Gov. Arnold Schwarzenegger declared a state of emergency for San Bernardino County, where the water supply for the city of Barstow was found to be contaminated with a toxic chemical used to make explosives and rocket fuel. A day earlier, Golden State Water Co. warned residents of the desert town that their drinking water contained high levels of perchlorate, a contaminant often associated with defense and aerospace activities. Perchlorate, a type of salt derived from perchloric acid, has been found in drinking water in at least 35 states. It can interfere with iodine uptake in the thyroid gland. The thyroid, which releases hormones, helps with proper development in children and helps regulate metabolism. According to the governor's declaration, more than 40,000 customers were without their normal supply of drinking water, and several restaurants, hotels and other businesses had to close because of the contamination. Faour said residents packed into his business Friday when word spread that levels of perchlorate in several city wells had reached unacceptable levels. His customers have been stocking up on bottles and gallon containers of water. Golden State spokesman John Dewey said the company began warning residents after samples taken from the water system at the nearby Marine Corps logistics base showed levels of perchlorate three to four times higher than the state limit. Dewey said company water tests confirmed that the levels of the chemical exceeded standards. Three of 20 wells in the company's Barstow system had high levels of contamination, he said. At least one of the three was operational, but it has been shut down since the discovery. Dewey said Golden State was trying to determine how the water supply became contaminated.