

SAN DIEGO UNIFIED PORT DISTRICT

MEMORANDUM

Date: June 8, 2017

To: Board of Port Commissioners

Via: Jason H. Giffen
Assistant Vice President, Planning & Green Port
jgiffen@portofsandiego.org

From: Phil LeBlanc
Program Manager, Blue Tech
pleblanc@portofsandiego.org

Subject: Blue Economy Incubator Pilot Project Update

The purpose of this memo is to update the Board on the District's Blue Economy incubator. Staff received direction to begin negotiating agreements with the four companies selected under the District's Blue Economy incubator competitive review process at the April 11, 2017 regular Board meeting.

As part of the District's due diligence and outreach efforts, staff met with Sharon Cloward, President, San Diego Port Tenants Association and representatives from the Shelter Island Leaseholders Group on May 3, 2017. Staff presented an overview of the Blue Economy incubator pilot projects for the Drive-in Boatwash and the Red Lion copper mitigation technology, and discussed the proposed locations. The Shelter Island Leaseholders Group did not support locating the placement of either pilot project in the Shelter Island Yacht Basin. On June 5, 2017, the Shelter Island Leaseholders Group sent a letter to the District expressing their concerns regarding the pilot projects and their belief that the projects could introduce new sources of copper to Shelter Island Yacht Basin. (Attachment A)

Following the meeting with the tenants, staff had determined that the two pilot projects could be located together at the entrance of Shelter Island at the transient vessel dock that is managed by the Port's Harbor Police Department. In an effort to alleviate tenant concerns the new location will provide better control of the study site, and consolidate the water quality monitoring that will be conducted to evaluate the pilot projects.

In addition, the Blue Economy incubator agreements require the proposers to develop detailed sampling and analysis plans (SAP) for District review and approval prior to initiating the pilot projects. The District can trigger the termination clause in the pilot projects' agreements should any unintended consequences be demonstrated. The pilot projects are scheduled to begin after the 2017 Shelter Island Annual TMDL water quality compliance monitoring has been conducted.

Page 2 of 2
June 8, 2017

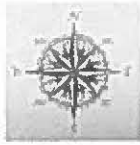
Subject: Blue Economy Incubator Pilot Project Update

As the pilot projects progress, staff will continue their outreach to the Shelter Island Leaseholders Group and share the results of these proposed novel technologies and efforts to improve the water quality in San Diego Bay.

If you have any questions, please contact Phil LeBlanc at (619) 686-6516 or via email at pleblanc@portofsandiego.org, or Jason Giffen at (619) 686-6473 or via email at jgiffen@portofsandiego.org.

Attachment(s):

Attachment A: Letter dated June 5, 2017 from Shelter Island Yacht Basin Master Leaseholders, TMDL Group

Attachment A**SIMLG**

SIYB Master Leaseholders

TMDL Group

June 5, 2017

Mr. Phil LeBlanc
 Program Manager
 Blue Technology Planning & Green Port

Dear Mr. LeBlanc:

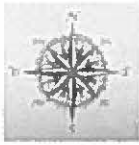
On behalf of the Shelter Island Master Leaseholders, TMDL Group, I would like to thank you for the recent invitation and presentation of two projects under consideration to address the copper levels in bay waters. The Group fully supports novel approaches toward improving water quality and appreciates the efforts made by the Port.

Conducting the Pilot study in Shelter Island Yacht Basin (SIYB), as proposed in the presentation, has profound unintended consequences. I feel that multiple alternative sites exist in the Bay that provides ample opportunity to test methodologies and approaches in determining efficacy and application.

One of the pilot projects would release new and substantial levels of copper into the water and sediment over an extended period of time. A regulatory order to reduce copper loadings compels responsible parties to drastically decrease copper loadings; and tenants have made intensive efforts to these goals. With the largest year to year reductions in loading mandated in the next few years, the effects of a new source of copper would be crippling to this effort.

- A boat-wash station is proposed: the Rentunder Project, which would be moored at the mouth of the basin for an extended period of time, two years.
- Contaminated water and copper containing particulates generated by an aggressive cleaning methodology would be immediately released into the basin.
- This methodology is not consistent BMPs established by Department of Pesticide Regulation for in-water cleaning and is not equivalent to releases from current in-water cleaning.
- Furthermore, studies have shown: that the uses of non-BMP cleaning methodologies release ten times the amount of copper than cleaning conforming to established BMPs, and generate toxicity.
- Studies show that releases at the mouth of the basin would travel well into the basin leaving a stubborn legacy of contamination.

Shelter Island Yacht Basin Master Leaseholders TMDL Group
 Email: shelterislandtmdl@gmail.com



SIMLG

SIYB Master Leaseholders

TMDL Group

The other project, designed to remove dissolved copper, would station a barge-mounted water treatment system designed pump ambient water from SIYB through large filtration vessels. Discharges from this system are not be thoroughly evaluated;

- levels of bioavailable discharged copper which impart toxicity is untested,
- impacts from impingement and entrainment of fish larvae and planktonic life by the system is being overlooked,
- and finally toxicity studies which would measure the effects of discharges from the treatment train that are part and parcel of TMDL testing is not being conducted, and
- an absence of a sampling plan associated with this pilot project limits a fair evaluation of potential impacts.

Levels of copper throughout San Diego Bay vary over a limited range, are at similar levels in many locations: the chemistry is the same. Bu what is different is that these locations are not under the heavy regulatory scrutiny of SIYB. Several thousand hours a year are expended by responsible parties to track changes in copper loading, and extensive testing is performed to track the trajectory of copper and assess its impacts to marine life. Clearly, other locations are far better candidates for pilot testing.

Please accept our comments and concerns and we urge you to reconsider the location of both pilot programs. The BMP's must be considered for each effort we make in solving the copper loading issue within our marinas and yachts clubs and a clear understanding of the consequences.

Respectfully,

Deborah Pennell

Chair, SIMLG

CC: John Adriany
Karen Holman
Eileen Maher
Sharon Cloward

Shelter Island Yacht Basin Master Leaseholders TMDL Group

Email: shelterislandtmdl@gmail.com