August 16, 2006

Via CERTIFIED MAIL

Mr. John H. Robertus, Executive Officer
Regional Water Quality Control Board
San Diego Region
9174 Sky Park Court, Suite 100
San Diego, CA 92123

SUBJECT: Supplemental Environmental Program

Dear Mr. Robertus,

The purpose of this letter is to request that the Port of San Diego be considered as a recipient of funds associated with the Regional Water Quality Control Board’s (RWQCB) Supplemental Environmental Program (SEP).

The Port of San Diego is a special government entity, created in 1953 by an act of the California legislature in order to manage San Diego Harbor and administer the public lands along San Diego Bay. The enabling legislation and subsequent amendments conveyed certain tidal and submerged lands to Port administration to further the development of commerce, navigation, fisheries and recreation on behalf of the State of California, which owns these lands.

The Port of San Diego takes seriously its responsibility as “Steward of the Bay.” To this end, in June of this year, the Board of Port Commissioners (BPC) directed the creation of an Environmental Fund (Fund) to “restore or enhance San Diego Bay and surrounding tidelands...” Each year, the BPC will set aside ½ of 1% of the District’s projected gross revenues for that year for this Fund. The contribution to the Fund this year will be approximately $600,000. Monies from this Fund are to be used for efforts that are “beyond compliance and beyond mitigation” and are not to be included in the operating budget of the Environmental Services Department.

Administration of the Environmental Fund is made unique by the fact that projects to be funded will be evaluated, ranked and recommended by the Port’s Environmental Advisory Committee (Committee). The makeup of this Committee is a balance of representatives from academia, environmental advocacy groups, government agencies, resource and regulatory agencies, and Port tenants. Thus, the projects that are
Mr. John H. Robertus
Page 2
August 16, 2006

selected for funding will be evaluated by every key stakeholder group of the Bay. The final decision on the allocation of funds rests with the BPC.

The Port of San Diego will be making every effort to leverage the money that it has been allocated through grants and matching funds, a fact made clear in the Board policy that created the Fund. To this end, the Port respectfully requests that the RWQCB include the Port of San Diego on its list of agencies for which the allocation of SEP funds will be considered. You can be confident that the funds we receive would be put to the best use in ensuring the protection and enhancement of San Diego Bay. If you have any questions, please do not hesitate to call me at (619) 688-8254

Sincerely,

[Signature]

David Merk, Director
Environmental Services

DM:rg
File: Environmental Advisory Committee
Docs #198641