. The report provided a brief overview of the site conditions and the animal and plant species that could occur at the Facility. For this report, a reconnaissance-level site visit was conducted on October 20, 2003. A wildlife biologist and a plant ecologist were present and made observations and comments that are summarized below. For this report, a query of the California natural Diversity Database was performed to identify special-status species potentially occurring in the Facility vicinity. The search area included the Hollister, Chittenden, San Felipe, Three Sisters, Tres Pinos, Paicines, Mt. Harlan, Natividad, and San Juan Bautista quadrangles. The Facility is located in the Hollister quadrangle. Additional information was obtained from the Inventory of Rare and Endangered Plants of California (2001). This information was used to identify and assess additional species occurring in similar habitats throughout San Benito County.

The site is situated at the interface between the San Juan Valley and the lower hills of the Gabilan Range. Surrounding land is primarily agricultural. Some new homes exist along the hillsides northeast of the site. The San Juan Oaks Golf Club is located to the south. The Facility, constructed in 1972, occupies 25-50 acres in the northern property area. Lake Teledyne, a large, man-made lake provides a source of water for fire control measures. The grassland site areas are leased for cattle grazing. The topographic gradient ranges from approximately 250 feet in the northwest property corner to 440 feet in the southeast.

The undeveloped property areas are characterized by non-native, annual, grassland habitat, and the majority is located in the southern site area. During survey, most vegetation was dry. Some species were identified from the previous season's growth. Species included wild oats, soft chess, black mustard, and triteleia. Other species observed included hayfield tarweed, fireweed, and turkey mullien. Also existing along the northern boundary at Union Road is a seasonal channel that was dry during the site survey. Another seasonal drainage borders a portion of the southern property boundary. This drainage is fed by a spring situated within this drainage. At the time of survey, the soils within the channel

bed were saturated and deeply impacted by cattle. Dense cattails occurred to the eastern project boundary. Other species observed scattered around the perimeter of this area included spiny cocklebur, Italian ryegrass, rabbit foot grass, and bristly ox-tongue. Lake Teledyne is relatively shallow (2-7 feet) and supports a broad band of freshwater emergent marsh along its shoreline. Species observed included cattails and bulrush.

Special-status Plant Species: Twenty special-status species were regarded as potentially occurring on the Facility site. Small areas of grassland exist along the northern property perimeter. Six special-status plant species may occur on these alkaline grasslands; however, these areas appear to be heavily grazed and disturbed. Species include: San Benito thornmint (*Acanthomintha obovata* ssp. *obovata*), oval-leaved sand dragon (*Antirrhinum ovatum*), San Joaquin spearscale (*Atriplex joaquiniana*), Congdon's tarplant (*Centromadia parryi* ssp. *congdonii*), pale-yellow layia (*Layia heterotricha*), and saline clover (*Trifolium depauperatum* var. *hydrophilum*).

Special-status Wildlife Species: Four wildlife species listed under the federal Endangered Species Act (FESA) or the California Environmental Species Act (CESA) could potentially occur on the site. Those species include the California red-legged frog (*Rana aurora draytoni*), San Joaquin Kit fox (*Vulpes macrotis mutica*), Bald Eagle (*Haliaeetus luecocephalus*), and Peregrine falcon (*Falco peregrinus*). Bald Eagles and Peregrine Falcons (both federally delisted, but still state listed) are likely to occur only as occasional foragers because habitat on the site property is not suitable for breeding. The range of the San Joaquin kit fox narrowly overlaps the site, but this species may now be extirpated from the Hollister Valley and is not likely to occur on-site. Red-legged frogs occur in freshwater ponds and other wetland habitats in California. This species may occur in Lake Teledyne and in other wetland habitats on-site. Non-native bass (*Micropterus salmoides*) are present in the lake and these are predators of red-legged frogs. Red-legged frogs occur in suitable habitat throughout San Benito County.

The California tiger salamander (*Ambystoma californiense*) may occur on-site. This species breeds in shallow (often ephemeral) ponds and spends drier summer months in cool, deep, ground squirrel burrows or similar habitats. The open grasslands on the southern portion of the site, with ample burrows and freshwater wetlands provide suitable habitat for salamanders.

Grasslands with ground squirrel burrows also provide potential habitat for Burrowing Owls (*Athene cunicularia*), a California Species of Special Concern (CSSC). This species is known to occur in similar habitat north of Highway 156 in the Flint Hills. Three other avian CSSC could potentially nest on-site: California Horned Lark (*Eremophila alpestris actia*), Loggerhead Shrike (*Lanius ludovicianus*), and Tricolored Blackbird (*Agelaius tricolor*). Horned Larks prefer dry open habitats, such as native bunch-grass grasslands, and habitat on-site is marginal for this species (non-native grasses provide too much ground cover). Loggerhead Shrikes nest in large shrubs and forage in dry, open habitats. Tricolored Blackbirds, like Red-winged Blackbirds (*Agelaius phoeniceus*), usually breed colonially in tall emergent vegetation around freshwater ponds. This species could potentially nest at several wetlands on site, including Lake Teledyne. The White-tailed Kite (*Elanus leucurus*) could also breed on-site. This raptor species nests in trees and forages over a variety of habitats, including grasslands.

Other avian CSSC species that could pass through the property during migration, or occur as non-breeding visitors include: American White Pelican (*Pelecanus erythrorhynchos*), Double-crested Cormorant (*Phalacrocorax auritus*), Osprey (*Pandion haliaetus*), Ferruginous hawk (*Buteo regalis*), Sharp-shinned hawk (*Accipiter striatus*), Merlin (*Falco columbarius*), Mountain Plover (*Charadrius montanus*), Vaux's Swift (*Chaetura vauxi*), and Black Swift (*Cyseloides niger*). Other birds, such as the White Pelican, do not breed in San Benito County but have special status only at nesting colonies. Golden Eagles (*Aquila chrysaetos*) and Prairie Falcons (*Falco mexicanus*) could forage at the site year-round; however, no suitable nesting habitat occurs on-site.

Lastly, three reptiles and one amphibian CSSC could occur on site. The western pond turtle (*Clemmys marmorata*) could occur in Lake Teledyne. Western spadefoot toads (*Scaphiopus ammondii*) could occur in the smaller wetlands on the southern portion of the site. San Joaquin whipsnakes (*Masticophis flagellum ruddocki*) are rare in San Benito County, but the species could occur in various habitats on-site. California horned lizards (*Phrynosoma coronatum frontale*) could occur in dry sandy habitats on-site, such as the sand pit in the northeast site corner.

A Rarefind report from the California Department of Fish and Game Natural Diversity Database, September 2, 2005, also listed some of the above-mentioned species for the Hollister quadrant. Listed species within the Hollister quadrant include those listed below. Specific occurrences of some species were located near but not at the Facility site.

California tiger salamander (*Ambystoma californiense*), Federal threatened: Habitat is found vernal pools or other seasonal water sources. Sightings occurred at the intersection of Flint road and Highway 156, San Juan Oaks Golf

course at a perennial reservoir in grassland/oak woodland and at a seasonal cattle pond (1999). The other sighting occurred east side of Cienega Road, 6 miles south of Hollister in a section of dammed creek, surrounded by shrubbery, grass and oak woodland (2003).

Alkali milk-vetch (*Astragalus tener* var. *tener*), California Native Plant Society (CNPS) list 1-B: This plant is found foothill grasslands and vernal pools. The sighting occurred in an alkali playa, valley and foothill grassland, and vernal pools (1997).

San Joaquin spearscale (*Atriplex joaquiniana*), CNPS list 1B: This plant occurs in seasonal alkali wetlands or alkali sink scrub. The sighting included Bird Creek, north of the San Andreas Fault, south of Hollister (1995).

Pinnacles optioservus riffle beetle (*Optioservus canus*), no present list status indicated: This species was observed in 1985 and 1989. The location is not provided. This beetle is found on rocks and in gravel of riffles in cool, swift, clear streams.

Western pond turtle (= *Emys* [*Clemmys*] *marmorata*), SSC: This species occurs in marshes, rivers, streams, and in irrigation ditches with aquatic vegetation. Sightings occurred at the San Benito River, 20 meters downstream of San Juan Hollister Bridge in Hollister. Habitat consisted of a pooled area within the San Benito River surrounded by willow and cattails (2001).

Pinnacles buckwheat (*Eriogonum nortonii*), CNPS list 1B: This plant occurs in sandy soils, often on recent burns. Sightings occurred in the drainage of Bird Creek, Gabilan range, south of Hollister, on the west slope of Fremont Peak (1975), Gabilan range, and in Hollister Hills State Vehicular recreation area (1989).

Round-leaved filaree (*Erodium macrophyllum*), CNPS List 2: This plant occurs in cismontane woodland, and valley and foothill grassland. This plant occurred at the San Justo reservoir (1999).

California linderiella (*Linderiella occidentalis*), no present list status indicated: This species occurs in seasonal pools in unplowed grasslands with old alluvial soils underlain by hardpan or in sandstone depressions. Sightings occurred south, southeast of the intersection of Flint Road and Highway 156, San Juan Oaks Golf Course (1999).

Indian Valley bush mallow (*Malacothamnus aboriginum*), CNPS List 1B: This plant occurs in granitic outcrops and in sandy bare soil, often in disturbed soils. Sighting occurred near Hollister, San Andreas rift zone, along Cienega Road, near Cienega School.

San Joaquin whipsnake (*Masticophis flagellum ruddocki*), CSSC: This snake inhabits dry habitats with little or no tree cover, found in valley grassland and saltbush scrub in the San Joaquin Valley. It was sighted in the San Benito River channel, south of Hwy 156, west of Hollister (1997).

California red-legged frog (*Rana aurora draytonii*), CSSC: This species occurs in lowland and foothills in or near permanent sources of deep water with dense, shrubby or emergent riparian vegetation. Sightings occurred at Azalea Canyon, Bird Creek (2004), Hollister Hills State Vehicle Recreation Area (1989), southwest of San Justo Reservoir, southwest of Hollister (1998), at the intersection of Flint Road and Highway 156, San Juan Oaks Golf Course (1999), St. Francis Retreat Center near San Juan Bautista (2001), and the San Juan Hollister Bridge, Hollister (2003).

Coast range newt (*Taricha torosa torosa*), CSSC: This species occurs in terrestrial habitats and will migrate over 1 kilometer to breed in ponds, reservoirs and slow moving streams. It was sighted southeast of San Justo Reservoir Dam, southeast of union Road and Highway 156, southwest of Hollister (1998).

American badger (*Taxidea taxus*), CSSC: This species inhabits drier, open stages of shrub, forest, and herbaceous habitats with friable soils. It was sighted in Hollister (2004). No other details for its location are mentioned.

San Joaquin kit fox, federal Endangered, State Threatened: This species occurs in annual grasslands. It was sighted in an area surrounding Hollister-North to Gilroy and near the junction of shore and Frazier Lake Roads (1972-1975).

The H.T. Harvey report concluded that lack of suitable microhabitats, such as rock outcrops, and gravelly soils, vernal pools, serpentine substrates and the highly disturbed nature of the site reduce the potential for special status plants and animals to occur at the site.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service.

The Facility has no plans for construction that would result in changes to existing habitats. Routine facility operations are conducted within disturbed areas and are not expected to result in changes to existing habitats. The Permit renewal will result in reduced Facility activities. As stated above, the Facility site property provides various areas with potential habitat to certain species. However, as stated, Facility activities occur in disturbed areas that are in continuous use and would not interfere with established habitat areas. In addition, Facility permitted units must be operated in compliance with Monterey Bay Unified Air Pollution Control District permits. Consequently, there is minimal risk to the plants and animals residing in the Facility property vicinity.

- b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service.

The Facility site is not within a conservation planning area. Special status species may occur on-site as described in the Environmental Setting. There are no plans for construction that would impact special status species. As indicated in a, above, routine Facility operations are not anticipated to impact habitat areas.

- c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means.

There are no federally protected wetlands at the Facility. There will be no anticipated activities at the Facility that will result in removal, filling, or hydrological interruption that would disrupt existing habitat areas.

- d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.

As mentioned in the above responses, there are no anticipated Facility activities that would be expected to interfere with established migratory or resident wildlife, nor are Facility activities anticipated to impede the use of native wildlife nursery sites. As mentioned in the Environmental Setting, birds identified as possibly occurring at the Facility would come to forage, and most would not breed there due to lack of habitat.

- e. Conflict with local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.

There are no anticipated Facility activities that would impact local policies or ordinances.

- f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan.

As stated above in item b, there are no Habitat Conservation Plans, Natural Community Conservation Plans, or other plans for the Facility area.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.
- c. California Department of Fish and Game Natural Diversity Database, Hollister quadrant, September 2, 2005.

- d. California Department of Fish and Game, California Land Use Planning Network, <http://www.dfg.ca.gov/nccp/status.htm>, November 1, 2005.
- e. City of Hollister, <http://www.hollister.ca.gov/Site/html/gov/office/planing.asp>, November 7, 2005.
- f. H.T. Harvey & Associates Ecological Consultants, McCormick Selph, Inc., Hollister, Existing Biotic Conditions, October 23, 2003.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

5. Cultural Resources

Project activities likely to create an impact:

Detonation of materials.

Description of Environmental Setting:

The Facility consists of approximately 290 acres. Of this, approximately 30 acres have been developed as the MSI Facility. The elevation ranges between 240 and 430 feet mean sea level. The nearest fresh water source is a spring-fed lake on the central portion of the Facility property that would have been a natural wetland area in prehistoric times.

An archaeological survey was performed for the Facility property by Archaeological Resource Management in November 2003. The cultural resource investigation included an archival search, surface reconnaissance, an evaluation of the potential significance of the subject area according to the California Register of Historic Resources, and the National Register of Historic Places. The survey area included the Facility and surrounding agricultural land -- the subject area. An archival search for the Facility property revealed one recorded archaeological site, CA-SBN-157, within a one-half mile radius of the property. This site consists of a single chert flake found on a hilltop approximately 600 feet west of the subject area in an agricultural field. Three historical sites, P-35-301, P-35-302, and P-35-303, have been recorded within a half-mile radius. No traces of prehistoric or historic cultural resources were noted within the subject property during the field reconnaissance.

The Mutsun Ohlone occupied the area during the 1770s when several Spanish expeditions passed through this region. As part of the background research, the California Office of Historic Preservation Directory of Properties in the Historic Property Data File for San Benito County was conducted by Archaeological Resource Management. No structures at the subject property or at any other address on Union Road were listed in this directory as of April 2003. The listings closest to the subject property were those of Mitchell Fruit Farm and the seven other structures at 3680 San Juan-Hollister Road, the Tebetts Orchard property, and three structures at 4070 San Juan-Hollister Road. These complexes and structures were designated on the historic property directory as eligible for inclusion in the National Register.

No traces of historic, cultural resources were noted within the Facility property during the field reconnaissance. Based on their age and architectural merit, none of the structures within the Facility property appears to be historically significant. The report recommended that testing apparatuses for explosive devices to the south of buildings 104 and 107 are rare and that these testing devices may need to be historically documented in the event construction or demolition is undertaken in the building 104 and 107 Facility areas.

The field survey also considered the possible presence of unique geologic features, such as rock formations, caves, quarry sites, mine shafts, unusual visual erosion patterns, dramatic cliff faces, hot springs, mineral outcrops, unusual stratigraphic exposures, and other unique phenomena formed by geological processes. Based on the lack of bedrock exposures or other unusual geological characteristics on the Facility property, the report concluded there are no unique geological features in the Facility area.

The rock types found in deeper levels on the Facility property are sedimentary gravels and cobbles in a matrix of silt and sand. These formations are composed of weakly consolidated clastic soils and rocks of a non-marine nature dated to the

Pliocene Epoch and identified as the Purisima Formation. Clastic rocks and soils are moved from their original location; therefore, they have minimal potential for containing in situ paleontological remains. Based on the lack of any type of rock formations, the presence of recent Pleistocene soils, and no traces of fossils noted in the field evaluation, it was concluded that no paleontological resources exist within the Facility property.

A November 18, 2003 addendum to the Archaeological Resource Management report summarizes the results of information received from the Native American Heritage Commission (NAHC) regarding a sacred lands search. The addendum states that the NAHC search did not find records of Native American resources within the Facility property boundaries.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Cause a substantial adverse change in the significance of a historical resource as defined in 15064.5.

There will be no earth-disturbing activities conducted under the Permit renewal as discussed in the Environmental Setting above. Facility activities are conducted within existing units, under supervision, in disturbed areas. Consequently, impacts on historical resources are not anticipated. According to the Archaeological Resource Management report, the area has a low potential for fossils.

- b. Cause a substantial adverse change in the significance of an archeological resource pursuant to 15064.5.

Refer to the response to item a; there will be no earth-disturbing activities, Facility activities are controlled, and impacts to any undiscovered resources are not anticipated. According to the Archaeological Resource Management report, the area has a low potential for fossils.

- c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature.

Please refer to the Environmental Setting. According to the Archaeological Resource Management report, the Facility site has low potential for paleontological resources and has no unusual geologic features. Because no earth-disturbing activities will be conducted under the Permit, potential resources that may exist within the Facility property are not expected to be disturbed.

- d. Disturb any human remains, including those interred outside of formal cemeteries.

Refer to the Environmental Setting and the preceding responses. No earth-disturbing activities will be conducted, Facility activities are controlled, and the Facility property is not expected to be disturbed.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.
- c. Archaeological Resource Management, An Evaluation of the McCormick Selph Facility for Archaeological, Historical, Architectural, Paleontological Resources and Geological Features, November 4, 2003.
- d. Archaeological Resource Management, Addendum to the Site Evaluation of the McCormick Selph Facility, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

6. Geology and Soils

Project activities likely to create an impact.

Potential seismic hazards due to proximity of active faults and landslides on slopes.

Description of Environmental Setting:

The MSI facility is located within the Bird Creek Hills in the southeast part of the San Juan Valley, west of Hollister, California. The geology of the facility location is characterized by uniformly dipping sandstone and claystone beds and a gently folding anticlinal structure, which is cut by an unnamed fault in the northeast quadrant of the site. The sandstone and claystone units form the middle member of the Purisima Formation of Tertiary Age and are locally covered by Quaternary alluvial deposits. These units are underlain by the lower member of the Purisima Formation, which is in turn underlain by the basement complex of Tertiary and Jura-Cretaceous aged rocks.

The sandstone beds in the middle member of the Purisima Formation are composed of well-bedded, massive, poorly cemented sands with claystone inclusions. The claystone consists of predominantly uncemented clay with inclusions of sandstone. The sandstones and claystones occur in laterally discontinuous beds that range in thickness from 2 to 30 feet. However, sandstone and claystone beds can be grouped into larger units, of as much as 1,000 feet in thickness, which are predominantly sandstone or claystone. These units have a uniform attitude within the facility and here, the direction of groundwater movement parallels the bedding-plane strike. Of the most interest to the facility location is the soil development and middle member of the Purisima Formation.

The alluvial deposits which underlie Lake Teledyne and adjacent contiguous areas are composed of flat-lying lenticular beds of clay, silt, and sand. The sedimentary Purisima Formation which underlies the alluvial deposits, crops out in the hills within the facility surrounding Lake Teledyne. It is composed of sandstone and claystone and has been subdivided into coarse-grained and fine-grained units. These units have a thickness of several hundred feet or more and have uniform bedding-plane attitudes. Both coarse and fine grained units interfinger, are discontinuous, and many of the lenses tend to thin or pinch out.

The active or potentially active faults which may significantly affect the MSI facility, their minimum distance, and direction from the facility are: San Andreas – 1906 Segment, 2.5 miles, southwest; Calaveras South, 2.5 miles, northeast; Quien Sabe, 7.5 miles, northeast; Sargent, 2.5 miles, north; and, Zayante-Vergeles, 5 miles, southwest. In addition to these faults there is an unnamed fault which crosses the eastern perimeter of the facility, approximately 700 feet east of TSU-3. This fault is not considered an active fault (Holocene age)

Geologic Hazards Analysis

The FHWOP includes a report, "Geologic Hazards Assessment for TSU-1, 2, 3, and 8," dated August 4, 20005, and prepared by Pacific Crest Engineering, Inc. (PCEI). The report describes the seismic setting as one in which it is reasonable to assume that the site will experience significant seismic shaking during the lifetime of the project. Seismic hazards which may affect the project site include ground shaking, ground surface fault rupture, liquefaction and lateral spreading, and seismically induced slope instabilities.

Ground Shaking

Ground shaking will be felt on the facility. Structures founded on thick soft deposits are more likely to experience more destructive shaking, with higher amplitude and lower frequency, than structures founded on bedrock. Generally, shaking will be more intense closer to earthquake epicenters. Thick soft soil deposits large distances from earthquake epicenters, however, may result in seismic accelerations significantly greater than expected in bedrock. Structures built in accordance with the latest edition of the Uniform Building Code for Seismic Zone 4 have an increase potential for experiencing relatively minor damage which should be repairable.

Ground Surface Fault Rupture

Ground surface fault rupture occurs along the surficial trace(s) of active faults during significant seismic events. The nearest known active or potentially active fault is mapped approximately 2.5 miles from the facility. Therefore, the potential for ground surface rupture at the facility is considered low.

Liquefaction

Liquefaction tends to occur typically in soils composed of loose sands and non-cohesive silts of restricted permeability. In order for liquefaction to occur, there must be the proper soil type, soil saturation, and cyclic accelerations of sufficient magnitude to progressively increase the water pressures within the soil mass. Non-cohesive soil shear strength is developed by the point to point contact of soil grains. As the water pressures increase in the void spaces surrounding the soil grains, the soil particles become supported more by the water than the point to point contact. When the water pressures increase sufficiently, the soil grains begin to lose contact with each other resulting in the loss of shear strength and continuous deformation of the soil where the soil appears to liquefy.

The area surrounding Lake Teledyne is underlain by alluvial deposits which include layers of clay, silt, and sand. The majority of the alluvial soils consist of clay and silt soils. Sand layers (most susceptible to liquefaction) appear to be very thin and layered in discontinuous lenses. Although the lack of significant sand layers indicates a lower potential for liquefaction to occur, it cannot be ruled out entirely. A site specific geotechnical study would be required to identify which of the alluvial soil layers are susceptible to liquefaction, including silt and clay layers.

Areas built away from Lake Teledyne on the surrounding hills, outside the zone of alluvial soil deposits, are considered to have a low potential for liquefaction.

Liquefaction Induced Lateral Spreading

Liquefaction induced lateral spreading occurs when a liquefied soil mass fails toward an open slope face, or fails on an inclined slope. This is usually most evident along river channel environments. There may be some potential for lateral spreading to occur near the vicinity of Lake Teledyne, assuming liquefaction did occur beneath the site. However, given the relatively shallow nature of Lake Teledyne, the lateral spreading potential is considered relatively low.

Landsliding

Landsliding is a hazard which may affect the slopes on the MSI facility. This hazard may be the result of seismic shaking, prolonged intense rainfall, saturation of subsurface soils by the adjacent San Justo Reservoir, or a combination of these factors.

A landslide is evident in the vicinity of TSU-3. This landslide is reported to have occurred after 1985 and appears to be a rotational or slump type of slide failure. This slide is located about 300 to 400 feet south-southeast of TSU-3. The volume of soil involved in the landslide would be roughly estimated at 5,000 to 10,000 cubic yards. Apparently, this slide is likely the result of saturation of subsurface soil layers by the adjacent San Justo Reservoir. A PCEI Geotechnical Engineer reviewed the setback of TSU-3 from the slide area and believes there is a reasonable safety factor in the setback distance of the unit from the slide area and from the slope areas which have not failed directly to the south. However, no detailed slope stability analyses for this slide have been performed and the possibility of a potential landslide affecting TSU-3 cannot be ruled out.

The PCEI Geotechnical Engineer also reviewed the locations of TSU-1, TSU-2, and TSU-8. TSU-2 and TSU-8 were judged to be relatively well set-back from the slope areas to the south. The slope areas to the south did not exhibit any signs of slope failure and were not located adjacent to the San Justo Reservoir. TSU-1 is located on a level cut pad, on a sloping hillside. The cut side of the pad buttresses the hillside area using a concrete retaining wall, which was about 12 inches thick. No evidence of landsliding, soil slumping or other movement was observed on the hillside surrounding TSU-1. There also was no evidence of the wall leaning, cracking, or exhibiting any signs of wall rotation or failure due to movement of the adjacent hillside. The hillside area above TSU-1 is not located adjacent to the San Justo Reservoir.

Uniform Building Code Compliance

Piland Structural Engineering, Inc. (PSI) performed an evaluation of the compliance of the four active TSUs with the applicable Uniform Building Code (UBC) requirements. Their report, "Treatment/Storage Unit (TSU) Uniform Building Code (UBC) Compliance and Certification," dated June 30, 2005, is included in the FHWOP. Based on review of available records and site observations, PSI concluded that all four TSUs were in compliance with the relevant UBC to which the TSUs were subjected at the time of construction.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:
- Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault. (Refer to Division of Mines and Geology Special Publication 42).
 - Strong seismic ground shaking.
 - Seismic-related ground failure, including liquefaction.
 - Landslides.

As described in the Environmental Setting section, the MSI facility may experience significant seismic shaking and geologic hazards which may include ground shaking, ground surface fault rupture, liquefaction and lateral spreading, and landsliding. The possibilities for ground surface fault rupture, liquefaction and lateral spreading were determined to be low, considering there are no known active faults on the facility and the soil types underlying the TSUs are not generally susceptible to liquefaction and lateral spreading. The TSUs were found to be in compliance with the relevant Uniform Building Code, which reduces the potential for substantial impacts due to ground shaking. The locations of the TSUs were determined to be sufficiently set back from slopes with a potential for landsliding.

The Permit renewal authorizes continuing operation of the TSUs. The TSUs operate in a manner that reduces the potential for substantial adverse effects, including the risk of loss, injury, or death. The TSUs are not residences or office buildings and have limited periods when workers are present. Hazardous wastes or materials are not present at TSU-1 and TSU-2 except for a limited amount of time prior to and during treatment. Hazardous wastes are present for a longer duration at TSU-8 and TSU-3 and potentially could be released from the evaporation troughs or storage containers as a result of seismic ground shaking. However, the wastes would be contained in the secondary containment systems of these units and would be cleaned up in accordance with the facility's Hazardous Materials Emergency Business Response Plan. These actions will reduce any potential impacts from geological hazards to a less than significant level.

- b. Result in substantial soil erosion or the loss of topsoil.

No. There are no planned new facilities or expansions of existing facilities.

- c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide, lateral spreading, subsidence, liquefaction or collapse.

As described in the Environmental Setting section, there is only a low potential for liquefaction in the vicinity of Lake Teledyne, which potentially could impact TSU-2, TSU-3 and TSU-8. These three TSUs have sufficient set back from slopes with a potential for landsliding. TSU-1 is not in an area considered potentially susceptible to these geologic hazards.

- d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property.

There are no planned new facilities or expansions of existing facilities. As discussed in the Environmental Setting and the response to item "a" above, operation of the permitted TSUs will not result in substantial risks to life or property.

- e. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of water.

The hazardous waste management units subject to the Permit renewal do not require use of septic tanks or alternative waste water disposal systems.

- f. Be located in an area containing naturally occurring asbestos (see also Air Quality, f.).

The MSI facility is not located in an area containing naturally occurring asbestos.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.
- c. "A General Location Guide for Ultramafic Rocks in California – Areas More Likely to Contain Naturally Occurring Asbestos," Open-File Report 2000-19, Department of Conservation, Division of Mines and Geology, August 2000, at http://www.consrv.ca.gov/CGS/minerals/hazardous_minerals/asbestos/index.htm

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

7. Hazards and Hazardous Materials

Project activities likely to create an impact:

Storage of hazardous waste in containers and treatment of hazardous wastes by evaporation (volume reduction), mixing (of two-part epoxy compounds), open burning, and open detonation.

Description of Environmental Setting:

In the course of operation, the MSI facility generates hazardous waste comprising various solvents and ordinance items. These materials are stored or treated onsite or transported offsite for treatment and disposal. The MSI facility does not receive hazardous waste generated at offsite locations. Table III-1 in the FHWOP lists the hazardous wastes managed in accordance with the Permit issued by DTSC. The Permit authorizes operation of eight hazardous waste management units: TSU-1, TSU-2, TSU-3 Bay A, TSU-3 Bay B, TSU-3 Bay C, TSU-3 Bay D, TSU-8, and mixing two-part epoxy compounds in containers. These waste management units are further described in the Project Description portion of this Initial Study and in the FHWOP. The hazardous waste management units must operate in accordance with procedures provided in the FHWOP, conditions of the Permit, and state and federal regulations and laws.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Create a significant hazard to the public or the environment throughout the routine transport, use or disposal of hazardous materials.

No. There will be no increase in activities or hazards associated with the renewal of the existing hazardous waste facility Permit. The hazardous waste management units all have secondary containment systems to prevent spills or leaks from impacting soil or groundwater. Except for TSU-1, none of the hazardous waste management units in this Permit have had releases to soil or groundwater. TSU-1 was modified to reduce the potential for material to be ejected from the unit during open detonation events, and there is annual soil sampling to confirm that releases are not occurring. Emissions from the treatment of hazardous waste arise primarily from the open burning or open detonation of hazardous materials. The FHWOP includes a Screening Risk Assessment for the open burn/open detonation units. The Screening Risk Assessment determined the total upper bound incremental cancer risk at the point of the maximally exposed individual is 8.66×10^{-14} . Regulatory action is not usually taken to control cancer risks below 1×10^{-6} .

- b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

No. Because the amount of hazardous materials that are treated at the MSI facility is regulated by the DTSC and MBUAPCD permits, any unforeseen accident with the permitted batch sizes will be limited in impact and frequency. In addition, the treatment locations are not near the facility boundaries, so it is unlikely that a fire, explosion, or release of material would present a significant hazard to potential public receptors.

- c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or proposed school.

No. There are no schools, day care centers, hospitals, or convalescent homes within 2 kilometers of the hazardous waste management units.

- d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to public or the environment.

The MSI facility is a site listed pursuant to Government Code Section 65962.5 (Cortese List). As mentioned in "a" above, TSU-1 was modified to reduce the potential for material to be ejected from the unit during open detonation events. Annual soil sampling is performed to confirm that releases are not occurring. Remediation of groundwater contamination is being conducted in accordance with a Corrective Action Plan approved by the Central Coast Regional Water Quality Control Board on February 13, 2003.

- e. Impair implementation of, or physically interfere with, an adopted emergency response plan or emergency evacuation plan.

No. The MSI facility has in place a Hazardous Materials Emergency Business Response Plan. This Response Plan is coordinated with local emergency response agencies.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
 b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

8. Hydrology and Water Quality

Project activities likely to create an impact:

Potential releases to groundwater

Description of Environmental Setting:

Groundwater near the MSI facility occurs in two principal geologic units: 1) Alluvial materials, including valley fill and terrace deposits; and, 2) permeable embers of a non-marine, undifferentiated sandstone and claystone bedrock. Flow in the latter is relatively more restricted due to the presence of faults and fractures and generally less permeable materials. Groundwater generally flows to the northwest, although overdraft in the Hollister area may have changed the gradient. The Calaveras fault divides the area into the Hollister and San Juan Valley subbasins. Transmission between these units is impeded because of dislocation caused by faulting. Groundwater in the San Juan Valley is not considered to be nearly as abundant as that in the Hollister Valley, where it is found at shallower depths. The water table in the Hollister Valley, however, has been greatly reduced because of overdraft. Imported Bureau of Reclamation water is currently diminishing the burden on groundwater and, as a result, water tables are rising.

Surface water within 1,000 feet of the facility includes the San Justo Reservoir, a farm pond, two stock ponds, and a dry creek. Lake Teledyne on the MSI facility, though artificial, is sited in a natural basin. The drainage flow from the facility, as well as the surrounding watershed, flows into Lake Teledyne. The San Benito River, an intermittent stream, flows between the MSI facility and Hollister in a northwesterly direction during heavy storms. Water that does not drain into the San Benito River recharges the aquifer.

The MSI facility had been owned by other business entities dating back to its founding in 1971. One of those organizations was Teledyne, Incorporated. After several organizational changes the company's name is now TDY Industries. TDY Industries is considered to be the responsible party for environmental issues at the site predating the late 1999 sale of MSI and the Hollister facility. In this context, in June 1999 Teledyne staff informed RWQCB staff that perchlorate and volatile organic compounds (VOCs) had been detected in some monitoring wells onsite. Potassium perchlorate and ammonium perchlorate have been used at the facility since at least 1993.

TDY Industries, through its consultant PES Environmental, has conducted a series of soil and groundwater investigations to determine the source areas and extent of perchlorate and VOC contamination at the site. The sources of the contaminants have not been identified, but the sources are not the operating TSUs included in the MSI Permit. The hazardous waste management units all have secondary containment systems to prevent spills or leaks from impacting soil or groundwater. Except for TSU-1, none of the hazardous waste management units in this Permit have had releases to soil or groundwater. TSU-1 was modified to reduce the potential for material to be ejected from the unit during open detonation events, and there is annual soil sampling to confirm that releases are not occurring. There has been a series of soil and groundwater investigations to determine the source areas and extent of perchlorate and VOC contamination in groundwater at the site. Although the sources of the contaminants in groundwater have not been identified, they are not the operating TSUs authorized by the Permit. The former operator of the Facility is conducting groundwater cleanup activities under the oversight of the RWQCB.

In December 2002, PES submitted a report entitled, "Corrective Action Plan, Soil and Water Investigation, MSI" for RWQCB review and approval. The report contained information on the results of the October 2002 groundwater monitoring event and proposed corrective action to clean up perchlorate and VOCs in groundwater. Results of that monitoring show that in wells where perchlorate was detected, the concentrations ranged from 19 to 5,500 micrograms per liter (ug/l) (equivalent to parts per billion). The VOCs trichloroethylene (at 110 ug/l) and 1,1-dichloroethylene (at 13 ug/l) were detected in well IB-28. Perchlorate was not detected in either on-site water supply well W-1 or W-2, and the perchlorate plume appears to be contained on the site.

PES evaluated three methods to clean up the perchlorate and VOCs contamination in groundwater, criteria included effectiveness, feasibility, and cost. Based on this study, PES proposes to use monitored natural attenuation in areas with relatively low concentrations and limited extent of perchlorate and VOCs. To actively clean up the higher concentrations of perchlorate in groundwater (near the TSU-3 area), PES proposes to use enhanced in-situ bioremediation because of the relatively elevated levels of perchlorate within this plume and the presence of downgradient water supply wells. In September 2003, PES submitted an "Enhanced In-Situ Bioremediation Pilot Study Workplan" to RWQCB that proposes the use of HRC (a proprietary, polyacetate ester formulated for slow release of lactic acid upon hydration) as the preferred technology for perchlorate and VOCs in-situ remediation. The EISB Workplan was approved by the RWQCB on October 15, 2003, with modifications to the groundwater monitoring and reporting schedule.

Components of the EISB program included: 1) a pre-injection groundwater monitoring event; 2) the pilot-scale injection of Hydrogen Release Compound (HRC); 3) post-injection groundwater monitoring; and 4) preparation and implementation of a full-scale EISB Workplan. The pre-injection groundwater monitoring event and pilot-scale injection of HRC were performed in November and December 2003. Quarterly post-injection groundwater monitoring has been performed since then. The "Groundwater Monitoring Report, Second Quarter 2005," documenting the sixth and final pilot-scale post-injection monitoring event, was submitted on July 28, 2005.

Two primary regions that were being tracked were the a) Source Treatment Pilot Study Area and b) Downgradient Barrier Pilot Study Area. In the Source Treatment Pilot Study Area, the results were that: 1) reducing conditions have developed and biodegradation of perchlorate is occurring within both the finer-grained upper and coarser-grained lower portions of the alluvial deposits, 2) sulfate concentrations have decreased in the upper portion of the alluvial deposits, 3) total alkalinity has increased in both upper and lower portions, 4) Oxidation-reduction potential (ORP) measurements have declined in both lower and upper portions, and 5) perchlorate concentrations have decreased dramatically in both upper and lower portions of the alluvial deposits. In the Downgradient Barrier Pilot Study Area, similar results were found in one monitoring well. However, at the other groundwater monitoring well perchlorate and nitrate concentrations that had previously declined rebounded to levels comparable to the baseline conditions. Other geochemical parameters indicative

of reducing conditions and perchlorate biodegradation continued to exist. Additional evaluation of this well will be part of the full-scale EISB Workplan.

A full-scale EISB Workplan has been submitted to the RWQCB and is under review.

The groundwater remediation activities are ongoing separately from the hazardous waste facility Permit. However, there is a Permit condition which requires MSI to complete the groundwater corrective action if TDY Industries fails to complete the activities required by the RWQCB.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Violate any water quality standards or waste discharge requirements.

Permitted activities are not likely to violate water quality standards or waste discharge requirements. The MSI facility has permits to operate from the California Department of Health Services (DHS) and the Central Coast Regional Water Quality Control Board (RWQCB) associated with water resources at the site. The DHS issued Water Permit Number 02-05-00P-3500563 for a Private, Non-Transient Water System. The RWQCB issued a Storm Water General Permit Notice of Intent (NOI) and a Waste Discharge Requirements (WDRs) Order Number 99-78. MSI must comply with these permits. The renewal of the hazardous waste facility Permit from DTSC will not result in increased or modified waste discharges.

- b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficient in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted).

No. There are no proposed new or expanded activities or construction that will result in substantially depleting groundwater supplies or interfere with groundwater recharge.

- c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off-site.

No new activities or construction are planned that will substantially alter the existing drainage pattern of the site or area, including the alteration of the course of a stream or river in a manner that would result in substantial erosion or siltation on or off site.

- d. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on or off-site.

No new activities or construction are planned that will substantially alter the existing drainage pattern of the site or area, including the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on or off-site.

- e. Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff.

No new activities or construction are planned that would create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff.

- f. Otherwise substantially degrade water quality.

The activities authorized by the Permit renewal will not substantially degrade water quality. The hazardous waste management activities are conducted on secondary containment structures to prevent release of spills to the soil, surface water, or groundwater. There are inspection and spill response procedures described in the FHWOP and required by the Permit and state and federal laws and regulations to minimize potential impacts from hazardous waste management activities. As explained in the Environmental Setting above, current groundwater issues are not the result of MSI's activities and are being addressed.

- g. Place within a 100-flood hazard area structures which would impede or redirect flood flows.

The MSI facility is within Zone X on the FEMA FIRM (Flood Insurance Rate Map). The Zone X signifies an area of 500-year flood/area of 100-year flood with depths of less than 1 foot. No new structures are planned which could impede or redirect flood flows.

- h. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam.

Lake Teledyne has a small earthen dam at the west end of the lake. There are no other levees or dams on the MSI property. The Lake Teledyne dam will not be impacted by the Permit renewal for hazardous waste management activities. If the Lake Teledyne dam failed, the water would flow into the open land on the west side of the facility property and onto the adjacent land. No people or structures would be exposed to significant risk of loss, injury or death. The permitted TSUs would not be impacted, because they are located at a higher elevation than the lake.

- i. Inundation by sieche, tsunami or mudflow.

The MSI facility is located approximately 25 miles from the Pacific Ocean. The permitted activities will not expose people or structures to a significant risk from inundation by sieche, tsunami or mudflow.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.
- c. "Flood Insurance Rate Map, San Benito County, California and Incorporated Areas," Panel 70 of 525, Map Number 06069C0070 C, Federal Emergency Management Agency, Effective date September 27, 1991, at www.fema.gov.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

9. Land Use and Planning

Project activities likely to create an impact:

None.

Description of Environmental Setting:

The MSI facility is situated in a rural area. The MSI property is zoned M1, for light industrial uses. The properties adjoining the site on the east, north, and west are zoned for Agricultural Production (AP). Properties adjoining the site to the south are zoned for Agricultural Rangeland (AR). Property northeast of the site, but not adjoining the site, is zoned for Agricultural Production/Planned Unit Development (AP/PUD). Property to the southeast, but not adjoining the site, is zoned public (P).

The primary surrounding land use is agriculture, with a small number of residences. A number of row crops are planted in the area, as well as stone fruits. Beef cattle are grazed on surrounding and adjacent properties.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect.

The MSI facility is in compliance with applicable land use plans, policies, and regulations. No new activities or construction are planned that will change this situation.

- b. Conflict with any applicable habitat conservation plan or natural community conservation plan.

The County of San Benito does not have in place either a habitat conservation plan or a natural community conservation plan, per 10/1/03 telephone conversation with Mary Paxton of the San Benito County Planning Department (reported in reference b.)

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

10. Mineral Resources

Project activities likely to create an impact:

Permitted detonation activities.

Description of Environmental Setting:

The United States Geological Survey Map of California indicates that there are no known mineral resource data in the vicinity of the MSI property. The MSI facility conducts all of its activities on or above ground. The activities do not disturb or utilize subsurface mineral resources.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.

There are no known mineral resources at the MSI facility. As stated in the Environmental Setting, activities are unlikely to disturb subsurface mineral resources.

- b. Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

There are no known mineral resource recovery sites at the MSI facility.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.

- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

11. Noise

Project activities likely to create an impact:

Open detonation of reactive hazardous waste at TSU-1.

Description of Environmental Setting:

The MSI facility is situated in a rural area. The surrounding land use is primarily agricultural, with a small number of residences. The nearest resident lives within 1 kilometer of the facility. MSI manufacturing operations may operate 24 hours per day, 7 days per week. Hazardous waste management activities that are conducted according to the Permit are typically operated Monday through Friday during daylight hours. The open detonation operations at TSU-1 would have instantaneous, rather than continuous, impacts on noise levels and would typically be limited to one event per day.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Expose persons to or generate of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies.

The San Benito County's noise level standard for rural residential locations are 45 dbA, one hour average, for daytime and 35 dbA for nighttime. Temporary construction, demolition, or maintenance of structures between the hours of 7:00 AM and 7:00 PM, except Sundays and Federal holidays, are exempt from the noise level standards. Considering the distance from TSU-1 to the nearest residence, the instantaneous noise events, and the daytime operation of TSU-1, the project should not generate noise levels in excess of local standards.

- b. Expose persons to or generate excessive groundbourne vibration or groundbourne noise levels.

The nearest residence is approximately 1 kilometer away from the MSI facility and farther away from the hazardous waste management units. This distance is large enough to suppress any groundbourne noise created at the MSI facility.

- c. A substantial permanent increase in ambient noise levels in the vicinity above levels existing without the project.

With the exception of the instantaneous noise events for detonations at TSU-1, the ambient noise levels from the hazardous waste management activities in the Permit are consistent with the existing noise levels for the manufacturing activities at the MSI facility.

- d. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project.

The operation of TSU-1, which is part of the Permit renewal, would increase ambient noise levels. Considering the distance from TSU-1 to the nearest residence, the short duration of the noise level increase, and the daytime operation of TSU-1, the impact on ambient noise levels would not be substantial.

Specific References (a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.

- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

12. Population and Housing

Project activities likely to create an impact:

None.

Description of Environmental Setting:

The MSI facility is situated in a rural area. The surrounding land use is agriculture, with a small number of residences. The MSI facility has been in existence since 1971. There is no new construction proposed for the Permit renewal or any expansion of existing operations or staffing.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Induce substantial population growth in area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure).
- The Permit renewal would allow continued operation of existing hazardous waste management activities and would not have a direct or indirect impact on population growth in the area.
- b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.
- The Permit renewal would allow continued operation of existing hazardous waste management activities and would not displace any existing housing.
- c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.
- The Permit renewal would allow continued operation of existing hazardous waste management activities and would not displace any people from the area.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

13. Public Services

Project activities likely to create an impact:

Potential facility fire

Description of Environmental Setting:

The MSI facility is situated in a rural area. The surrounding land use is agriculture, with a small number of residences. There are no schools, day care centers, hospitals, or convalescent homes within 2 kilometers of the facility.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Result in substantial adverse physical impacts associated with the provision of new or physically altered government facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:

- Fire protection
- Police protection
- Schools
- Parks
- Other public facilities

The Permit renewal will authorize continuing operation of hazardous waste management units and activities at the MSI facility. There are no proposed new activities or expansions of existing activities that would impact public services. Existing services are adequate to meet MSI's needs.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

14. Recreation

Project activities likely to create an impact:

None.

Description of Environmental Setting:

The MSI facility is situated in a rural area. The primary land use is agriculture, with a small number of residences. The San Justo Reservoir is approximately 700 meters southeast of the facility. The reservoir is a source of local drinking water and recreational fishing.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated.

The Permit renewal would not result in increased use of recreational facilities.

- b. Include recreational facilities or require construction or expansion of recreational facilities which might have an adverse physical effect on the environment.

The Permit renewal will not include recreational facilities or require construction or expansion of recreational facilities.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

15. Transportation and Traffic

Project activities likely to create an impact:

Transportation of hazardous waste from the facility. Trips by hazardous waste management workers to and from the facility.

Description of Environmental Setting:

The MSI facility is within one-half mile of State Highway 156 (SH 156). SH 156 is a two lane asphaltic roadway (near MSI) that will bear vehicles of maximum legal size and weight. Annual Average Daily Traffic (AADT) is 23,000 vehicles per day and peak hourly traffic is 2,100 vehicles. Peak hours occur during morning and evening local commutes (Caltrans 2001). Figure 2 shows the location of haul roads for hazardous waste on and off site.

The facility is directly served only by Union Road. Union Road, maintained by San Benito County, has asphaltic concrete surfacing and will bear vehicles of maximum legal size and weight. AADT is 7,802 vehicles. Average AM peak hour traffic is 703 vehicles and PM peak hour traffic is 707 vehicles (San Benito County Department of Public Works, 2000). Hazardous waste is transported off-site about twelve times per year by registered hazardous waste haulers or hazardous waste permitted MSI vehicles. Hazardous waste is almost always hauled via Union Road to SH 156.

There is a fully signalized intersection at SH 156 and Union Road. Left turn signals exist for left turn movements in all four directions. Left turns from SH 156 onto Union Road have left turn lanes. There is only a stop sign at the facility entrance onto Union Road. Union Road is not controlled at the MSI facility entrance.

On the MSI facility, all traffic enters and leaves through a single control point, Security Central. An average of 250 vehicles arrives and departs daily. Ninety percent of traffic terminates in the parking lots west of Building 101 and north of Building 102. Typical vehicle distribution is 2% large trucks, 3% other commercial vehicles, and 95% privately-owned vehicles. With the exception of the dirt road from the security fence to TSU-1, all on site roads are constructed to support vehicles of maximum legal weight, and have demonstrated the capability to support infrequent, permitted over-weight vehicles. The dirt road to TSU-1 is intended for use of all vehicles when dry and for use by Support Services' 4-wheel drive truck at all times. Vehicles other than 4-wheel drive are restricted from this road under wet conditions by locking Gate 2.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections).

The Permit renewal authorizes continued operation of storage and treatment units for hazardous wastes generated by manufacturing activities at the MSI facility. The permitted container storage unit facilitates consolidation of shipments of wastes of similar type and destination. The permitted treatment facilities reduce the volume of waste requiring transportation off site through volume reduction and open burning/open detonation. If the Permit renewal is not issued, then hazardous wastes generated at the facility would have to be removed from the facility to off site treatment or disposal facilities within 90 days. This could result in either an increased number of trucks or larger shipments because the consolidation and volume reduction capabilities of the permitted units would not be available. The number of vehicle trips required for hazardous waste management workers at the MSI facility would be about the same regardless of whether or not the Permit renewal is issued.

- b. Exceed, either individually or cumulatively, a level of service standard established by the country congestion management agency for designated roads or highway.

The project activities will have no impact, either individually or cumulatively, on a level of service standard.

- c. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment).

The project activities do not include any design features or incompatible uses.

- d. Result in inadequate emergency access.

The project activities will not result in inadequate emergency access.

- e. Result in inadequate parking capacity.

The project activities will not change parking capacity or create an increase need for parking capacity.

- f. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks).

The project activities will not conflict with alternative transportation.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
- Potentially Significant Unless Mitigated
- Less Than Significant Impact
- No Impact

16. Utilities and Service Systems

Project activities likely to create an impact:

Routine MSI Facility operations

Description of Environmental Setting:

The only utility services to the MSI facility are natural gas and electricity provided by Pacific Gas and Electric Company. Drinking water and sanitary waste management are provided at the facility. Wastewater treatment services for the MSI facility are provided on site via a treatment system approved and permitted by the RWQCB.

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board.

The hazardous waste management activities at the permitted units do not require wastewater treatment.

- b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects.

The hazardous waste management activities at the permitted units will not require or result in the construction of new or expanded water or wastewater treatment facilities.

- c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects.

The Permit renewal for the existing hazardous waste management units will not require construction of new or expanded storm water drainage facilities.

- d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed.

There are sufficient water supplies available to serve the Permit renewal for the existing hazardous waste management units.

- e. Result in determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the projects projected demand in addition to the providers existing commitments.

The permitted hazardous waste management units do not require wastewater treatment. As stated in the Environmental Setting, wastewater treatment services for the MSI facility are provided on site via a treatment system approved and permitted by the RWQCB.

- f. Be served by a landfill with sufficient permitted capacity to accommodate the projects solid waste disposal needs.

The Permit renewal authorizes continued operation of hazardous waste management units and is not related to the solid waste disposal requirements for the MSI facility.

- g. Comply with federal, state, and local statutes and regulations related to solid waste.

The Permit renewal authorizes continued operation of hazardous waste management units and is not related to the solid waste disposal requirements for the MSI facility.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.

- b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

17. Mandatory Findings of Significance

Analysis of Potential Impacts. Describe to what extent project activities would:

- a. Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.

As discussed more fully in the sections for Air Quality, Biological Resources, Cultural Resources, and Hazardous Materials, the permitted facility operations are not expected to result in changes to existing fish or wildlife habitat, populations, communities, number or range; and will not eliminate examples of the major periods of California history or prehistory. There will be no significant earth-disturbing activities conducted under the Permit renewal. Facility activities are conducted within existing units, under supervision, in disturbed areas.

- b. Have impacts that are individually limited but cumulatively considerable. "Cumulatively considerable" means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

Please refer to response to item a above, the project is the renewal of the MSI facility's hazardous waste management Permit for existing units and activities. The potential impacts are equivalent to and consistent with the effects of prior hazardous waste management permits and probable future renewal of the Permit in 10 years. There are no known additional hazardous waste management projects for the MSI facility that would increase the cumulative impact.

- c. Have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly.

The continuing operation of the existing hazardous waste management units will not have adverse effects on human beings, either directly or indirectly. As discussed more completely in the Project Information section and the FHWOP, the hazardous waste management units are designed and operated in accordance with State laws, regulations and permits to reduce potential adverse effects on human beings. The hazardous waste management units are equipped with secondary containment systems to prevent spills or leaks from impacting soil or groundwater. Except for TSU-1, none of the hazardous waste management units in this Permit have had releases to soil or groundwater. TSU-1 was modified to reduce the potential for material to be ejected from the unit during open detonation events, and there is annual soil sampling to confirm that releases are not occurring. There has been a series of soil and groundwater investigations to determine the source areas and extent of perchlorate and VOC contamination in groundwater at the site. Although the sources of the contaminants in groundwater have not been identified, they are not the operating TSUs authorized by the Permit. The former operator of the Facility is conducting groundwater cleanup activities under the oversight of the RWQCB.

Specific References (list a, b, c, etc):

- a. "Facilities Hazardous Waste Operations Plan," McCormick Selph, Inc., January 4, 2006.
b. "McCormick Selph, Inc., Completed Environmental Information Form," prepared by ATI Architects and Engineers, November 18, 2003.

Findings of Significance:

- Potentially Significant Impact
 Potentially Significant Unless Mitigated
 Less Than Significant Impact
 No Impact

V. FINDING OF DE MINIMIS IMPACT TO FISH, WILDLIFE AND HABITAT (Optional)

Prepared only if a Finding of De Minimis Impact to fish, wildlife and habitat is proposed in lieu of payment of the Department of Fish and Game Notice of Determination filing fee required pursuant to section 711.4 of the Fish and Game Code.

Instructions

A finding of “no potential adverse effect” must be made to satisfy the requirements for the Finding of De Minimis Impact as required by title 14, California Code of Regulations, section 753.5. “No potential adverse effect” is a higher standard than “no significant impact” and the information requested to provide substantial evidence in support of a “no potential adverse effect” is not identical in either its standard or content to that in other parts of the Initial Study.

In the *Explanation and Supporting Evidence* section below, provide substantial evidence as to how the project will have **no potential adverse effect** on the following resources:

- a) Riparian land, rivers, streams, watercourse, and wetlands under state and federal jurisdiction.
- b) Native and non-native plant life and the soil required to sustain habitat for fish and wildlife.
- c) Rare and unique plant life and ecological community's dependent on plant life.
- d) Listed threatened and endangered plant and animals and the habitat in which they are believed to reside.
- e) All species of plant or animals as listed as protected or identified for special management in the Fish and Game Code, the Public Resources Code, the Water Code, or regulation adopted there under.
- f) All marine and terrestrial species subject to the jurisdiction of the Department of Fish and Game and the ecological communities in which they reside.
- g) All air and water resources the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

Explanation and Supporting Evidence

(Note: *Relevant portions of the Initial Study may be referenced where appropriate*)

Finding

A De Minimis impact finding is not sought.

VI. DETERMINATION OF APPROPRIATE ENVIRONMENTAL DOCUMENT

On the basis of this Initial Study:

I find that the proposed project COULD NOT have a significant effect on the environment. A NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED DECLARATION will be prepared.

I find that the proposed project MAY HAVE a significant effect on the environment. An ENVIRONMENTAL IMPACT REPORT will be prepared.

_____ DTSC Project Manager Signature		_____ Date
Paul Ruffin	Hazardous Substances Engineer	(916) 255-6677
_____ DTSC Project Manager Name	_____ DTSC Project Manager Title	_____ Phone #

_____ DTSC Branch/Unit Chief Signature		_____ Date
Mohinder S. Sandhu	Chief, Standardized Permitting and Corrective Action Branch	(916) 255-3716
_____ DTSC Branch/Unit Chief Name	_____ DTSC Branch/Unit Chief Title	_____ Phone #

ATTACHMENT A
INITIAL STUDY REFERENCE LIST

For

McCormick Selph, Incorporated

Hazardous Waste Facility Permit Renewal

1. ATI Architects and Engineers, "McCormick Selph, Inc., Completed Environmental Information Form," November 18, 2003.
2. California Department of Conservation, Division of Mines and Geology, "A General Location Guide for Ultramafic Rocks in California – Areas More Likely to Contain Naturally Occurring Asbestos," Open-File Report 2000-19, www.consrv.ca.gov/CGS/minerals/hazardous_minerals/asbestos/index.htm, August 2000,
3. California Department of Fish and Game, California Land Use Planning Network, www.dfg.ca.gov/nccp/status.htm, November 1, 2005.
4. California Department of Fish and Game Natural Diversity Database, Hollister quadrant, September 2, 2005.
5. California Department of Transportation, California Scenic Highway Mapping System, San Benito County, www.dot.ca.gov/hq/LandArch/scenic_highways/index.
6. City of Hollister, www.hollister.ca.gov/Site/html/gov/office/planing.asp, November 7, 2005.
7. Federal Emergency Management Agency, "Flood Insurance Rate Map, San Benito County, California and Incorporated Areas," Panel 70 of 525, Map Number 06069C0070 C, www.fema.gov, Effective date, September 27, 1991.
8. H.T. Harvey & Associates Ecological Consultants, "McCormick Selph, Inc., Hollister, Existing Biotic Conditions," October 23, 2003.
9. McCormick Selph, Inc., "Facilities Hazardous Waste Operations Plan," January 4, 2006.
10. Robert Cartier, Ph.D., Archaeological Resource Management, "An Evaluation of the McCormick Selph Facility for Archaeological, Historical, Architectural, Paleontological Resources and Geological Features," November 4, 2003.
11. Robert Cartier, Ph.D., Archaeological Resource Management, "Addendum to the Site Evaluation of the McCormick Selph Facility," November 18, 2003.

Figure 1 Site Location Map



Figure 2 Facility Layout Map

