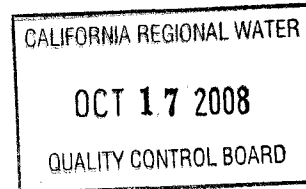


Lehigh Southwest Cement Company

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October 15, 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]
Third Quarter 2008 Status Report for Lehigh Southwest Cement Company
(Formerly 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, Lehigh Southwest Cement Company (Hanson) is submitting this 1st quarter 2008 Status Report for the period July 2008 through September 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 had believed 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. After an August 20, 2008 meeting between Hanson and RWQCB representatives, Hanson agreed to complete C9 - Phases II and III. A draft restoration plan scope will be submitted to RWQCB by November 15, 2008. If, within a reasonable time, RWQCB agrees to or comments on the conceptual design of scope plan, final Permanente Creek Restoration Plan will be submitted by April 15, 2009. At that point, as discussed, we expect the Board will deem Hanson to have fully complied with CAO 99-018, and release Hanson from its obligations under the Order. We ask that you inform us if the Board's understanding differs from Hanson's in this regard.

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 July 1 to September 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.

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.