



City of San Antonio

Agenda Memorandum

File Number:20-6642

Agenda Item Number: 4

Agenda Date: 11/16/2020

In Control: Community Health and Equity Committee

DEPARTMENT: Public Works

DEPARTMENT HEAD: Razi Hosseini, P.E., R.P.L.S.

COUNCIL DISTRICTS IMPACTED: District 2

SUBJECT:

A briefing and presentation on the Municipal Setting Designation (MSD) application for the KLN Steel property at 4200 N. Pan Am Expressway, located in City Council District 2.

SUMMARY:

An MSD application has been received for the former KLN Steel property in City Council District 2. Review and consideration of this application for local impact is requested by the Community Health and Equity Committee before a public hearing is scheduled. Once the proposed MSD application has completed the public involvement phase, it will be presented to the City Council for MSD ordinance review and approval. Final certification of an MSD rests with the Texas Commission on Environmental Quality (TCEQ).

BACKGROUND INFORMATION:

In 2003, the Texas legislature authorized the creation of Municipal Setting Designations (MSDs), which designate an area in which the use of shallow contaminated groundwater is prohibited from use as potable water for human consumption. MSDs address groundwater contamination under existing redevelopment properties and encourage redevelopment of properties in blighted areas while protecting human health, the environment, and San Antonio's drinking water. The statute requires the support of the local municipality to participate in the MSD program. Since 2004, over 430 MSDs have been certified by the TCEQ in over 20 cities to address historic ground water contamination and spur redevelopment.

Ordinance 2016-04-07-0247 established the City's MSD policy and guidelines. As a result of this ordinance, Public Works' Environmental Management Division, with coordination and support from the San Antonio Water Systems (SAWS) and the Edwards Aquifer Authority (EAA), developed procedures for evaluating whether to support an MSD application to the TCEQ. Several factors and requirements were considered and implemented

as part of the MSD process:

- Sites that may apply for an MSD have known groundwater contamination.
- An applicant must be enrolled in one of the cleanup programs administered by Texas Commission on Environmental Quality (TCEQ) or Environmental Protection Agency (EPA).
- The MSD certificate only eliminates the risk for human consumption such as cooking or bathing in affected groundwater. Assessment would still be required for other exposure pathways such as inhalation and skin absorption.
- Establishing an MSD does not remove any liability from the property owner, nor does it shift any liability to the City.

MSDs will not be approved if they are located within a half mile of a SAWS Primary Pump Station, and no MSD may be approved unless the site is already served by SAWS or is capable of being served by SAWS, at the applicant's expense.

The Community Health and Equity Committee received a briefing on November 18, 2019 which provided a general overview of the City's MSD program and referenced two potential participant sites, including the KLN Steel property.

ISSUE:

Application Summary - KLN Steel Property (District 2)

- MSD application received from InControl Technologies, Inc., January 20, 2017, for the former KLN Steel property located at 4200 N. Pan Am Expressway in City Council District 2.
- Site is approximately 38 acres, historically developed with manufacturing, warehouse and office facilities. These facilities were recently demolished, and the site currently has no development.
- Approximately nine acres of the total property were impacted by the historical use of solvents in a degreasing.
- The site is currently enrolled in the TCEQ Voluntary Cleanup Program (VCP) as VCP No. 2272.
- The site is currently zoned for commercial use and commercial development under construction. The historical site buildings were demolished due to the poor condition of the buildings and to help facilitate soil and groundwater response actions at the site.
- Site is impacted with chlorinated solvents in soil and groundwater.
- Since 2015, a groundwater recovery system was installed. 7,480 gallons of impacted groundwater has been removed to date. Approximately 5,400 cubic yards of affected soils have been remediated.
- In 2018, an injection permit was obtained for enhanced biological groundwater treatment. 29,500 gallons of biologic treatment solution have been injected throughout the plume to reduce the concentrations of the chemicals of concern.

Proposed Development

- 29 of the 38 acres are planned to be used as Commercial Warehousing for Supply Chain Distribution. Once the MSD certificate is obtained, the remaining nine acres will be developed into commercial development.
- Applicant has indicated that the owner would like to address contamination issues, obtain TCEQ closure, subdivide parcels, and sell them individually.

Related Activities to Date

- Performed administrative and technical review of MSD application since May 2017.
- Determined plume to be stable and decreasing in concentrations in May 2019.
- Received SAWS and EAA concurrence in June 2019.

- Received director's approval to begin public involvement in October 2019.
- Community Health and Equity Committee briefing on MSD program overview in November 2019.
- Conducted a virtual public meeting on September 20, 2020.
- Community Health and Equity Committee briefing on KLN Steel site in November 2020.
- Anticipated to take item to City Council for public hearing, consideration, and approval of the MSD ordinance in January 2021.

ALTERNATIVES:

This item is for informational purposes only.

FISCAL IMPACT:

This item is for informational purposes only.

RECOMMENDATION:

This item is for informational purposes only and is provided at the request of the Community Health and Equity Chair prior to City Council consideration.