



**Office of the Independent Budget Analyst**

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**Proposed Mayor and Council Response  
to County Grand Jury Report:  
“Mission Valley Fuel Leakage and  
Contamination Abatement”**

**Presentation for the  
Natural Resources & Culture Committee  
September 25, 2013**



# Overview

- The Grand Jury filed this report with the Mayor and City Council on May 20, 2013.
- The report details:
  - The contamination of the Qualcomm Stadium and surrounding area from the MVT fuel storage facility
  - Efforts to monitor the contamination and remediation of the site, while keeping the public informed



# Overview

- The Report includes 6 Findings and 3 Recommendations
- Council required to respond to all Findings and Recommendations (since all were directed to the Mayor and Council)
- Mayor and City Council required to provide response to Presiding Judge by October 18, 2013



# Overview

- For each item, Council may:
  - Join the Mayor's response
  - Modify the Mayor's response
  - Respond independently from the Mayor
- Our office was provided a copy of the Mayor's draft response, provided input and worked collaboratively with City staff, and have reached agreement on all items.
- We are recommending that the Interim Mayor and Council provide a joint response.



# Overview

Prescribed responses include:

- For each Finding:
  - Agree
  - Disagree wholly or partially
- For each Recommendation:
  - Has not been implemented
  - Has not yet been implemented, but will be in future
  - Requires further analysis
  - Will not be implemented because it is unwarranted or unreasonable



# Summary of Proposed Response

- 6 Findings
  - 2 Partially Disagree
  - 4 Agree
- 3 Recommendations
  - 3 Will not be implemented because they are not warranted or reasonable



# Highlights of Findings

1. It is not economically reasonable to relocate the MVT fuel storage and distribution facility to a more environmentally desirable site within the San Diego area. – *Partially Disagree*
  - *MVT is a privately owned facility & the City has no knowledge of any studies completed to determine feasibility*
  - *Site is in environmental sensitive area – directly over aquifer, in seismic liquefaction zone, subject to flooding, wildfires, etc.*



# Highlights of Findings

2. The City does not have an adequate independent monitoring capability that is separate and distinct from MVT owner. - *Agree*
  - *The operation of such a system is the sole responsibility of the party responsible for contamination and remediation, and overseen and regulated by the RWQCB – would be redundant, cost prohibitive, and not necessary*
  - *Analyses are all provided by state-certified laboratories*
  - *Might set a precedent regarding the many other contaminated sites within the City limits that are a responsibility of the dischargers*



# Highlights of Findings

3. Results from the two City-operated monitoring wells located on the south side of the San Diego River indicate that the fuel plume is larger than prior data suggests.. *-Agree*

- *The City does not believe that the full scope and extent of the migrating chemicals have yet been determined. Further, based on sampling data, the City believes that the impacts of the contamination have spread, and continue to spread, farther than the owner of the MVT has reported to the RWQCB.*



# Highlights of Findings

4. The City of San Diego should continue to assert Pueblo Water Rights over the Mission valley aquifer. *-Agree*
  - *The California Supreme Court decreed in 1930 that the City has Pueblo Water Rights to all of the water (both surface and underground) of the San Diego River including its tributaries, from its source to its mouth*
  - *Always defended these rights*
  - *Groundwater sources are being investigated and developed to expand the City's water portfolio as outlined in the Public Utilities Department 2012 Long Range Water Resources Plan*



# Highlights of Findings

5. The San Diego public needs to be better informed of status of the Mission Valley watershed and the effectiveness of the ongoing contamination abatement and clean-up efforts. *-Agree*
  - *The RWQCB has recently agreed to post technical reports authored by the City's consultants on its official "GeoTracker" website*
  - *The City intends to make information available to the public on the status of the cleanup and efforts underway to develop a local water supply*



# Highlights of Findings

6. The City needs an up-to-date long-range plan for oversight of the MVT fuel containment control and stabilization efforts / identify ways to prevent future leakage of fuel / should not be delayed until settlement of litigation. - *Partially*

## *Disagree*

- *The City agrees that there must be a long-term plan for the oversight –clear responsibility of Kinder Morgan, the owner of the facility, and not the City*
- *As the discharger, Kinder Morgan is responsible for cleaning up its own facility (as well as the public lands and waters) and operating in a manner that will protect the public from the consequences of owning a bulk fuel terminal next to a public resource*



# Highlights of Recommendations

- 13-73 Establish a City-owned and operated monitoring capability in the affected portions of Mission Valley within and surrounding Qualcomm Stadium independent of MVT owner.
- *Will not be implemented, not warranted or reasonable*
  - *The costs to implement an independent monitoring system are disproportionate to the value of such a separate system. The City does not believe that the public should bear the cost of establishing an independent monitoring network separate from the monitoring effort maintained by the owner of the MVT.*



# Highlights of Recommendations

- 13-74 Provide quarterly reports to the public concerning results obtained from City owned and operated monitors. - *Will not be implemented, not warranted or reasonable*
- *The City does not believe in duplicating efforts or incurring the significant costs associated with establishing its own monitoring well system surrounding Qualcomm Stadium*
  - *City intends to make information available to the public on the status of the cleanup and efforts underway to develop a local water supply*



# Highlights of Recommendations

- 13-75 Develop a long-range plan for oversight of the MVT fuel containment control and stabilization efforts serving to reduce the possibility of future fuel leakage from this facility. - *Will not be implemented, not warranted or reasonable*
- *The development of a long-range plan to contain the contamination on the MVT and prevent recontamination of the City's property and aquifer are the responsibility of Kinder Morgan, the owner of the MVT*
  - *The public should not be required to fund this effort*
  - *City intends to pursue a long-range plan for control and stabilization of leaks from the MVT, to be funded and implemented by Kinder Morgan*