REBUTTAL TO ARGUMENT AGAINST MEASURE T

The modest tax proposed for liquid storage tanks is fair and economically realistic.

Kinder Morgan, the current owner of the tank farm, was established in 1997 as a spinoff from Enron. Its web site claims that it is the "largest independent terminal operator in North America" with an enterprise value of $115 billion. It is a Fortune 500 company with over $300 million in profits and over 10,000 employees. A major function of its Brisbane terminal is the storage and transmission of jet fuel for San Francisco Airport, a need that is likely to be around for a long time.

Currently the Kinder Morgan tank farm pays to the City less than $1,300 annually in business license taxes and only $23,739 in property taxes. Other businesses such as Recology and the hotels pay millions of dollars in taxes. Kinder Morgan could easily afford to pay more in taxes so that it contributes its fair share.

The proposed tax will be phased in, and if sales taxes are collected from any of the oil companies who use the facility, they will offset Kinder Morgan's tax obligation. This tax is a modest effort to compensate for the originally promised continuous flow of sales tax revenue that never materialized.

Kinder Morgan has been more proactive in dealing with safety issues than previous owners. However, that should not exempt them from paying their fair share of the taxes that the City needs to provide essential public services.

Please vote yes on Measure T.

Signed: _____ Date: August 23, 2013
Ray Miller, Mayor