

December 21, 2006

To: Jim Waring, City of San Diego,
Nancy Graham, CCDC, and John Helmer, Port of San Diego

Subject: Navy Broadway Complex Fault Investigation Report, San Diego,
California, Prepared by Geocon Incorporated, dated June 2006.

Dear City of San Diego, CCDC, and the Port of San Diego:

We are glad to report that a fault investigation was conducted for the Navy Broadway Complex. On December 19, 2006 we were able to conduct a short, cursory review of the fault investigation report for the Navy Broadway Complex. The large, 2-inch thick, final fault investigation report consisting of analysis and interpretation of seismic reflection surveys, Cone Penetration Test (CPT) soundings, and borings was dated June 2006. Due to the large amount of useful data, we will not be conducting our own independent fault investigation for the Navy Broadway Complex project on state owned public tidelands. Without further evaluation, our short, cursory review of the report has not convinced us that the active Coronado fault does not traverse the project site.

The developer, Manchester Financial, stated that they will not be submitting their fault investigation report to the city of San Diego for one to two years until building permits are issued for the non-Navy buildings. The Navy building will be the first to be constructed and will serve as the Navy's West Coast Headquarters. The developer was told by both Jim Waring and Nancy Graham that the report was not required to be submitted during plan review of the project and they could wait until building permits are issued in a few years.

The fault investigation report concluded that no faults were known to exist on the Navy Broadway Complex site. Based on a very limited review of the report, the seismic reflection survey prepared by the subconsultant, Terra Physics, showed what appeared to be one to three, very distinct, near vertical faults or fault-like strands of the active Coronado fault. The fault or fault-like features offset and displaced the horizontal soil layers for hundreds of feet vertically. Generally, the one to three fault or fault-like traces run in a north-south direction through the whole of the project site in the locations where high rise buildings are planned on liquefiable soils. The north-south trending direction of the fault or fault-like features identified in the Terra Physics report would correlate well with the 2001 and 2003 fault investigations of San Diego Bay by the California Division of Mines and Geology, and the 2006 investigation for the Coronado tunnel by Kleinfelder, Inc. Based only on a cursory review of the cross sections of the seismic reflection survey, active faulting seems to exist on the Navy Broadway Complex.

Further investigation in the form of CPT soundings on one of the three fault-like strands were conducted to evaluate the area of offset and displacement which may be caused by faulting. Based on interpretation of

the CPT soundings, the fault-like features were not classified as faults, but as anomalies. This may very well be the case. There may not be active faulting under the Navy Broadway Complex. There may only be anomalies that run in the same north-south direction as the active Coronado fault in Coronado and San Diego Bay. The active Coronado fault may abruptly stop within feet of the Embarcadero and not reach land or it may trend to the east of the project site. We do not have experience in fault interpretation using CPT data. However, we insist that an independent review of the fault investigation report prepared by Geocon Incorporated dated June 2006 be conducted by the City of San Diego Geologist, the State of California Division of Mines and Geology, and concerned citizens for this billion dollar-plus project as soon as possible. In addition, we did not see a continuous core boring in our limited review of the report, but continuous sampling to verify the CPT soundings may have been conducted.

Independent review of any geotechnical investigation report is the standard of care for the industry. Geotechnical investigation reports are required for construction projects in San Diego. All submitted geotechnical investigation reports including fault investigations for new construction projects within the City of San Diego are reviewed by the city engineer, and can be viewed anytime by citizens of San Diego as part of the public record. We are not asking for anything out of the ordinary. The developer stated that if the City of San Diego asks that the fault investigation report be turned in for review, they will comply with the request. Please ask the developer to submit their fault investigation report for the Navy Broadway Complex to the City of San Diego. As we stated in previous correspondence, according to the City of San Diego Project Submittal Manual and Information Bulletin 515, the June 2006 fault investigation report should have been turned in before CCDC were ever allowed to look at plans for the project. This project is in a redevelopment area and the city may provide some type of financing for the project. The City of San Diego does not have a copy of the fault investigation report, therefore, the city or concerned citizens cannot review the report or independently interpret the vast amount of data. We are disturbed by this fact.

For comparison, the City of Coronado and the State of California both had independent, appointed review boards to assess the 2006 fault investigation report prepared by Kleinfelder, Inc. for the Coronado tunnel project. The City of Coronado had its own review board consisting of its citizens, some of which were engineers. The State of California appointed experts in seismology and geotechnical earthquake engineering to a Coronado tunnel Technical Advisory Panel (TAP) to evaluate the Kleinfelder report. Kleinfelder was required to submit their draft fault investigation report to the City of Coronado and the State of California for comments and input. They were required to conduct meetings with the TAP to review the plan for their fault investigation and to present their fault investigation report to the Panel. The comments and input from the TAP were incorporated into the final fault investigation report for the Coronado tunnel project, which is still in its preliminary stage. This type of open, transparent, independent, thorough review of the fault

investigation report conducted by the City of Coronado is an example that the City of San Diego should follow.

In conclusion, we insist that the June 2006 fault investigation report be submitted to the City of San Diego for review and interpretation by the city geologist, the State of California Division of Mines and Geology, and concerned citizens. This will put the matter of the possible presence of a active fault to rest for all concerned. We will be awaiting your reply.

Regards,

Katheryn Rhodes and Conrad Hartsell, M.D.
371 San Fernando Street
San Diego, California 92106
(619) 523-4350
rhodes@laplayaheritage.com