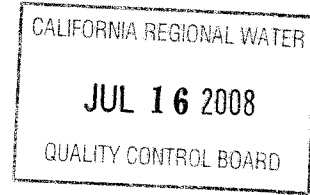




HANSON PERMANENTE CEMENT PLANT
24001 STEVENS CREEK BOULEVARD
CUPERTINO CALIFORNIA 95014-5659

July 14, 2008



Mr. Brian Wines
California Regional Water Quality Control Board
San Francisco Bay Region
1515 Clay Street, Suite 1400
Oakland, California 94612

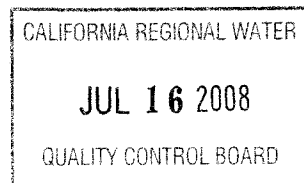
**Subject: Response to Cleanup and Abatement Order No. 99-018 [Item D.2]
Second Quarter 2008 Status Report for Hanson Permanente Cement Company
located at 24001 Stevens Creek Boulevard, Cupertino, California**

Mr. Wines;

In accordance with the Cleanup and Abatement Order No. 99-018 (CAO) issued by the Regional Water Quality Control Board (RWQCB) on July 27, 1999, Hanson Permanente Cement Company (Hanson) is submitting this 1st quarter 2008 Status Report for the period April 2008 through June 2008. This Status Report is submitted in response to Item D.2 (*Reporting Requirements*) of the CAO.

Item D.2 of the Order states that, "*On a quarterly basis, Hanson shall submit status reports, which may be prepared in letter format, documenting compliance with this Order, commencing on October 1, 1999. Thereafter, reports shall be due quarterly on the 1st of each ensuing October, January, April, and July until the tasks have been completed. Each quarterly report shall cover the previous calendar quarter and include, at a minimum, the following information:*

- a. *Summary of the work completed since the submittal of the previous report, and work projected to be completed before the submittal of the next report.*
- b. *Identification of obstacles that may threaten compliance with the schedule set forth by this Order, or by plans and reports submitted in response to this Order, and what actions are being taken to overcome these obstacles."*



I. REQUIRED CAO SUBMITTALS

Hanson believes it has completed all required Remedial and Long Term Measures identified by CAO 99-018, Items B.6 and C.1 – C.9, the most recent of which were required to be completed by September 1, 2000. RWQCB believes that portions of C.9, Phases II and III, were not completed, as commented to the County of Santa Clara in a received July 23, 2007 letter to Mark Connolly. Hanson wishes to schedule a meeting with RWQCB to discuss the issue.

II. ONGOING AND IMPLEMENTED BMPs DURING PREVIOUS QUARTER

Hanson has continued to monitor ongoing and implemented Best Management Practices (BMPs) outlined in previous reports to the RWQCB. BMPs monitored and implemented from April 1 to June 30, 2008 include:

Facility Wide:

- Monitored all hydroseeded areas to observe vegetation development.
- Monitored and maintained the sediment catchment rock berms along Middle Quarry Road and Rock Plant Road, and cleaned as necessary.
- Inspected and cleaned as necessary the open-grate culverts and catch basins leading to Pond 9 and Pond 17.
- Maintained the concrete catch basin with lift pump at the Dinky Shed (formerly Pond 16) to capture runoff from the Rock Plant entrance road and lower Quarry haul road. The runoff water from the Dinky Shed Catch Basin is pumped via the drain culverts to Pond 9.
- Monitored sediment catchment berms along Mineral/Aggregate access roads to control overland stormwater runoff. The catchment basin at the bottom of this road was cleaned and repaired.
- Continued inspections for the Wet Season storm water and Dry Season utilizing *Permanente Creek Wet Season and Dry Season Monitoring* forms for Permanente Creek.

Quarry Road (CAO Item C.4):

- Maintained drain boxes and culverts east of the Primary Crusher along Quarry Road and drainage culverts from Quarry Road to Pond 13A, and cleaned as necessary.
- Continued improvements on Quarry Road including re-grading of low spots to improve drainage, directing flow to drainage improvements, and repair of earthen berms where erosion was visible.

Primary Crusher (CAO Item C.5):

- Maintained the two concrete catch basins (Basins A and B) adjacent to and East of Primary Crusher hopper, and cleaned as necessary. The two catch basins drain into the culverts to Pond 13A.
- Maintained the concrete catch basin (Basin E) with lift pump at base of Primary Crusher adjacent to original oil/water separator concrete catch basin (formerly Pond 6) to capture overland runoff, and cleaned as necessary. The runoff water from catch Basin E is pumped via the drain culverts to Pond 13A.

Screen Tower No. 4 Storm Water/ Wash Water BMPs (CAO Item C.6):

- Maintain material stockpiles away from containment wall adjacent to the Creek embankment at Screen Tower No. 4.

Former Overburden Stockpile BMPs (CAO Item C.7):

- Conduct inspections of the West end of the Former Overburden Stockpile slope for surface cracks.
- Inspected bench road at the west end of the Former Overburden Stockpile North Slope.
- Monitor the west end of the Former Overburden Stockpile re-vegetated north facing slope.

Pond 13 North Slope:

- Continued to monitor performance of hydroseeded North Slope upstream from Pond 13.

III. ADDITIONAL REPORTING QUARTER ACTIVITIES

Cleanup and Abatement Order No. 99-018 Item B.3 "potential complications in meeting the schedule for off-stream pond maintenance activities" follow up letter: A follow up letter was issued to the Board on Oct. 14, 2004, explaining why Hanson will not be able to clean out five of the sediment collection basins as required by the Order due to the presence of federally-listed Threatened California red-legged frog (*Rana aurora draytonii*), and Hanson's efforts to work with USFWS to receive concurrence for future pond maintenance activities.

Wet Season BMP Maintenance: Conducted evaluations of BMP performance following storm events for evaluation for improvements and maintained BMPs for runoff management.

Storm Water Sampling: On January 4, 2008, the first wet-season storm water sampling was performed. Hanson was unable to collect a second storm water event sample during the 2007 / 08 season, there was no significant storm event after the January 208 sampled event.

IV. UPCOMING ACTIVITIES

Facility Wide:

Hanson will continue to implement the proposed BMPs in accordance with the Stormwater Pollution Prevention Plan and the CAO during the next quarter.

Monitoring of CAO 99-018 Item C.7, Former Overburden Stockpile Work Plan, Phase II Full Scale Hydroseeding: Hanson continues to monitor the performance of the Phase II Full Scale vegetation on the Former Overburden Stockpile Slope.

Monitoring of Quarry Overburden Stockpile West End Re-vegetation Program: Hanson will continue to monitor the performance of the re-vegetated Overburden Stockpile west end.

Additional Re-vegetation of exposed areas: Hanson will continue to employ hydroseeding to stabilize those areas exposed during routine operations at the facility, utilizing seed mixes approved by regulatory agencies. The northeast face of the East Overburden Stockpile at the 825' elevation is expected to be vegetated during the 2008 Dry Season.

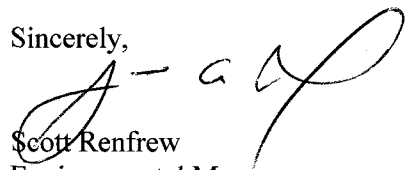
Mr. Brian Wines
July 14, 2008
Page 4 of 4

V. POTENTIAL OBSTACLES

Hanson notified the Board in writing on Oct. 14, 2004 of complications in meeting the schedule for off stream pond cleanout due to the presence of federally-listed Threatened California red-legged frog (*Rana aurora draytonii*). Hanson is working with CaDFG and USFWS to receive concurrence for future pond maintenance activities. Hanson will continue to notify the Regional Board if, and just as soon as, we determine that any task required by the CAO cannot be completed in a timely manner.

Please contact me at (408) 996-4262 if you require additional information regarding the above Quarterly Status Report.

Sincerely,



Scott Renfrew
Environmental Manager
Hanson Permanente Cement Company

cc: Henrik Wesseling, Hanson Permanente Cement
Michael Gantenbein, Hanson Permanente Cement