

CITY OF SAN DIEGO
MEMORANDUM

DATE: February 13, 2003

TO: Honorable Mayor and City Council

FROM: George I. Loveland, Senior Deputy City Manager

SUBJECT: Mission Valley Terminals

The Mission Valley Terminal (MVT) is a 10.5 acre aboveground tank farm facility that has been in operation since 1962. The MVT is owned by Kinder-Morgan Energy Partners. Over the years, Kinder-Morgan has leased portions of their property to various petroleum companies. Petroleum products are delivered to the terminal via pipeline from Los Angeles, and then distributed through a manifold to the separate operating facilities storage tanks.

A Cleanup and Abatement Order was issued by the Regional Water Quality Board, San Diego Region (Regional Board) in 1992 as a result of contamination identified from monitoring performed in 1991. This Order directed all of the responsible parties to initiate cleanup of the contamination to the groundwater. A follow-up Time Schedule Order (TSO) was issued in March 2002 to expedite the cleanup.

In recent weeks, media attention has increased due to a report issued by Environment California regarding the significance of the contamination to the groundwater beneath the stadium parking lot. Additionally, recent project design concepts for redevelopment of the stadium also have become a media issue. The concerns have been focused on,

- wasting of water resources due to the on-going cleanup which draws to the surface contaminated groundwater for treatment and discharge into an adjacent creek and eventually into the ocean, and
- impact of the contaminated groundwater to any future redevelopment of the stadium property.

The Regional Water Quality Control Board is responsible for oversight of the cleanup as the lead regulatory agency. The City of San Diego, as the owner of the stadium property, is monitoring the progress of the investigation and cleanup to ensure that the timelines issued by the Regional Board are met. As property owners, we are concerned about the contamination and its affect to our property and groundwater resources, however, we have been assured by the Regional Board that significant progress is being made to address the contamination and the timelines of the TSO are being met. The TSO requires the responsible parties to propose, by February 2004, technically feasible milestone dates for the cleanup. As part of the Fiscal Year 2004 budget

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process, the administration is identifying resources to pursue the City's interests in the cleanup of the site and groundwater. One of the City's interests is to ensure consistency with the Long Range Water Resources Plan which calls for groundwater storage to be implemented by 2010.

As required by the TSO, a health risk assessment was completed on October 9, 2002. The risk assessment characterized any potential health risks and found that the existing contamination does not represent a human health risk to stadium workers, stadium visitors, or future construction workers digging trenches up to 10 feet. Future uses of the property were not evaluated, but any future redevelopment proposals would need to be coordinated with the Regional Board and the responsible parties. As required, any redevelopment proposals would be reviewed by the appropriate regulatory agencies, including the Regional Board and the County of San Diego, Department of Environmental Health, to ensure that any potential health issues are addressed. Any additional costs incurred due to the contamination should be the responsibility of the responsible parties.

City staff has made two presentations to the Task Force on Charger's Issues to make sure that they are aware of the efforts underway to address the contamination. The issue was presented on November 6, 2002 to the Facilities and Redevelopment Committee and again on January 30, 2003 to the full Task Force. Additionally, public notice has occurred each time this issue has been on the agenda for the Regional Board.

George I. Loveland
Senior Deputy City Manager

GIL/cg

cc: Michael T. Uberuaga
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