



Homeland Security

Daily Open Source Infrastructure Report for 8 June 2009

Current Nationwide Threat Level

ELEVATED



Significant Risk of Terrorist Attacks

For information, click here:
<http://www.dhs.gov>

Top Stories

- The Los Angeles Times reports that two principals of defunct Seattle investment management firm Quellos Group and a Los Angeles lawyer were indicted in a tax shelter scheme that allegedly created more than \$1.3 billion in fraudulent losses for prominent clients. (See item [10](#))
- The Lehigh Valley Express Times reports that a US Airways employee at Philadelphia International Airport is accused of helping a friend smuggle an unloaded handgun onto a flight from Philadelphia to Phoenix on June 4. (See item [15](#))

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Energy Sector

Current Electricity Sector Threat Alert Levels: **Physical: ELEVATED, Cyber: ELEVATED**

Scale: LOW, GUARDED, ELEVATED, HIGH, SEVERE [Source: ISAC for the Electricity Sector (ES-ISAC) – <http://www.esisac.com>]

1. *June 4, Farmington Daily Times* – (Colorado) **Pipeline rupture shuts plant down in Ignacio.** The rupture of a natural gas pipeline on June 3 prompted company officials to shut down Williams' Ignacio Plant in Ignacio, Colorado. At approximately 2:30 a.m., one of the on-site underground pipelines that feed the raw natural gas into the plant

burst. No injuries were reported and assistance from emergency responders was not needed. The incident happened within the confines of the plant, and although company officials determined the danger was over, some area residents chose to evacuate, a company spokesman said. If an incident is severe, La Plata County dispatch can issue a reverse 911 call, which calls all phone numbers within a given perimeter to issue evacuation information, a deputy fire chief said. Williams' Ignacio Plant is a natural gas processing plant. It processes the raw natural gas into its component parts: butane, propane or methane gas. "As a precaution, the entire plant was shut down," the company spokesman said. It is too early to tell how long the plant will be closed while repairs are completed, he said. The natural gas will be rerouted to other Williams' facilities in the San Juan Basin for processing, according to company officials. The cause of the rupture is unknown and company officials continue to investigate the incident, he said.
Source: http://www.daily-times.com/ci_12516186

2. *June 4, Reuters* – (Louisiana) **Entergy completes \$100 mln in La. grid projects.** Entergy Corp utilities in Louisiana have completed three projects to bolster the high-voltage electric grid in south Louisiana at a cost of more than \$100 million, the company said on June 4. The projects include rebuilding a 19-mile, 115-kilovolt transmission line in Plaquemines Parish that was heavily damaged by Hurricane Katrina and the upgrading of several lines and substations that run from Baton Rouge to New Orleans. The new line in Plaquemines Parish was built to withstand 150-mph winds, Entergy said. It runs along a highway on the west bank of the Mississippi River, making it easier and less expensive to repair than the old line which ran in a marsh area on the east bank of the river, said the president and chief executive officer of Entergy Louisiana and Entergy Gulf States. Collectively, the new lines and substation upgrades will increase the utilities ability to import purchased power into southeast Louisiana by about 350 megawatts to 2,800 MW, allowing the companies to access some less-expensive resources, the director of Entergy's transmission operations said.

Source:

<http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN0424755920090604>

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Chemical Industry Sector

3. *June 4, Saginaw News* – (Michigan) **Smoke leads to Dow Corning Corp. evacuation from two buildings.** Dow Corning Corp. workers had to leave work early on June 4 when a maintenance problem resulted in the evacuation of two of the facility's six buildings in Bay County's Williams Township. An unknown problem occurred at 11 a.m. as workers performed maintenance on an electrical substation, resulting in "some smoke" and a temporary power outage, said a company spokesman. Auburn/Williams Fire District and Fire Department came to the business as a precaution; workers returned to their posts by 11:30 a.m. Nobody was injured.

Source:

http://www.mlive.com/news/saginaw/index.ssf/2009/06/smoke_leads_to_dow_corning_cor.html

For another story, see item [21](#)

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Nuclear Reactors, Materials, and Waste Sector

4. *June 5, Brattleboro Reformer* – (Vermont) **NRC reports 1 low-safety issue at VY.**
Vermont Yankee technicians failed to address in an adequate manner a safety issue related to a high-pressure coolant injection system, stated a report issued by the Nuclear Regulatory Commission (NRC). But a spokesman for the NRC said because of its very low level of significance, and because the company has already entered the issue into its corrective action program, the NRC is treating it as a non-cited violation. The report was a once-every-two-years inspection the NRC conducts to look at a plant's problem identification and resolution program, which is a system for catching problems early and then fixing them before they can develop into significant issues. In general, the NRC inspection team found that personnel at Vermont Yankee were generally effective in identifying, evaluating and resolving problems, said the NRC spokesman. Two spokesmen from anti-nuclear groups came to a different conclusion than the NRC. "Corrective action programs are supposed to examine, evaluate, and resolve safety-related problems — ideally so that they will not mature into incidents, reportable events or conditions," said a spokesman for the New England Coalition on Nuclear Pollution, which opposes the relicensing of Yankee.
Source: http://www.reformer.com/localnews/ci_12526022
5. *June 4, U.S. Nuclear Regulatory Commission* – (National) **NRC issues final environmental report on uranium recovery operations, announces change in review approach.** The Nuclear Regulatory Commission (NRC) has published its final Generic Environmental Impact Statement (GEIS) for in situ leach uranium recovery (ISR) operations in the Western United States, and is announcing a change in the agency's approach for environmental reviews of new ISR facilities. The agency has decided to issue full Supplemental Environmental Impact Statements (SEIS) for new recovery operations, instead of Environmental Assessments as originally planned. Under the National Environmental Policy Act, an Environmental Impact Statement is the most thorough review of potential impacts of a proposed licensing action on the environment. It involves extensive opportunities for public participation, with a draft report issued for public comment before a final report is prepared. The NRC will continue to prepare Environmental Assessments for applications to expand or renew the licenses of existing uranium recovery operations. An Environmental Assessment typically is not issued for public comment; however, the agency may issue an assessment for comment if a particular application has high public interest. A "finding of no significant impact" ends the environmental review; however, if the assessment does identify significant impacts, the staff would then begin work on SEIS for the site. The NRC expects approximately 17 license applications for ISR milling facilities through 2010, including new facilities, expansions and restarts. The GEIS will improve the efficiency of the agency's environmental reviews of these applications by serving as a starting point for site-specific environmental reviews of these applications. The agency expects to complete

most licensing reviews within two years, subject to available resources.

Source: <http://www.nrc.gov/reading-rm/doc-collections/news/2009/09-103.html>

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Critical Manufacturing Sector

6. *June 3, United Press International* – (Nevada) **Nevada tells gold mine to get mercury down.** Nevada environmental regulators have ordered a gold mine to shut down roasting operations until its operators install mercury reduction equipment. The Jerritt Canyon Mine failed to meet the state deadline for installing equipment to reduce the release of mercury into the atmosphere, the Las Vegas Sun reports. The mine, operated by Queenstake Resources Inc., a subsidiary of a Canadian firm, Yukon-Nevada Gold Corp. was only recently allowed to reopen. The U.S. Environmental Protection Agency is trying to determine whether it should set national standards for mercury emissions in gold mining operations or allow states to set their own. A spokeswoman for the Nevada Environmental Protection Division said state officials believe Nevada can do the job. She said mercury emissions at the Jerritt Canyon Mine will be a fraction of the previous level once it complies with state requirements.

Source: http://www.upi.com/Top_News/2009/06/03/Nevada-tells-gold-mine-to-get-mercury-down/UPI-40861244059143/

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Defense Industrial Base Sector

7. *June 4, Nextgov.com* – (National) **Sensitive military technology easily bought and sent to foreign countries.** An undercover investigation by a federal watchdog group showed how ineffective laws and poor enforcement of procurement regulations allow companies to purchase sensitive military technologies for export to possible terrorist groups and foreign governments. Auditors from the Government Accountability Office (GAO), who posed as representatives from a fictitious company, were able to purchase sensitive technology equipment such as night-vision scopes that U.S. soldiers use in Iraq and Afghanistan, hardware to detonate nuclear weapons, sensors used in improvised explosive devices, and gyro chips for guided missiles and military aircraft. “The only thing more surprising than the ease with which GAO acquired this sensitive equipment is that fact that it was apparently entirely legal,” said a Michigan Congressman. “There is no requirement for them to conduct any background checks or due diligence on the buyers, much less submit the proposed sale to the government for a license to purchase. This is obviously not satisfactory.” During its investigation, the watchdog agency found that manufacturers and distributors only asked that the undercover agents sign forms verifying the products would not be used illegally or for terrorist plots. GAO also was able to send through Federal Express nonfunctional versions of items it had bought from manufacturers — including the gyro chip and an accelerometer, a known component for smart bombs — to a country in Southeast Asia that is a known distribution center for terrorist organizations, according to the report. The items were shipped in nondescript boxes that did not reveal the contents. Companies that are caught breaking export rules

may continue to do business with the federal government because they sell products that are crucial to military operations.

Source: http://www.nextgov.com/nextgov/ng_20090604_5495.php

8. *June 4, Associated Press* – (National) **GM sale won't affect military Humvees.** The Army is assuring people that General Motors' deal to sell its Hummer brand to a Chinese company has nothing to do with the military version of the rugged vehicle. Officials said some people called the Pentagon, Capitol Hill and AM General LLC, the company that makes the military vehicles, asking if the rights to the Humvee had been sold to the Chinese. A spokesman for the South Bend, Indiana-based AM General said the military and civilian programs are separate. Staffers at the House Armed Services Committee contacted the Army after hearing the sale news and were reassured that the military vehicles would not be affected, said a spokesman for the committee. "I think the committee will continue to watch it just in case, but at this point I haven't seen much concern from members on the military side," he said.

Source: http://www.airforcetimes.com/news/2009/06/ap_military_humvee_060409/

9. *June 3, Online Defense and Acquisition Journal* – (National) **V-22 readiness rates OK: Conway.** The V-22, slated to head to Afghanistan in October, is performing at acceptable readiness rates, the Marine Commandant said on June 3. "They are where we expected them to be at this level in the development of the aircraft," the General said about the consistent rumors about sub-par readiness rates. The V-22s are expected to eventually achieve a readiness rate of 90 percent. He declined to give the current number, although when one reporter said 80 percent, he appeared to agree. The most exciting and persistent rumor about Osprey readiness holds that there is a Hangar of Shame where two dozen broken Ospreys have supposedly been sent to be picked apart for parts. Based on second-hand reports and speculation, around two dozen V-22 are hidden in storage. The GAO reported in 2008 that V-22s continued to be accepted with "deviations and waivers." This means Bell-Boeing got paid on delivery and probably promised to fix the problems. But some aircraft are not safe, and remain in storage in Amarillo, Texas. These may be "lemons" that must be scrapped for parts and built anew, but Bell does not want to do that. V-22s have suffered from un-repairable cracks or fire damage that cannot be fixed. These were not reported as "mishaps" and the aircraft were scavenged for parts by Marines at New River. Some were sent to depots for repairs, but sit there since they are not repairable. Some earlier V-22s were sent to Amarillo for upgrades and during this process it was discovered they had cracks and were unsafe. These were pushed into storage. The Marines' response to all this: "Nonsense."

Source: <http://www.dodbuzz.com/2009/06/03/v-22-readiness-rates-ok-conway/>

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Banking and Finance Sector

10. *June 5, Los Angeles Times* – (National) **\$1.3-billion tax-shelter scam alleged.** Two principals of defunct Seattle investment management firm Quellos Group and a Los Angeles lawyer were indicted in a tax shelter scheme that allegedly created more than \$1.3 billion in fraudulent losses for prominent clients. The operation was "one of the

largest tax fraud schemes ever uncovered in this country,” the U.S. attorney in Seattle said on June 4. The indictment names as defendants a Los Angeles lawyer, Quellos founder and Chief Executive, and the Quellos principal, who is also a lawyer. It charges the two former Quellos principals with conspiracy to defraud the Internal Revenue Service, tax evasion and money laundering, among other charges. The founder of Quellos was charged with money laundering, is accused of secretly receiving a \$36-million kickback for enticing one of his long-standing Los Angeles clients to funnel the bulk of more than \$1 billion in proceeds from the sale of Fox Family Worldwide Inc. into money-losing investment vehicles, which the client had been repeatedly assured were legal as a tax shelter. The other two defendants are accused of setting up a complex series of sham transactions through a shell company on the Isle of Man to blend wealthy investors’ earnings with an equal number of stock losses to avoid owing capital gains taxes. But, the indictment alleges, the losing stocks did not exist, the company that supposedly acquired the stocks had neither employees nor earnings and the blended investment vehicles were a fraud. The two men “misled some of this country’s wealthiest citizens to commit tax fraud,” the U.S. attorney said.

Source: <http://www.latimes.com/business/la-fi-quellos5-2009jun05,0,3888434.story>

11. *June 5, CNN* – (National) **Countrywide’s Mozilo accused of fraud.** The Securities and Exchange Commission on June 4 said it had filed securities fraud charges against the former Countrywide chief executive and two other former executives. The trio are being charged with deliberately misleading investors about the significant credit risk Countrywide took to build and maintain its market share. The former chief executive was also charged with insider trading for selling his Countrywide stock for nearly \$140 million in profits while knowing that Countrywide’s business model was deteriorating. The SEC alleges that the former chief executive, along with former the COO and President and the former CFO, misled the market by falsely assuring investors that Countrywide was primarily a prime-quality mortgage lender. “This is the tale of two companies,” said the director of the SEC’s Division of Enforcement. “Countrywide portrayed itself as underwriting mainly prime quality mortgages using high underwriting standards. But concealed from shareholders was the true Countrywide, an increasingly reckless lender assuming greater and greater risk.” From 2005 to 2007, Countrywide engaged in an unprecedented expansion of its underwriting guidelines and was writing riskier and riskier loans, according to the SEC. The senior executives knew that defaults and delinquencies would rise. “The former chief executive privately described one Countrywide product as ‘toxic,’ and said another’s performance was so uncertain that Countrywide was ‘flying blind,’” the director said.

Source:

http://money.cnn.com/2009/06/04/news/economy/mozilo_fraud_charges/index.htm?postversion=2009060416

12. *June 4, Reuters* – (New York) **Nine accused of \$92 million U.S. mortgage fraud scheme.** Nine people have been indicted on charges of conspiring to defraud Washington Mutual Bank and DLJ Mortgage Capital Inc, a unit of Credit Suisse Group AG, in a \$92 million mortgage fraud scheme, prosecutors said on June 4. The nine defendants are accused of orchestrating fraudulent loans that were subsequently sold to

the financial firms. Federal prosecutors and the FBI said the scheme was centered around property developments that one of the defendants bought and subdivided from 2001 to 2003 in the New York City boroughs of Brooklyn and Queens. To finance the projects, the defendants are accused of staging sales of the properties financed by mortgage loans. Bogus appraisals supported the price of the properties, even where buildings had not yet been constructed or had fictional addresses, said the U.S. Attorney's Office in Brooklyn, which is prosecuting the case. The loans were financed by lenders controlled by one of the defendants and later sold to Washington Mutual and DLJ, prosecutors said. Entities controlled by one of the defendants made monthly payments on the mortgages, ensuring that none became delinquent, until the payments ceased in 2007 with about \$92 million in principal outstanding on the fraudulent loans, prosecutors said. All nine defendants were charged with conspiracy to commit bank and wire fraud, which for each person carries a prison term of up to 30 years if convicted. Source: <http://www.reuters.com/article/domesticNews/idUSTRE5534OL20090604>

13. *June 4, Brockton Enterprise* – (Maine) **Whitman bank evacuated after odor sickens employees.** A noxious odor that sickened employees at the Sovereign Bank on Washington Street forced the evacuation of the building and prompted the response of a state hazardous materials team. The Whitman fire chief said the incident was reported at 3:55 p.m. on June 2 after bank employees were exposed to an “unknown noxious odor that immediately made them feel ill, dizzy and sick to their stomach.” Firefighters evacuated the building and sealed off the area with yellow tape as a state hazardous materials response team went inside the building to check for potentially hazardous fumes. The fire chief said oxygen levels appeared to be normal and there were no immediate signs of contamination. Four bank employees were treated at the scene and released, the fire chief said. Source: <http://www.enterpriseneews.com/news/x1513473152/Whitman-bank-evacuated-after-odor-sickens-employees>
14. *June 4, CNET News* – (International) **ATM malware lets criminals steal data and cash.** Malware has been found on ATMs in Eastern Europe and elsewhere that allows criminals to steal account data and PINs and even empty the machine of its cash, a computer forensics expert said. About 20 ATMs have been compromised in that manner, mostly in Russia and the Ukraine, but there are “early indications” of compromised ATMs in the U.S., said the vice president and head of SpiderLabs at Trustwave, which provides data security and payment card compliance services. Someone had to manually install the malware on the machines, so it is likely that an insider is responsible; either an employee at the bank, the ATM vendor, a company that services the machines or someone close to an insider, the vice president said in a telephone interview on June 3. The machines, all running Windows XP, had an executable on them that was masquerading as a legitimate Windows protected storage service, he said. The malware looks at all the data being processed by the ATM and records account information that is stored on the magnetic stripes on cards inserted into the machine and encrypted PIN blocks that are generated when someone types in their personal identification number, he said. Although the PINs are encrypted, criminals could potentially intercept the encryption keys exchanged with the bank and use them to

decrypt the PINs, he added. Once the malware has been hidden on the ATM for a period of time, the criminal can return to the machine and use a special “trigger” card to control the ATM and print out the stolen data directly from the machine or instruct the ATMS to dispense all the cash it has, according to the vice president.

Source: http://news.cnet.com/8301-1009_3-10257277-83.html

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Transportation Sector

15. *June 5, Lehigh Valley Express Times* – (Pennsylvania) **FBI says US Airways employee helped friend bring gun on airplane.** A US Airways employee is accused of helping a friend smuggle an unloaded handgun onto a flight from Philadelphia to Phoenix on Thursday. The FBI alleges the 38 year-old employee helped his roommate, a 29 year-old male, get the Smith and Wesson 9-millimeter semi-automatic handgun past security, according to a news release. Both men face federal charges. The suspect, a customer service representative for US Airways at Philadelphia International Air Port, was working at a gate when a witness saw his roommate approach. The two men, who both were carrying black laptop bags, talked briefly then switched carry-on bags, the witness told the FBI. The witness thought one of the suspects appeared “fidgety” and nervous and contacted security staff, according to an affidavit. The roommate was already on the plane with the gun when a US Airways manager boarded the aircraft and asked if he had exchanged carry-on bags. The suspect denied doing so, and the aircraft began to taxi from the gate, but security staff then ordered the pilot to stop and came on board to retrieve the suspect and his carry-on luggage.
Source: http://www.lehighvalleylive.com/breaking-news/index.ssf/2009/06/fbi_says_us_airways_employee_h.html

16. *June 3, Daily Nation* – (International) **Terrorist threat scuttled US flight.** The threat of a missile attack on planes using Nairobi’s main airport led to the cancellation of an inaugural direct flight between Kenya and the U.S. The Delta Airlines flight from Atlanta, Georgia, to Nairobi was called off at the last minute on June 2 after an American Cabinet minister personally called the chief executive of the world’s largest airline, which was launching the only direct flight between the two cities. The Kenyan prime minister was to officiate at the arrival ceremony at Jomo Kenyatta International Airport in Kenya’s capital Nairobi. But hours before the maiden flight, American intelligence learned of a possible attack on aircraft using JKIA by terrorists armed with shoulder-launched missiles, similar to the ones used on a botched raid against an Israeli airliner in Mombasa seven years ago. A flurry of high-level consultation within the U.S. government preceded the decision by the U.S. Homeland Security Secretary to stop the flight. She personally called the Delta boss following recommendations from the American Transport Security Administration. The Transport Security Administration, part of the Department of Homeland Security, issued a statement which read in part: “TSA is currently denying air service by Delta to Nairobi and Monrovia until security standards are met or security threat assessments change.”
Source: <http://www.nation.co.ke/News/-/1056/606540/-/ujrakf/-/>

For another story, see item [41](#)

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Postal and Shipping Sector

Nothing to report

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Agriculture and Food Sector

17. *June 4, Charleston Post Courier* – (South Carolina) **Firefighters battle blaze at plant.**

A fire at a North Charleston plant burned late June 3 as firefighters tried to locate the source of the blaze. The fire at National Starch & Chemical Co. was inside a five-story silo containing starch, said the battalion chief at the North Charleston fire department. Firefighters were called to the plant about 8:30 p.m. At 11 p.m., they were still trying to contain the fire and had not located its source. Firefighters evacuated employees from the plant, but the surrounding community was in no danger and no one had been injured. A plant official on the scene did not comment.

Source: <http://www.postandcourier.com/news/2009/jun/04/briefly84871/>

18. *June 4, El Paso Times* – (Texas) **Ammonia leak forces 50 to leave homes.** At least 50 residents were evacuated from their homes late June 2 after an ammonia tank leaked in a cotton field in Socorro, Texas, the mayor said. Neighboring residents noticed a strong smell of ammonia about 11 p.m. and firefighters promptly determined that the smell was from an ammonia tank in a cotton field about 100 yards away, he said. Apparently the tank had not been sealed properly, the mayor continued. Ammonia is used to fertilize the cotton field. Socorro firefighters and an El Paso fire department hazardous material team closed the tank about 1:30 a.m., he said. No one was injured, and all residents were back in their homes by 2 a.m.

Source: http://www.elpasotimes.com/ci_12515782?source=rss

19. *June 4, Reuters* – (California) **U.S. tells Calif. to cut water use to save fish.**

Californians' thirst for water has pushed salmon and other fish to the brink of extinction, a federal agency ruled on June 4 as it directed officials to cut water supplies to cities and farms to save several species. The state faces a water crisis and a third year of drought. Add climate change and a growing population to the mix, and the fate of some salmon runs looks untenable without change, the National Marine Fisheries Service said in a report ordered as part of a long-running court battle over the salmon. It called for a 5 percent to 7 percent cut in water diversions for cities and agriculture from key state and federal water suppliers. Water conservation, recycling and groundwater use could offset the cuts, the report said, but water agencies described a tougher situation. State and federal water projects this year have slashed deliveries to 40 percent of most requests, due to fish issues and drought, and agricultural losses are seen near \$1 billion. The fisheries agency plan is to keep more water behind big dams during the year to ensure a supply of cold water in which salmon spawn, restrict some pumping, and find ways for

fish to get to historical spawning grounds upriver from dams. That could range from fish ladders to catching fish and trucking them up and around a dam.

Source: <http://www.reuters.com/article/latestCrisis/idUSN04247334>

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Water Sector

20. *June 4, U.S. Environmental Protection Agency* – (Massachusetts) **Construction firm faces fine for Clean Water violations in Worcester development.** A construction company building a 79-acre residential subdivision of townhouses in Worcester, Massachusetts faces up to \$157,000 in penalties for alleged violations of the federal Clean Water Act. Bailin & Associates, Inc. of Worcester has been constructing the subdivision since 2003. Because the company is disturbing more than one acre of land, they are required to apply for a water discharge permit, either an individual National Pollutant Discharge Elimination System (NPDES) permit or a NPDES General Permit for Storm Water Discharges from Construction Activities. Though construction began in 2003, Bailin failed to apply for a NPDES permit until April of 2008. Additionally, Bailin failed to install and maintain adequate Best Management Practices (BMPs) at the Site such as sedimentation control barriers, stockpile containment, and surface and slope stabilization. Lastly, Bailin violated the Clean Water Act by allegedly discharging stormwater from the construction site without a permit. Before and after Bailin received permit coverage on May 29, 2008, the company installed pollutant control measures, including a detention pond with a manually-activated submersible pump that discharges to a wooded wetland, flows through a channel into an unnamed tributary, through a series of ponds, then to Beaver Brook and ultimately to the Blackstone River. Bailin pumped silted water from this detention pond causing siltation in the unnamed stream and ponds. Stormwater runoff from construction activities has the potential to significantly impact the water quality of receiving waters.

Source:

<http://yosemite.epa.gov/opa/admpress.nsf/0/1B11122A6F621CCF852575CB00732380>

21. *June 4, KGO 7 San Francisco* – (California) **Explosion, fire, chemical spill threaten wildlife.** There are four miles of toxic green water in Salinas. It is the result of an explosion and fire at a warehouse on May 29 when 550,000 gallons of water used to put out the inferno went down nearby storm drains along with a green surfactant stored in the warehouse. The Department of Fish and Game says there has been a large fish kill in the reclamation ditch but it is not yet saying whether the death toll will be in the hundreds or even thousands. “Dead fish, some dead amphibians, some aquatic invertebrates,” a Fish and Game spokesperson said. The concern is that the contaminated water would make its way to Elkhorn Slough, a wealth of wildlife, or even Monterey Bay and the national marine sanctuary. Federal, state, and local agencies are all working together. An earthen dam was built on June 1 to contain the water. On June 4 that dam was reinforced with metal sheeting. Next, the water will undergo a rigorous treatment and testing process before it is released. The water treatment and testing process could take up to a week.

Source: http://abclocal.go.com/kgostory?section=news/local/south_bay&id=6849266

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Public Health and Healthcare Sector

22. *June 5, Atlanta Journal-Constitution* – (Georgia) **Funds to fight disease slashed.** Funds to track and control the potentially deadly West Nile virus in metro Atlanta have been slashed on both federal and county levels. Some experts fear that the reduced funding will place more people at risk as Georgia is in the West Nile season — roughly from May to October — and will result in more cases of the mosquito-carried virus. The West Nile prevention program for Gwinnett, Rockdale and Newton counties has been shut down, and federal funding to Georgia for other such programs has been significantly cut. “It’s a big concern,” said a public health Extension specialist with the University of Georgia. “If the mosquito population is allowed to expand unabated, there is a higher risk of disease.”

Source: <http://www.ajc.com/services/content/printedition/2009/06/05/westnile0605.html>

23. *June 5, WBRZ 2 Baton Rouge* – (Louisiana) **Jindal: New clinic La.’s future.** An \$18 million state-of-the-art LSU-operated medical clinic officially opened Thursday in north Baton Rouge. In the next few weeks, primary care, women’s health and cancer services will move from the campus of LSU’s Earl K. Long Medical Center north on Airline Highway to the new clinic. The governor called the clinic the way of Louisiana’s health-care future. It will emphasize preventive and primary care. He praised LSU officials for their leadership role in establishing “medical homes,” which provides patients with medical care in their communities. He said Louisiana is one of leading states in the nation for use of emergency rooms for nonemergency medical problems, adding that facilities like the north Baton Rouge clinic would provide early diagnosis and care that would reduce expensive emergency room visits and hospital stays. The 44,000-square-foot, two-story building has 30 exam rooms, a community meeting room, a diagnostic laboratory, a pharmacy and radiology services.

Source: <http://www.2theadvocate.com/news/47004687.html>

24. *June 4, Austin American Statesman* – (National) **Pandemic dress rehearsal shows we aren’t ready.** A new [report](#) released June 4 entitled Pandemic Flu: Lessons From the Frontlines says that while coordination on responding to the swine flu outbreak went well, the health care system was easily overwhelmed. Researchers are concerned about a possible second wave of flu in the fall. They have reason to worry. In the 1918 Spanish flu pandemic, a mild wave of flu was followed by a highly lethal second wave that fall. That second wave killed about 90 percent of the 50 million people who died worldwide. The report is put out by the Trust for America’s Health, a nonprofit disease prevention organization; the Center for Biosecurity at the University of Pittsburgh Medical Center, which seeks to improve national security by reducing threats from biological attacks, epidemics and other events; and the Robert Wood Johnson Foundation.

Source: http://www.statesman.com/blogs/content/shared-gen/blogs/austin/health/entries/2009/06/04/pandemic_dress_rehearsal_shows.html

25. *June 3, Cambridge Chronicle* – (Massachusetts) **13 people sickened after East Cambridge chemical spill.** Thirteen people were sent to area hospitals after a chemical spill at the Schering-Plough Research Institute, a research laboratory in East Cambridge, on June 3. The deputy fire chief said 13 people were taken by ambulance with “non-life threatening” injuries from exposure to the chemical compound cyanogen bromide. An engine company, a HAZMAT unit, a ladder company, a rescue company, a fire department paramedic unit and a division chief were all dispatched to the scene. Source: <http://www.wickedlocal.com/cambridge/news/x1176000093/18-people-sickened-after-East-Cambridge-chemical-spill>

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Government Facilities Sector

26. *June 5, United Press International* – (National) **Man accused of threatening Obama’s life.** Federal authorities say they are looking for a man who allegedly threatened the life of the U.S. President at a bank in Utah. The Secret Service filed an affidavit against the suspect Thursday in U.S. District Court. The suspect, who is originally from New York and has moved from state to state recently, allegedly made a threat against the President to a teller at the Zion First National Bank in St. George where he withdrew \$85,000 over a period of two days last week, the Deseret News reported. “We are on a mission to kill the president of the United States,” court documents allege the suspect told the teller. The suspect also allegedly had told the bank employee when he opened his account May 19 that people “will rise up and we could see killing and deaths” if they lose their money because of the country’s financial problems. The Secret Service said it did not know where the suspect was. The affidavit also stated the suspect has at least eight registered firearms. Source: http://www.upi.com/Top_News/2009/06/05/Man-accused-of-threatening-Obamas-life/UPI-44141244181808/
27. *June 5, WNYT 13 Troy* – (New York) **Computer virus invades Rensselaer County offices.** Computers are getting scrubbed at the Rensselaer County, New York, office building, to clean out viruses that hacked into the system, crippling 200 desktop computers and 20 servers. The information services director said they do not know where the viruses came from, but they know when. A power outage the week of May 25 led to a server corruption, and that is how the worms found their way in. It affected back office operations, like Central Services, Budget and Finance. They stressed no essential services were compromised, like Social Services, Motor Vehicles, the Jail and 911 operations. Source: <http://wnyt.com/article/stories/S963870.shtml?cat=300>
28. *June 4, Salt Lake City Deseret News* – (Utah) **UVU powder not anthrax, officials say.** Tests confirmed that a white powdery substance found at Utah Valley University (UVU) was not anthrax, ricin or any other dangerous substance. That is the determination of police, a hazardous-materials team and an independent lab, which all checked the suspicious powder found on a table top in the Woodbury Business Building, said the

UVU communications manager. The substance was first tested by an independent lab for anthrax and biological viruses and then for radioactivity and volatility. Tests came back negative. The results of the first lab tests were confirmed by a National Guard support team. The support team also tested the substance and ruled out the possibility of the toxin ricin. A UVU spokesman and associate vice president for communications said officials are unsure exactly what the substance is, but they have confirmed that it is not harmful.

Source: <http://www.deseretnews.com/article/705308513/White-powder-shuts-down-UVU-building.html>

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Emergency Services Sector

29. *June 4, Associated Press* – (Wisconsin) **Police rifle taken from car is recovered.** An anonymous tip helped Grand Chute, Wisconsin, police recover a semiautomatic rifle and ammunition stolen recently from an off-duty officer's unmarked car. After getting the tip, police searched a residence where the police-issued rifle and two 30-round magazines were recovered. The interim police chief said a 16-year-old boy was arrested Wednesday, and he expects more people will be arrested. The weapon was taken from the trunk of a Fox Valley Metro officer's car parked at his Grand Chute home. It was one of at least nine vehicles that had things taken May 29. In one case, a car was stolen and found later in a field.

Source: <http://www.chicagotribune.com/news/chi-ap-wi-stolenpolicerifle,0,5532922.story>

30. *June 4, Dayton Daily News* – (Ohio) **Regional dispatch center taking 911 calls again.** Montgomery County, Ohio's, Regional Dispatch Center is fully operational again, with 911 calls coming in and being dispatched from the facility, said the County administrator. The center has not been taking 911 calls since a glitch on its first day of operations on March 26 caused calls about a Harrison Township house fire to go unanswered. Since then 911 calls have gone to the old dispatch center at the Montgomery County Sheriff's office in Dayton, which then sent them to the new center for dispatching. The switch back to full operations began May 20. Officials said they would not announce it right away out of fear that masses of people would test-call 911 and possibly overwhelm the system.

Source: <http://www.daytondailynews.com/news/dayton-news/regional-dispatch-center-taking-911-calls-again-148359.html>

31. *June 3, Chesterfield Observer* – (Virginia) **Chemical scare at police department.** An employee of the Chesterfield County, Virginia's, waste-management unit found a chemical substance at a county landfill on May 22 and, concerned about what it might be, took it to the county's police headquarters. Police called fire and EMS crews and quarantined the substance in the parking lot outside the building. The police headquarters building was evacuated, and a section of Route 10 was closed. The evacuation and re-routing of traffic lasted more than four hours before the substance was identified as an "antique formulation of flash powder" that used to be common in

photography and theatrics, according to authorities.

Source: http://www.chesterfieldobserver.com/news/2009/0603/news_briefs/016.html

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Information Technology

32. *June 5, MX Logic* – (International) **Microsoft, Adobe security updates coming on ‘patch Tuesday.’** Adobe will release its first batch of quarterly security patches on June 9, the same day that the monthly security update comes out from Microsoft. Adobe said it expects to deliver critical security updates for Adobe Reader and Acrobat versions 7.x, 8.x and 9.x for Windows and Macintosh, with Unix updates coming “when available.” The company said it would begin issuing quarterly patches to coincide with Microsoft’s “patch Tuesday” after it came under intense criticism for its perceived lack of responsiveness to flaws in Reader and Acrobat. Flaws in the software allowed hackers to remotely execute code as happened in February via a JBIG2 image file that unleashed a Trojan horse. Meanwhile, Microsoft will issue 10 security patches on June 9 for flaws in Windows, Excel and Internet Explorer, six of which are rated as critical.
Source: <http://www.mxlogic.com/securitynews/viruses-worms/microsoft-adobe-security-updates-coming-on-patch-tuesday340.cfm>
33. *June 5, Switched* – (International) **Phishing attack hits Microsoft Outlook users.** In the past, Switched has warned about phishing e-mails requesting personal information. Lately, it seems many of those phishing scams have moved to social networking or microblogging sites. Recently however, a phishing e-mail popped up in the inbox of Microsoft Outlook users. According to TrendLabs Malware blog, the message asks users to re-configure their e-mail account by clicking a link that leads to a phishing Web site. By having users click this link, phishers can obtain not only a user’s name and password, but also mail server information -- the most critical part of the scam. This gives phishers complete access to a user’s e-mail account, which facilitates the theft of important personal information (credit card numbers, social security number, bank account numbers, etc.). The easiest way to avoid e-mail phishing scams is to avoid clicking suspicious or unfamiliar links. Users should also exercise extreme caution when sending personal information via e-mail. This particular scam is more dangerous than most because so many folks use Microsoft Outlook.
Source: <http://www.switched.com/2009/06/05/phishing-hits-microsoft-outlook-users/>
34. *June 4, Homeland Security Newswire* – (National) **Internet’s root zone to be secured.** The U.S. government said on June 3 it plans to sign the Internet’s root zone digitally by the end of the year, a move that would end years of inaction securing the Internet’s most important asset. The U.S. Department of Commerce’s National Telecommunications and Information Administration (NTIA) said it was turning to ICANN, or the Internet Corporation for Assigned Names and Numbers, and VeriSign to implement the measure, which is known as DNSSEC. In October 2008, the two organizations submitted separate proposals that offered sharply contrasting visions for putting the complicated framework in place. “The parties are working on an interim approach to deployment, by year’s end, of a security technology — Domain Name System Security Extensions (DNSSEC) — at

the authoritative root zone (i.e., the address book) of the Internet,” a statement issued by the NTIA read.

Source: <http://homelandsecuritynewswire.com/single.php?id=8089>

35. *June 4, DarkReading* – (International) **Hacking tool lets a VM break out and attack its host.** Researchers for some time have demonstrated the possibility of one of virtualization’s worst nightmares, a guest virtual machine (VM) infiltrating and hacking its host system. Now another commercial tool is offering an exploit that does exactly that. The newest version of Immunity’s Canvas commercial penetration testing tool, v6.47, includes the so-called Cloudburst attack module, which was developed by an Immunity researcher to exploit a VMWare vulnerability (CVE-2009-1244) in VMware Workstation that lets a user or attacker in a “guest” VM break into the actual host operating environment. VMware issued a patch for the bug in April. “Companies and administrators tend to trust that breaking out of a VM is not possible,” says the director of the enterprise security practice at The 451 Group. “A lot of people consider this to be just another proof-of-concept. They do not understand that is a commercially available exploit.” Even though VMware has issued a patch, many enterprises may not necessarily have implemented it, the director says. “We know that people do not patch,” he adds. Immunity’s VM “breakout” exploit follows that of Core Security Technologies’ VMware Shared Folders exploit in its Impact penetration testing tool announced last year. The module “weaponized” a vulnerability discovered by Core that lets an attacker create or alter executable files on the Windows host OS. For the attack to work, VMware’s Shared Folders feature must be enabled and at least one folder on the underlying host system must be configured to share files with the VM.

Source: <http://www.darkreading.com/securityservices/security/app-security/showArticle.jhtml?articleID=217701908>

Internet Alert Dashboard

To report cyber infrastructure incidents or to request information, please contact US-CERT at soc@us-cert.gov or visit their Website: <http://www.us-cert.gov>.

Information on IT information sharing and analysis can be found at the IT ISAC (Information Sharing and Analysis Center) Website: <https://www.it-isac.org/>.

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Communications Sector

36. *June 4, Financial Post* – (North Carolina) **Apple to invest US\$1-billion in North Carolina data farm.** Apple Inc plans to invest up to US\$1 billion over the next nine years to build a data center in North Carolina. The data center would represent Apple’s first on the East Coast of the U.S., said an Apple spokeswoman. The spokeswoman said Apple is not commenting on how the data center will be used, or on any other details about the facility, including its size. Apple currently has a 107,000 square-foot data center in Newark, California, according to its most recent 10-K regulatory filing. According to an announcement by the North Carolina governor on June 4, the facility is expected to employ at least 50 full-time employees.

Source: <http://www.financialpost.com/news-sectors/story.html?id=1662097>

37. *June 4, Cody Enterprise* – (Montana) **YNP phone, electric service restored.** Phone, Internet and electric service to Yellowstone Park and nearby areas were disrupted on June 3 by three apparently weather-related power outages. The first outage on June 2 cut electric service to a communications relay tower near Gardiner, Montana. Qwest Communications provides phone and Internet connectivity to the park and the nearby communities of Gardiner and Cooke City, Montana. Cell service in and near the park is dependent upon the same microwave communications relay, a Yellowstone spokesman said. The area lost phone and Internet service when back-up batteries powering the microwave relay site died. A storm also washed out the access road to the tower. Qwest technicians carried additional batteries into the site, and were able to restore phone service on June 3.

Source:

<http://www.codyenterprise.com/articles/2009/06/04/news/doc4a26f124c0535005317166.txt>

38. *June 4, DarkReading* – (International) **Hackers arrested in China after feud causes major outage.** Four individuals have been arrested in China after an alleged denial-of-service “war” between underground gaming services spun out of control, according to news reports. According to a report by Xinhua News Agency, China’s ministry of public security said on June 2 that the suspects were detained on May 29 following police investigations in the Jiangsu, Zhejiang, and Guangdong provinces. The suspects were not named, although the surnames of two were released. The ministry told the news agency that on May 19, the suspects allegedly launched a distributed denial-of-service (DDoS) attack against the servers of DNSPod, a Chinese DNS provider and domain registrar. According to the report, the DDoS attacks were motivated by fierce competition between unauthorized online gaming service providers, which lure gamers from official providers with less limited and free access. In order to sabotage “competitors,” the suspects began an attack against DNSPod, which provides access to some of those unauthorized gaming sites. Unfortunately, the attack triggered a chain reaction because DNSPod’s servers were also used by Baofeng, a highly popular Chinese video-streaming service. “Once millions of Baofeng users submitted their video application, their unanswered DNS requests were passed on to higher-level servers that did not know how to process them,” the news report says. “The requests piled up, and the resulting traffic jam slowed or halted Internet access.” Internet users in more than 20 provinces were affected on May 19, the ministry said. It was described as the “worst Internet incident in China” since an earthquake damaged undersea cables near Taiwan on December 26, 2006.

Source:

<http://www.darkreading.com/securityservices/security/attacks/showArticle.jhtml?articleID=217701926>

For another story, see item [34](#)

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Commercial Facilities Sector

Nothing to report

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National Monuments & Icons Sector

39. *June 5, McClatchy Newspapers* – (California) **Officials keeping eye on fire.** Forest officials in the Giant Sequoia National Monument are watching a fire burning inside a hollow tree they believe was struck by lightning during a strong thunderstorm over the weekend. The fire in Giant Sequoia National Monument was first reported by a lookout on June 1. Firefighters responded and found a 12-foot diameter giant sequoia tree on fire, with about a tenth of an acre ground fire smoldering around the tree. The National monument spokeswoman said in a release that it is a hollow tree with fire burning inside from the base all the way to the top. The spokeswoman said officials will contain and try to suppress the fire, rather than use aerial tankers or ground equipment, because it does not pose a threat to the public.

Source: <http://www.mercedsunstar.com/centralvalley/story/883987.html>

40. *June 4, KPIX 5 San Francisco and Associated Press* – (California) **Northern California expects more lightning, rain.** Eighteen small fires were burning on June 4 in Angeles National Forest, which sprawls across more than 1,000 square miles on the north flank of the Los Angeles metropolitan area. Most were an acre or less and all but one were contained. The most significant burned at about 4,200 feet in the Twin Peaks area of the central San Gabriel Mountains, northeast of landmark Mount Wilson, said a forest spokesman. Crews had to hike in several miles to reach the area. Despite their small size, the blazes have to be attacked because a change in weather could quickly spread them.

Source: <http://cbs5.com/local/northern.california.lightning.2.1032298.html>

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Dams Sector

41. *June 5, Pittsburgh Tribune-Review* – (Pennsylvania) **Army Corps of Engineers needs \$1 billion to keep river traffic flowing.** Commercial traffic on the lower Monongahela River could halt at any time in the next decade because the Army Corps of Engineers needs another \$1 billion to fix the river's crumbling locks and dams system. If an increasingly unreliable lock at Charleroi fails before the Corps replaces it, 14 million to 20 million tons of goods annually would have to be hauled by rail or trucks, more expensive options. About 80 percent of that tonnage consists of coal that feeds local steel companies and electric utilities. Much of the remaining tonnage consists of crushed stone and aggregate used for road and other construction. The Corps has replaced the 100-year-old lock and dam system at Braddock, and is replacing the 75-year-old system at Charleroi. Once that work is completed, it plans to remove the 103-year-old lock and dam system at Elizabeth. The Corps plans to remove the Elizabeth lock and dam, but it

has to keep it operating for at least another 10 years, until the other parts of the project are finished.

Source: http://www.pittsburghlive.com/x/pittsburghtrib/news/pittsburgh/s_628223.html

42. *June 4, Tampa Tribune* – (Florida) **Reservoir repairs could cost \$125 million.** Fixing a flawed, 15 billion-gallon reservoir will leave it dry for two years and could cost \$125 million, nearly the price tag of the 4-year-old reservoir. Temporary repairs will allow Tampa Bay Water to fill the C.W. “Bill” Young Reservoir this summer and the following two, but a permanent fix is needed, said the utility’s general manager. Cracks in the so-called soil cement covering over the reservoir bottom and sides kept the region’s water supplier from filling it completely last summer and the reservoir went dry in March. Coupled with a persistent drought, the reservoir problems have prompted increased wellfield pumping and further strained the aquifer. Though the cracks do not threaten the massive earth walls that form the reservoir in southern Hillsborough County, the underlying construction and design flaws must be resolved, the manager said. Engineers determined a layer of earth between the soil cement and a thick membrane buried in the walls to hold in the water caused the cracks, which cover 40 percent of the reservoir. As water fills and drains from the reservoir, pressure changes in the saturated soil cause the soil cement to flex and crack. The soil cement is supposed to prevent erosion and protect the membrane. The cracks appeared in December 2006, just a year after the reservoir opened. Since then, workers have filled them with grout as engineers investigated. Work to repair the cracks ended in May, and the utility began filling the reservoir May 21 and plans to reach capacity this summer, said the senior manager for engineering and projects. The repairs would knock the reservoir out of service for two dry seasons. Construction would start in the early summer when the rainy season ends the need for water from the reservoir.

Source: <http://www2.tbo.com/content/2009/jun/04/reservoir-repairs-could-top-125-million/news-breaking/>

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