Underground Storage Tank Violations Result in $1.35M Judgment Against S.F. Municipal Transportation Agency

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SACRAMENTO – The State Water Resources Control Board has reached a $1.35 million settlement with the San Francisco Municipal Transportation Agency (SFMTA) for violating leak prevention requirements for hazardous substances at four underground storage tank facilities in San Francisco.

The State Water Board began an investigation in 2012 under the Government Owned Tanks initiative after on-site inspections and a comprehensive review of underground storage tank records revealed numerous violations at four facilities owned and operated by the SFMTA. These alleged violations included failure to monitor tank systems, failure to maintain adequate spill containment, failure to perform monthly designated operator inspections and falsifying monthly designated operator reports.

The municipal transportation agency’s history of non-compliance resulted in two enforcement actions in the last decade. In 2005, 39,000 gallons of diesel fuel spilled into the San Francisco Bay from the underground storage tank system at the John M. Woods Motor Coach Facility while sensors and alarm reports were ignored for days. The Environmental Protection Agency (EPA) imposed a $250,000 civil penalty. The San Francisco agency’s recent failure to comply with leak prevention requirements necessitates a more significant penalty.

The State Water Board’s Office of Enforcement is optimistic that this settlement, including the creation of an underground storage tank compliance management program, asset and work order management database system and a conditional suspended penalty for future violations, will motivate the SFMTA to prioritize compliance with underground storage tank laws and regulations.

“The violations identified at SFMTA’s facilities immediately following the 2005 spill were an indication to the EPA and State Water Board that similar compliance problems might exist at other underground storage tank facilities owned or operated by government agencies,” said David Boyers, assistant chief counsel of the State Water Board’s Office of Enforcement. “It is unfortunate that one of the government agencies that stimulated the need for the Government
Owned Tanks initiative is continuing to act as a prime example of why the initiative was created. We hope that this settlement marks a turning point for the SFMTA to prioritize environmental compliance.”

Under the terms of the settlement, the SFMTA will pay $425,000 in civil penalties to the State Water Board; $100,000 for the reimbursement of enforcement costs and $375,000 will be suspended on the condition SFMTA completes several enhanced compliance actions. An additional $450,000 is suspended on the condition SFMTA maintains compliance with underground storage tank laws and injunctive provisions for a period of five years.

This settlement is the fourth enforcement action by the State Water Board’s Office of Enforcement under the State Water Board’s Government Owned Tanks initiative that began in 2010. For more information, view a copy of the complaint and settlement agreement.

The purpose of the Underground Storage Tank Program is to protect public health and safety and the environment from releases of petroleum and other hazardous substances from tanks. There are four program elements, including leak prevention, cleanup, enforcement and tank tester licensing.

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