

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Environmental Health**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health and Human Services
Jill Pahl, R.E.H.S., Director of Environmental Health

DATE: May 27, 2008

SUBJECT: Aboveground Petroleum Storage Act – Environmental Health Grant Agreement

ACTION REQUESTED:

The Director of Environmental Health requests the following concerning the program implementation, enforcement, and administration of the Aboveground Petroleum Storage Act (APSA):

- a. Approve the attached Resolution authorizing Placer County to enter into an Grant Agreement with the State of California for implementation of the APSA with the entire amount provided by the State; and
- b. Authorize the Director of Health and Human Services or his designee to sign applications, agreements, invoices, and any amendments thereto for implementation of the APSA.

BACKGROUND:

On January 1, 1990 the APSA became effective. In general, the APSA requires owners or operators of aboveground petroleum storage tanks to file a storage statement, pay a biannual fee starting July 1, 1990, and implement measures to prevent spills. The State Water Resources Control Board and the nine Regional Water Quality Control Boards (State Boards) administered this program. The fees collected were deposited into the State Environmental Protection Trust Fund and were to be used for facility inspections, enforcement and clean up oversight by the Regional Water Quality Control Board staff. Local agencies, such as Placer County Environmental Health, that are State Certified Uniform Program Agencies (CUPAs) were previously only required to confirm that a spill prevention and countermeasure control plan was available.

The State Boards charged the following fees and the Trust Fund currently contains \$7,500,000.

Total Storage Capacity (gallons) per Facility	Fee Every 2 Years	# of Placer Facilities
<10,000	\$100	34
10,000 to 100,000	\$200	23
100,001 to 1,000,000	\$400	2
1,000,001 to 10,000,000	\$1,600	0
10,000,001 to 100,000,000	\$8,000	1
>100,000,000	\$30,000	0

The Trust Fund is to be divided between eighty-four CUPAs throughout the State. The Trust Fund has served as a depository for fees and penalties collected from owners and operators of aboveground storage tanks since 1990.

On January 1, 2008, Assembly Bill 1130 transferred responsibility for implementation, enforcement, and administration of the APSA from the State Boards to the CUPAs, due to the lack of program implementation by the State Boards. The law requires that the CUPA perform routine compliance inspections at tank facilities, and verify that spill prevention control and countermeasure plans have been adequately prepared. Of the funds collected from aboveground petroleum storage tank facilities by the State Boards, \$800,000 is allocated to a training account with the remaining Trust Funds allocated to CUPAs for implementation of the program. This allocation is implemented through a Grant Agreement.

This is a mandatory program that CUPAs are required to implement regardless of whether the funding is accepted. The amount of the Grant Agreement for Placer County's CUPA is \$68,106.96 and covers the two-year period from January 1, 2008 through December 31, 2009. After December 31, 2009, the County may implement fees and begin charging facilities for permitting, inspection, and enforcement services. Staff has primarily applied for salary and benefit expenses (\$57,000 of the total Grant Agreement). The Division will maximize the Grant Agreement and adjust inspections during the current three-year inspection cycle to reflect the funds available through the Grant Agreement. Once Grant Agreement funds have been exhausted, inspections will be postponed until a County fee revenue source has been established.

Division staff cannot conduct inspections until State Board training is received, and the certified inspector examinations are successfully completed. These trainings are yet to be scheduled. Until trainings are completed, staff will track non-inspection program activities which are allowed to be applied against the Grant Agreement.

It is estimated by the State Boards that there are sixty aboveground petroleum storage tank facilities in Placer County, excluding the City of Roseville which is its own CUPA. This is a very rough estimate by the State Boards. The allocation to each CUPA is calculated based on the number and the size of the aboveground petroleum storage tanks within each jurisdiction. The funding in Fiscal Year 2009-10 will be adjusted to actual facility numbers determined by the CUPAs. Division staff already inspects these facilities for other CUPA program areas and will use the first inspections to determine the necessary level of effort and calculate the future proposed necessary fee for implementation on January 1, 2010.

The APSA program requires inspections of all regulated facilities with 10,000 gallons or more of aggregate total volume at least once every three years. Of the sixty facilities identified by the State Boards only twenty-six require inspection. The thirty-four facilities with less than 10,000 gallons only require the annual tank facility statements and the development of a spill prevention control and countermeasure control plan. The Grant Agreement amount will cover all costs of implementing the program through December 31, 2009. The Division will conduct the minimal required inspections of once every three years.

APSA is a mandated program for all CUPAs. The County has the option to accept the Trust Fund allocation or implement the program without funding assistance. To be considered for funding, a Resolution and the signed Grant Agreement are due to the California Environmental Protection Agency by Tuesday, June 3, 2008.

FISCAL IMPACT:

This FY 2008-09 Grant Agreement funding in the amount of \$54,485.57 (80% of total two-year Grant Agreement) was not included in the Division's submitted Proposed Budget. A request will be made to include it in the FY 2008-09 Final Budget. The remainder of the funding will be distributed in FY 2009-10. The Division will be returning for Board for approval of future fees prior to January 1, 2010 to address the necessary cost of the minimal program implementation. There are no County General Funds required.

**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

Resolution No: _____

A resolution authorizing entering into an agreement with the State of California and designating a representative to sign the agreement and any amendments thereto for implementation of the Aboveground Petroleum Storage Tank Act (APSA).

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held **May 27, 2008** by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest: _____
Clerk of said Board

The Board of Supervisors of the County of Placer, State of California, does hereby resolve that:

WHEREAS, the State of California Environmental Protection Agency (CalEPA) has made available \$68,106.96 to Placer County Environmental Health Certified Unified Permitting Agency (CUPA) to implement the Aboveground Petroleum Storage Act (APSA) program, and

WHEREAS, Placer County Environmental Health CUPA shall use these grant funds pursuant to California Health and Safety Code, Section 25270.11 and per the grant agreement, and any amendment with CalEPA to implement the requirements of the APSA,

NOW, THEREFORE, BE IT RESOLVED that the Placer County Board of Supervisors authorizes entering into a grant agreement with CalEPA for the APSA Grant for the period from January 1, 2008 through December 31, 2009.

BE IT FURTHER RESOLVED that the Placer County Board of Supervisors has authorized the Director of Health and Human Services, or designee, to execute and amend the grant agreement with CalEPA for implementation of the APSA.

